But those same pioneers, trained in the Calvinistic doctrine: "Without the shedding of blood there is no remission", built each for himself the bridge of hard work and self-sacrifice to the far shore of economic security. He did not expect nor did he ask the Government to build for him a personal bridge to the more abundant life. Those pioneers did not dedicate their glorious hymn "Come thou fount of every blessing, tune my heart to sing thy praise" to the dispensers of Federal bounties.

During the past six years the Congress has been busily engaged in the building of economic bridges. With the best of intentions we have fabricated various and sundry laws designed to improve the economic condition of selected groups. But we should frankly admit that if the practical effect of bridges of that type is to shift the hardships of life from the backs of one group to those of another the essential quality of such bridges is changed in degree but not in kind from the bridges of the Roman Emperors used by their armies to bring slaves to the Palatine Hills and tribute to the Roman coffers. Some of the old Roman Senators living in palatial homes on the outskirts of Rome had as many as 20,000 slaves. The struggle to gain power and influence for the purpose of shifting the hardships of labor to the backs of others is as old as the human race. No law that Congress can pass can change or repeal the law laid down to Adam and Eve when driven from the Garden of Eden: "In the sweat of thy face shalt thou eat bread, 'til thou return unto the ground." If we eat, someone must labor. If we accumulate wealth, someone must work. There is no bridge back to the Garden of Eden and no substitute for labor in the creation of wealth and a higher standard of living. Yet the Congress at this moment is confronted with the demand that we extract by means of a 2% Federal Sales Tax, from those who are laboring and producing, the aggregate of twelve or thirteen billion dollars per year in addition to present Federal sales taxes that produce a billion dollars annually and the sales taxes of some 27 States. This twelve or thirteen billion dollars of additional tax money is to be distributed to those of our population who are sixty years of age or more on the condition that they thereafter cease from gainful employment, and on the theory that the redistribution of wealth is one and the same with the creation of wealth. Tax experts estimate that already government is imposing on the working man concealed taxes that consume 15% of his cash income.

A I have previously indicated, the years immediately following the World War were devoted to the building of prosperity bridges—a grossly materialistic age. Then came the big depression, since which time our thoughts have been centered on recovery, but largely a recovery of material things. Little attention has been paid to recovery of moral fiber, to the recovery of independence and self-reliance, to recovery of the spirit of the pioneers—the spirit of those who discovered this Valley in 1716; the spirit of the Scotch-Irish and Pennsylvania Germans who shortly thereafter came down to settle and develop it. The national deficit in those qualities of heart should give us as great concern as the deficits in our national budget.

And certainly all of us should be concerned over our inability to build a bridge to peace. The Prince of Peace gave us the plans and specifications nearly 2,000 years ago, but no nation has ever been able to build a bridge that will carry us over to the Land where Perpetual Peace hath spread her white wings. We fought against autocracy with the vain hope that it would be a war to end wars. We framed the League of Nations and the Kellogg Pact, but we can't praise those bridges because they did not carry us over. We are not only still paying for the World War that was fought, but, as Secretary Hull recently said, "the world is now engaged in paying for a war that has not been fought." Until the threat of that impending struggle has been lifted from our minds and hearts we will continue to have billion dollar defense bills; we will continue to have subsidies for agriculture in lieu of free and open foreign markets for surplus production; we will continue to have relief jobs of Government-made work; we will continue to have group struggles to shift the hardships of life from one group of shoulders to those of another.

We have, in the United States, and have had for many years, a standard of living higher than that of any other country in the world. The people of the United States have been led to believe that we can always have a standard of living higher than that of any other country of the world, but I am not so sure this theory is sound. Certainly, it is not sound if any considerable percentage of the population is looking to the Government to provide it. "Go West" was Horace Greeley's advice to the young men of his day, but we have already gone west and no longer is there free land for either the migrant farm labrorer or the city worker out of a job. The development of rich coal fields, the discovery of rich oil wells brought in new wealth, but in the future we cannot safely depend upon tapping new and hitherto undeveloped natural resources. Farm chemistry may discover new wealth in cornstalks and other farm products now wasted, or means for the profitable manufacture of textiles from soy beans or other vegetable crops, but that is speculative. We can now sit by our own fireside and hear the message of Hitler to the German people at the time it is delivered. And by the same token we can read the economic effect of what he proposes to do on the ticker tape in every broker's office. In a word, the whole world is now one economic unit. All the rest of the world is making sacrifices and it is not clear to me how we can avoid making sacrifices. Under the leadership of Napoleon the people of France made sacrifices for the dream of Napoleon to bring peace to Europe through the domination of all European countries by the French armies. But Waterloo proved the fallacy of a peace based upon the sword. And if Mr. Hitler seeks to bring peace to Germany in the same manner he likewise will meet his Waterloo. Yet the fact remains that without peace there can be no satisfactory standard of living either here or abroad and to achieve peace sacrifices of some type must be made.

When we find a way to build the bridge of peace that will carry us over we will have lifted the shadows from the road ahead and can say in the dying words of our great Stonewall Jackson: "Let us cross over the river and rest in the shade of the trees."

SENATE

THURSDAY, SEPTEMBER 1, 1966

The Senate met at 10 o'clock a.m., and was called to order by the Vice President.

Rev. Lester K. Welch, minister, Christ Methodist Church, Washington, D.C., offered the following prayer:

Our Father, in this destined fraught hour in our national life, we pause to hear what Thy spirit hath to say to our minds at his time. We would be attentive to Thy voice. We would be sensitive to Thy will. We would be obedient to Thy command, and we would ask no favor or glory other than the consciousness of having done that which is right.

We rejoice in the fact that Thou art forever calling us to new and greater expanding horizons of service. Grant us that unanimity of spirit that makes all men brothers in their search for the nobler life. Bless us in our common task to fashion a better America, not only for ourselves but our children's children and those who are yet unborn.

To this cause, our Father, we consecrate ourselves afresh in the great confidence that He who has led us safely thus far shall surely lead us on. In the name of Christ, His Son, we pray. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, August 31, 1966, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 3, Public Law 88-606, the Speaker had appointed Mr. RIVERS of Alaska as a member of the Public Land Law Review Commission, to fill the existing vacancy thereon, vice Mr. O'BRIEN, of New York, excused.

The message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3418) to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

The message also announced that the House had passed the bill (S. 2338) to authorize the erection of a memorial in the District of Columbia to Gen. John J. Pershing, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H.R. 4861) to direct the Secretary of the Interior to convey certain lands in Boulder County, Colo., to W. F. Stover.

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

H.R. 12723. An act to amend section 612 (h) of title 38, United States Code, to provide for the furnishing of drugs and medicines to veterans receiving additional pension under old pension law provisions based on need for regular aid and attendance; and

H.R. 15963. An act to establish a Department of Transportation, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to

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the following enrolled bills, and they were signed by the Vice President:

S. 3155. An act to authorize appropriations for the fiscal years 1968 and 1969 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3418. An act to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 12723. An act to amend section 612(h) of title 38, United States Code, to provide for the furnishing of drugs and medicines to veterans receiving additional pension under old pension law provisions based on need for regular aid and attendance; to the Committee on Labor and Public Welfare.

H.R. 15963. An act to establish a Department of Transportation, and for other purposes; to the Committee on Government Operations.

EXECUTIVE COMMUNICATIONS, ETC.

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

AUTHORIZATION OF THE APPROPRIATION OF AN INCREASED CONTRIBUTION BY THE UNITED STATES FOR SUPPORT OF THE INTERNATIONAL BUREAU FOR THE PUBLICATION OF CUSTOMS TARIFFS

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize the appropriation of an increased contribution by the United States for the support of the International Bureau for the Publication of Customs Tariffs (with an accompanying paper); to the Committee on Foreign Relations.

REPORT OF COMPTROLLER GENERAL

A letter from the Acting Comptroller General of the United States, transmitting, pursuant to law, a report on review of charges for Government-owned quarters at Mount Edgecumbe, Alaska, Public Health Service, Department of Health, Education, and Welfare, dated August 1966 (with an accompanying report); to the Committee on Government Operations.

REPORT ON TORT CLAIMS PAID BY THE PEACE CORPS

A letter from the Director, Peace Corps, Washington, D.C., transmitting, pursuant to law, a report on tort claims paid by that Department, during fiscal year 1966 (with an accompanying report); to the Committee on the Judiciary.

REPORT ON EXPIRATION OF LICENSE ISSUED UNDER FEDERAL POWER ACT

A letter from the Chairman, Federal Power Commission, Washington, D.C., reporting, pursuant to law, on the expiration of a license issued to the Empire District Electric Co., under the Federal Power Act, as of August 31, 1968; to the Committee on Commerce.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking and Currency, without amendment:

S. 2973. A bill to permit Edward C. Bower to serve as a director of the Virgin Islands National Bank prior to his obtaining U.S. citizenship (Rept. No. 1584).

By Mr. PROXMIRE, from the Committee on Banking and Currency, with an amendment:

S. 3695. A bill to amend the Small Business Investment act of 1958, and for other purposes (Rept. No. 1585).

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 3675. A bill to amend title V of the International Claims Settlement Act of 1949 to provide for the determination of the amounts of claims of nationals of the United States against the Chinese Communist regime (Rept. No. 1586).

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. KUCHEL:

S. 3793. A bill to authorize the Secretary of the Interior to reimburse part of certain fishery permit fees paid to foreign countries by U.S. fishermen; to the Committee on Commerce.

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

By Mr. JAVITS:

S. 3794. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by section 8(f) of such act to employers and employees in the construction industry; to the Committee on Labor and Public Welfare.

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

By Mr. MORSE (by request):

S. 3795. A bill to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes; to the Committee on the District of Columbia.

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

By Mr. SCOTT:

S. 3796. A bill for the relief of certain individuals; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3797. A bill to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided; to the Committee on Finance.

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

By Mr. TYDINGS:

S. 3798. A bill to provide for an appraisal investigation and study of the coasts of the United States and the shorelines of the Great Lakes in order to determine areas where erosion represents a serious problem; to the Committee on Public Works.

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

By Mr. ALLOTT (for himself and Mr. DOMINICK) (by request):

S. 3799. A bill to regulate certain procedures of congressional investigating committees; to the Committee on Rules and Administration.

By Mr. CURTIS:

S. 3800. A bill to provide for the payment of expenses incurred by members of the uniformed services in traveling home under emergency leave or prior to shipment outside the United States; to the Committee on Armed Services.

By Mr. MONDALE (for himself, Mr. KENNEDY of New York, and Mr. JAVITS):

S.J. Res. 191. Joint resolution providing for Federal participation in the construction of an addition to the Franklin D. Roosevelt Library as a memorial to Eleanor Roosevelt; to the Committee on Rules and Administration.

By Mr. KUCHEL (for himself and Mr. KENNEDY of New York):

S.J. Res. 192. Joint resolution to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established; to the Committee on Interior and Insular Affairs.

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

LIMITATION ON STATEMENTS DURING THE 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.

A BILL TO PROVIDE REIMBURSEMENT FOR A PORTION OF CERTAIN FISHERY PERMIT FEES PAID TO FOREIGN COUNTRIES BY AMERICAN FISHERMEN

Mr. KUCHEL. Mr. President, the entire American fishing industry is imperiled by the increasing pressure of foreign nations on the fishery resources of the high seas. Off the Pacific coast Soviet factory fleets are plundering the spawning beds of perch and hake on the Continental Shelf, nor have they been strangers to the traditional fisheries of the Atlantic, nor of any other part of the world. Other nations are not far behind in developing their fishing fleets. Indeed, we are reaching the point when all of the nations of the world must either join together to provide for an equitable sharing of the resources of the seas or we must face a growing anarchy, brutal competition for fish supplies, and the kind of piracy we have experienced off the coast of Latin America.

Since the early part of this century, American fishermen have been carefully developing the tuna fisheries of the South Pacific off the western coast of Latin America. I have on many occasions spoken in this Chamber of the problems encountered in recent years by our fishermen in the peaceful pursuit of this activity. In two recent incidents in May of 1966 and December of 1965, naval vessels of Peru, which claims as national waters a zone stretching 200 miles from its coastline, detained and took into port American tuna vessels on the ground that the vessels were invading the Peruvian territorial seas. I have called in vain for measures to prevent recurrence of these highhanded acts, by calling for stoppages of foreign aid and naval protection. Neither recourse has proved availing.

Last year I was joined by a number of my fellow Senators, both Republicans

and Democrats, in successfully offering an amendment to the Foreign Assistance Act of 1965 to provide that no aid would be extended to any country imposing penalties on the U.S. fishing vessels in regions beyond the equivalent territorial limits of the United States. I regret that the House-Senate conferees on that bill weakened the Senate position by simply permitting the President to have discretion in that matter. My amendment was an unequivocating mandate and the intent of the Senate was clear—it is the duty of the American Government to protect fishing vessels on the high seas. But its teeth were pulled in the conference.

Since that time I have been in consultation with the Department of State in an effort to find an equitable solution to this problem. Naval convoy of our fishing vessels would be costly. The administration contends that, in view of our security interests in Latin America, we cannot withdraw aid to nations for interference with our tuna fleet. While I do not necessarily agree with the latter argument, I believe there is another approach which merits attention—a workable system of licensing to include reimbursement for licensing costs incurred in areas where the U.S. Government is unable to protect American fishermen on the high seas.

Following consultation with representatives of the fishing industry, I have drawn up the following proposal which would authorize the Secretary of the Interior to reimburse citizens of the United States for a part of the fishery permit fees paid by them to any foreign country in connection with the employment of American vessels in a traditional fishery of the United States. The cost of this payment would be deferred from duties earned from the gross receipts of custom duties collected on fish and fisheries products entering the United States. My bill would set aside 10 percent of those funds for this purpose, a rate which is estimated to yield about $1½ million annually. It would not alter or interfere with other special uses of these funds. Thus the $300 million tuna industry would be preserved by a tax imposed on competing imports of foreign fish and fisheries products.

It is estimated that 1 ton of tuna landed in the United States yields $1,500 in value to our national income. This industry is critical to the nutrition of the United States and to the population of fishing ports of my own State of California and other States as well. It is vital that we preserve our traditional fisheries in this hemisphere. The United States cannot yield to the claims of foreign nations who wish to extend their fishing limits unreasonably into the high seas. Nor can we impose our views or accept a negotiating position which would prejudice our own hopes for a uniform system of territorial limits.

It should be obvious that we should not and will not continue this conflict in a manner which would bring us into a state of war with any of our neighbors.

The soundest and most economical course is for us to provide a self-supporting system of reimbursement of the costs of fishing in waters claimed by foreign nations, at least until such time as we can make final settlement of the greater international fisheries question.

Mr. President, I introduce the bill to authorize the Secretary of the Interior to reimburse American fishermen for a portion of fishery permit fees paid to foreign countries. I ask unanimous consent that the bill be printed in the RECORD, and I ask that the bill be appropriately referred for consideration.

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

The bill (S. 3793) to authorize the Secretary of the Interior to reimburse part of certain fishery permit fees paid to foreign countries by U.S. fishermen, introduced by Mr. KUCHEL, was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 3793

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION

SECTION 1. The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to reimburse, in accordance with the provisions of this Act, any citizen of the United States for a part of the fishery permit fees paid by such citizen to any foreign country in connection with the employment of a vessel and fishing gear owned by such citizen in a traditional fishery of the United States. For the purposes of this Act the term "fishery permit fees" shall include a license or other similar fee and related costs. Such reimbursement shall be made upon application therefor. The Secretary may enter into contracts to make such reimbursement over such periods of time, not in excess of one year, as he may determine. Such reimbursement shall be made for amounts paid at any time after the final determination of "traditional fisheries of the United States" pursuant to section 4.

APPLICATIONS

SEC. 2. (a) Application for reimbursement pursuant to this Act shall be in such form and contain such information as is prescribed by the Secretary, including proof satisfactory to the Secretary, that—

(1) the applicant is a citizen of the United States;

(2) the vessel and fishing gear on behalf of which payments to be reimbursed were made is owned by such applicant;

(3) such vessel is documented or certificated under the laws of the United States; and

(4) the payments to be reimbursed were made to fish in a traditional fishery of the United States, as determined pursuant to section 4.

(b) The Secretary shall approve any application which meets the requirements of subsection (a) if he determines that the continued operation of such vessel as a fishing vessel is necessary to promote the flow of domestically produced fishery products in commerce.

(c) When used in this Act, the term "citizen of the United States" includes a corporation if it is a citizen of the United States within the meaning of section 27A of the Merchant Marine Act, 1920, as amended (46 U.S.C. 883-1), and includes a partnership or association if it is a citizen of the United States within the meaning of section 2 of the Shipping Act, 1916, as amended (46 U.S.C. 802).

PAYMENTS

SEC. 3. Payments as reimbursement of fishery permit fees pursuant to this Act shall amount to such percentage, not in excess of 60 and not less than 40, of such fees paid as is determined for each fiscal year by the Secretary on the basis of amounts available for the purposes of this Act and the need for such payments to promote the flow of domestically produced fishery products in commerce. The amount of such payments in the case of each approved application shall be determined on the basis of a final accounting made as soon as practicable after the end of each fiscal year or other period determined by the Secretary. Payments may be made in such amounts as the Secretary may determine, in advance of or after such accounting, but any advance payments shall be made subject to such requirements as will assure return of any overpayments.

DETERMINATION OF TRADITIONAL FISHERIES OF THE UNITED STATES

SEC. 4. (a) The Secretary of State, in cooperation with the Secretary, and in consultation with the affected foreign countries, shall ascertain the extent and manner in which vessels of the United States engaged in fisheries have during such period prceeding the enactment of this Act as is appropriate, conducted their fishery within zones that have as their inner boundary the baseline of the territorial sea of the affected foreign countries and as their seaward boundary a line drawn so that each point on the line is twelve nautical miles from the nearest point on the inner boundary.

(b) Upon the completion of such study, the Secretary shall cause to be published in the Federal Register a general notice of proposed rulemaking and finding with respect to what fisheries of the United States are to be considered for purposes of this Act a "traditional fishery of the United States", and shall afford interested persons an opportunity to participate in such rulemaking and finding through (1) submission of written data, views or arguments, and (2) oral presentation at a public hearing. Such rules and findings shall be published in the Federal Register and shall be accompanied by a statement of the considerations involved in the determination thereof.

FUND AUTHORIZATION

SEC. 5. (a) Effective July 1, 1967, the first sentence of section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c) is amended by inserting before the period at the end thereof a comma and the following: "except that with respect to gross receipts from such duties on fishery products (including fish, shellfish, mollusks, crustacea, and other aquatic plants and animals, and any products thereof, including processed and manufactured products) such amount shall be equal to 40 per centum thereof".

(b) The Secretary of Agriculture shall transfer to the Secretary of the Interior each fiscal year, beginning with the fiscal year commencing July 1, 1967, and ending with the fiscal year terminating June 30, 1972, from moneys made available pursuant to such section 32 an amount equal to 10 per centum of the gross receipts from duties collected under the customs laws on fishery products (including fish, shellfish, mollusks, crustacea, and other aquatic plants and animals, and any products thereof, including processed and manufactured products), which shall be maintained in a separate fund and shall be available to the Secretary for payments pursuant to this Act.

(c) The Secretary shall make a report to the appropriate committees of Congress annually on the use of the separate fund created under this section.

ADVISORY COMMITTEE

SEC. 6. In carrying out the purposes and objectives of this Act, the Secretary is authorized to appoint an advisory committee composed of representatives of the United States fisheries industry to advise him in the formulation of policy, rules, and regulations pertaining to the applications for payments and other matters material and relevant thereto.

AMENDING THE NATIONAL LABOR RELATIONS ACT TO PROVIDE SPECIAL TREATMENT FOR THE PERFORMING ARTS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by the act to employers and employees in the construction industry.

Mr. President, in 1959 the Congress recognized—with bipartisan support—that there are some industries in which the labor force is so transient on a particular job that the ordinary delays inherent in collective bargaining might make labor negotiations practically impossible. This was found to be particularly true in the construction industry. Accordingly, the Congress, in its wisdom, permitted construction unions and construction companies to sign contracts before a particular construction job got underway—thereby permitting the contractor to know his costs in advance and permitting the union to feel secure and not have to engage in work stoppages which could be disastrous to the construction project.

The very same conditions apply in the theater. Theatrical productions often last no longer than construction jobs. In the theater, as in construction, a 30-day delay in the effectiveness of a union shop agreement could completely undermine union security. And a strike on opening night would be a disaster for all concerned. Accordingly, it is my view that the theater is entitled to the same treatment we have previously given construction unions—at least in the two respects I have just mentioned.

This bill would permit unions and employers in the performing arts, as construction unions and construction contractors now lawfully may, first, to sign "prehire agreements," which may become effective before a representative number of employees has been hired, and second, to include, in such agreements, union shop provisions effective after 7 days of employment, in contrast to the 30 day union shop contract customary in other industries.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD at this point.

I also ask consent that the bill be held at the desk for 10 days to permit other Senators to join as cosponsors.

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

The bill (S. 3794) to amend the National Labor Relations Act to give employers and performers in the performing arts rights similar to those given by section 8(f) of such act to employers and employees in the construction industry, introduced by Mr. JAVITS, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 3794

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 8(f) of the National Labor Relations Act is amended by inserting "(1)" and "(f)", and by adding the following subparagraph (2) at the end of subsection (f):

"(2) It shall not be an unfair labor practice under subsections (a) and (b) of this section for an employer engaged primarily in the performing arts to make an agreement covering employees engaged (or who, upon their employment, will be engaged) in the performing arts with a labor organization of which performing artists are members (not established, maintained, or assisted by any action defined in section 8(a) of this Act as an unfair labor practice) because (1) the majority status of such labor organization has not been established under the provisions of section 9 of this Act prior to the making of such agreement, or (2) such agreement requires as a condition of employment membership in such labor organization after the seventh day following the beginning of such employment or the effective date of the agreement, whichever is later: *Provided,* That nothing in this subsection shall set aside the final proviso of section 8(a)(3) of this Act: *Provided further,* That any agreement which would be invalid, but for clause (1) of this subsection, shall not be a bar to a petition filed pursuant to section 9(c) or 9(e)."

REGULATION IN THE DISTRICT OF COLUMBIA OF RETAIL INSTALLMENT SALES OF CONSUMER GOODS

Mr. MORSE. Mr. President, by request I introduce a bill to provide for the regulation in the District of Columbia of retail installment sales of consumer goods, other than motor vehicles and services, and for other purposes.

I ask unanimous consent that there be printed in the RECORD a letter from the District of Columbia Commissioners, signed by President Tobriner, speaking for the Commission, to the President of the U.S. Senate, setting forth the Commissioners' support of the bill, under date of March 25, 1966.

I introduce the bill only for purposes of study on the part of interested people. I will reintroduce the bill this coming January. There is no chance to have any hearings held on the bill before adjournment. But I do think the bill ought to be introduced and appropriately referred so that interested parties will know its contents and be ready to present their respective positions on the bill this coming January.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3795) to provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes, introduced by Mr. MORSE, by request, was received, read twice by its title, and referred to the Committee on the District of Columbia.

The letter, presented by Mr. MORSE, is as follows:

MARCH 25, 1966.

THE PRESIDENT,
U.S. Senate,
Washington, D.C.

MY DEAR MR. PRESIDENT: The Commissioners have the honor to submit a bill "To provide for the regulation in the District of Columbia of retail installment sales of consumer goods (other than motor vehicles) and services, and for other purposes."

In April, 1964, the Board of Commissioners took notice of the case of *Ora Lee Williams* v. *Walker-Thomas Furniture Company* (198 A. 2d 914), decided on March 30, 1964, by the District of Columbia Court of Appeals, involving a relief recipient who had entered into a series of installment contracts with a local merchant. Each of the contracts provided, in fine print, that the payments on such contracts were to be prorated on all purchases made thereunder, and that no title was to vest in the purchaser until all of the contracts were paid in full. The purchaser defaulted on the last few payments under the last of these contracts, and the seller of the goods repossessed all of the items purchased under all of the contracts. The District of Columbia Court of Appeals, in affirming the judgment for the seller in a replevin action against the buyer of the personal property, after commenting on the seller's full knowledge of the financial situation of the buyer (a relief recipient who had to house, feed, and clothe herself and her seven children on a welfare payment of $218 per month), made the following statement:

"We cannot condemn too strongly appellee's conduct. It raises serious questions of sharp practice and irresponsible business dealings. A review of the legislation in the District of Columbia affecting retail sales and the pertinent decisions of the highest court in this jurisdiction disclose, however, no ground upon which this court can declare the contracts in question contrary to public policy. We note that were the Maryland Retail Installment Sales Act, Art. 83 §§ 128–153, or its equivalent, in force in the District of Columbia, we could grant appellant appropriate relief. We think Congress should consider corrective legislation to protect the public from such exploitive contracts as were utilized in the case at bar."[1]

When the foregoing statement by the District of Columbia Court of Appeals came to the attention of the Board of Commissioners, they directed the Corporation Counsel to take appropriate action to draft legislation to deal with the problem. The Corporation Counsel proceeded to organize a drafting committee consisting of representatives of the following organizations: Metropolitan Washington Board of Trade, Bar Association of the District of Columbia, Washington Bar Association, National Business League, Better Business Bureau of Metropolitan Washintgon.

The foregoing soon were joined by representatives of the Washington Urban League, the United Planning Organization, Neighborhood Legal Services Project, the Community Relations Committee of the Jewish Community Council, and numbers of other persons representing various groups and organizations, many of whom joined together to form

[1] The United States Court of Appeals, in *Ora Lee Williams* v. *Walker-Thomas Furniture Company,* decided August 11, 1965 (No. 18604), remanded the case to the trial court for further proceedings, with particular reference to the possible unconscionability of the contracts involved in the case.

an Ad Hoc Committee for Consumer Protection. The bill which has resulted from the extensive deliberations of these participants over a period of nearly two years can be said to represent the thinking of a very broad cross section of the community. A number of the provisions represent compromies between those participating in the preparation of the bill, and, while it is not unanimously approved by its drafters, nevertheless there is general agreement among them that the bill will effectively deal with the most serious problems arising in connection with the sale of consumer goods and services on the installment basis or under a revolving charge account agreement.

The proposed District of Columbia Retail Installment Sales Act is in part patterned somewhat after the Act approved April 22, 1960 (74 Stat. 69; title 40, chap. 9, D.C. Code), relating to the retail installment sales in the District of Columbia of motor vehicles, but adapted to be applicable to the retail sale of consumer goods (other than motor vehicles) and services. Initially, the proposed Act was intended to operate in essentially the same way as the Motor Vehicle Installment Sales Act; that is, it was to be only an enabling act authorizing the Commissioners of the District of Columbia to make detailed regulations relating to the installment sales of consumer goods and services. As work on the proposed Retail Installment Sales Act progressed, the drafting group recognized that if effective protection were to be given to buyers under retail installment sales contracts, it would be necessary for the proposed District of Columbia Retail Installment Sales Act in certain instances to supplement or supersede some of the provisions of the District of Columbia Uniform Commercial Code which became effective January 1, 1965 (hereafter, UCC). Section 28:10-103 of the UCC provides that—

"Except as provided by section 28:10-104, if any provision of law is inconsistent with this subtitle [the UCC], this subtitle shall govern unless this subtitle or the inconsistent provision of the other law specifically provides otherwise."

Unless, therefore, those provisions of the proposed Retail Installment Sales Act which are inconsistent with the UCC specifically negate or supplement any conflicting provisions of that Code, the UCC provision will prevail. Accordingly, sections 5 through 12 of the proposed Retail Installment Sales Act are designed to supplement or to supersede the UCC provisions specified in such sections.

The proposed Retail Installment Sales Act for the District of Columbia is essentially "disclosure-type" legislation; that is, it would enable the Commissioners to make regulations requiring sellers under retail installment contracts to make full disclosure to the buyers of all of the terms of any such contract. To this extent, the proposed legislation is designed to permit the buyer to protect himself against unconscionable business practices by requiring that he have all the facts placed before him by the seller. The bill does, however, require certain actions and prohibits still other actions for the purpose of affording to a buyer protection against practices which may operate to his detriment. These requirements and prohibitions are more fully discussed later in this report.

The short title of the proposed legislation, the "District of Columbia Retail Installment Sales Act", is set forth in the first section of the bill. Section 2 contains a number of definitions of which the more important, since they delimit the scope of the bill, are "retail installment transaction" and "revolving charge account agreement". These respectively read as follows:

"(7) 'Retail installment transaction' means any retail transaction between a retail seller and a retail buyer in which there is an agreement for the purchase of consumer goods or services, or both consumer goods and services, for which the price is to be paid in one or more deferred installments, and such term shall include any transaction involving a contract in the form of a bailment or a lease if the bailee or lessee contracts to pay compensation for the use of the consumer goods which are the subject of such contract and it is agreed that the bailee or lessee is bound to become, or, for no further, or a merely nominal, consideration, has the option, upon full compliance with the provisions of the bailment or lease, of becoming the owner of the consumer goods; except that the term shall not include any retail transaction in which the purchase price is to be paid in full within not more than 90 days from the initial billing date, and no security interest in the consumer goods is retained by the seller and no other collateral or security is required or accepted by the seller, and no service charge or other charge is made as consideration for the deferral of payment or extension of credit.

"(9) Revolving charge account agreement' means an agreement prescribing the terms of retail installment transactions which may from time to time take place thereunder and under which the buyer's periodic unpaid balance is payable in installments."

The exception set forth in the first of the foregoing definitions is intended to exclude from such definition those transactions which are essentially cash transactions, with the full amount to be paid within 30, 60, or 90 days, as the case may be, without a service or other charge, with no retention of a security interest in the consumer goods, and no other security is required or accepted by the seller.

Section 3 provides that the proposed legislation and regulations adopted by the Commissioners pursuant thereto are to be applicable to retail installment transactions which take place and retail installment contracts and revolving charge account agreements entered into on or after the effective date of the bill, notwithstanding any provisions in any such contract or agreement to the contrary.

Section 4 authorizes the Commissioners to make regulations generally designed to deal with unconscionable or deceptive practices which the Commissioners have reason to believe may be engaged in by a relatively few merchants in the District of Columbia, but involving a very considerable number of purchasers, particularly in the lower-income brackets. The provisions of this section are intended to permit the Commisioners to adopt regulations which would require the disclosure of all of the terms of the contract or agreement; the amount of any service charge or a statement of the basis on which any such charge is to be determined; the amounts to be charged for insurance premiums, delinquency charges, attorneys' fees, court costs, collection expenses, and recording or filing fees; and the types and maximum amounts of insurance which may be required of the retail buyer. The Commissioners' regulations may also govern the form, execution, and delivery of promissory notes and other instruments; require, subject to certain exceptions, that payments be in substantially equal amounts to prohibit the so-called "balloon installment";[2] specify the conditions under which contracts and agreements may be cancelled, and provide for the refund of payments and deposits made thereon; permit the acceleration of payments due under a retail installment contract and provide for the refund or crediting of unearned charges; govern the form and procedure to be followed in connection with the consolidation of purchases, and the allocation of installment payments to such purchases; and control the manner and methods of repossessing consumer goods, and the sale or disposition of such goods, including, without limitation, the redemption of such goods. This section also provides that no provision shall be inserted in any retail installment contract or revolving charge account agreement which will nullify and make ineffective the provisions of the bill or of the regulations adopted under its authority.

Section 5 is intended to limit the circumstances under which payments owed under a retail installment contract or revolving charge account agreement may be accelerated by the seller of the goods or services, the assignee of the contract or agreement, or the holder of a note arising out of such contract or agreement. These circumstances are the following:

1. The buyer has failed to make a payment or to perform in a manner required by such contract or agreement;

2. The buyer is evading the service of ordinary process by concealing himself or temporarily withdrawing himself from the District;

3. The buyer has removed or is about to remove some or all of his property from the District, so as to defeat just demands against him;

4. The buyer has assigned, conveyed, disposed of, or secreted, or is about to assign, convey, dispose of, or secrete his property with intent to hinder, delay, or defraud his creditors; or

5. The buyer fraudulently contracted the debt or incurred the obligation.

Section 6 authorizes the making of regulations by the Commissioners which would facilitate the buyer's establishing that the consumer goods or services he received were not those he contracted to buy, if such should be the case. The Commissioners have been informed of cases where the buyer did not receive the consumer goods for which he originally contracted; rather, he received a different and sometimes inferior product. Accordingly, this section provides that the Commissioners may by regulation require that retail installment contracts contain a more detailed description of such goods or services than is required by section 28:9-110 of the UCC, which merely provides that—

"For the purposes of this article [9-Secured transactions; sales of accounts, contract rights and chattel paper] any description of personal property or real estate is sufficient whether or not it is specific if it reasonably identifies what is described." (Bracketed language added).

Article 9 of the UCC in section 28:9-203(2), provides that—

"A transaction, although subject to this article, is also subject to chapter 20 of Title 2, relating to pawnbrokers, chapter 6 of Title 26, relating to moneylenders, chapter 7 of Title 40, relating to liens on motor vehicles and chapter 9 of Title 40, relating to installment sales of motor vehicles, and in the case of conflict between the provisions of this article and any such statute, the provisions of such statute control. Failure to comply with any applicable statute has only the effect which is specified therein."

In order, therefore, to provide that the proposed Retail Installment Sales Act will, to the extent of any conflict, supersede the provisions of article 9 of the UCC, section 7 of the proposed Retail Installment Sales Act amends section 28:9-203(2) of the UCC by inserting a reference to the proposed Act.

Section 8 is designed to supersede section 28:9-204 of the UCC. Under that section, a security agreement may provide that collateral, whenever required, can secure all obligations covered by such security agreement.

[2] A "balloon installment" is any installment—usually, but not necessarily, the final installment—which substantially exceeds the amount of any prior installment. Curran, Trends in Consumer Credit Legislation 97 (American Bar Foundation).

This provision of the UCC would allow a seller to include in a retail installment contract a provision that all goods acquired after the date of such contract shall be collateral to secure the obligation thereunder. In the belief that the application of this provision of the UCC could result in an unconscionable practice, section 8 provides that notwithstanding the cited section of the UCC—

". . . the consumer goods which are the subject of a retail installment contract shall serve as security only for the obligation arising out of the sale of such goods and related collection and default charges, and such goods shall not be made to secure any past or future advance or obligation of the buyer to the seller or to seller's assignee."

Section 9 provides that no retail installment contract or revolving charge account agreement may contain a provision by which the buyer agrees not to assert against an assignee a claim or defense arising out of the sale of the goods or services which are the subject matter of such contract or agreement. It also includes provisions stating that no claim or defense which would be cut off by negotiation is to be cut off by a provision in the contract or by transfer or negotiation to any third person of the contract or of a related promissory note unless such contract or note is accompanied by a certificate. This certificate, to be in such form as the Commissioners may by regulation prescribe, must be signed by both the buyer or seller or their respective representatives, stating that the consumer goods have been delivered to and received by the buyer or his representative and *appear* to be those consumer goods which were purchased. If the contract is one for services, such certificate must state that they have been completely performed in accordance with the terms of the contract. This section also provides that if a note be taken by the seller under a retail installment contract, such note shall refer to the contract, "and no subsequent holder shall be entitled to hold such note as a holder in due course unless the note or the contract out of which the note arose is accompanied by the [required] certificate". Thus, a holder of a note arising out of a retail installment contract is put on notice of that fact, and is not considered to be a holder in due course unless such contract is accompanied by the executed certificate indicating that the goods have been delivered or the services have been performed in accordance with the terms of such contract.

Section 9 further provides, however, that the execution of such certificate by the buyer does not estop him from asserting against the seller such defenses as the buyer may have against the seller. This would be in addition to any real defenses the buyer may have against the seller or any subsequent holder—those defenses which exist when a negotiable instrument lacks legal efficacy in its inception, as, for example, where there was forgery, where there was fraud in the execution, or where there was an illegality which makes the security void, as opposed to voidable.

Section 10 not only provides that a buyer shall be given a written receipt for any payment when made in cash, but also requires the seller or the holder of the contract to forward the buyer, at his written request, a written statement of the total amount of payments made by him or on his behalf during a period not exceeding three years prior to the date of the buyer's request. Such a statement is to be given the buyer without charge not more than once every six months, with additional statements to be made available at a charge not in excess of one dollar for each such additional statement. This section is designed to supersede section 28:9–208 of the UCC which, although providing that a debtor is entitled to a statement once every six months without charge, allows a charge of ten dollars for each additional statement.

Section 11 is designed to supplement section 28:9–504 of the UCC, governing the disposition of collateral after the debtor's default under a security agreement, by which is meant an agreement which provides for a security interest. A retail installment contract providing for such interest would be subject to the provisions of this section of the UCC. In case of any default by the buyer, the secured party under such agreement would be entitled to repossess the goods which were the subject of such contract. Section 28:9–504 provides that the secured party may sell, lease or otherwise dispose of any or all of the collateral. The proceeds of disposition are to be applied first to—"the reasonable expenses of retaking, holding, preparing for sale, selling and the like and, to the extent provided for in the agreement and not prohibited by law, the reasonable attorneys' fees and legal expenses incurred by the secured party."

This provision of the UCC seems to limit the demands which may be made on the defaulting buyer for the expenses specified in the quoted language to a sum which does not exceed the amount realized from the disposition of the collateral. However, in order to emphasize that this is the case, section 11 of the proposed Act provides that notwithstanding section 28:9–504 of the UCC—

". . . no debtor shall be liable for such expenses, attorneys' fees and legal expenses arising out of the retaking, holding, or resale of such goods as may exceed the amount realized from the sale of the collateral, nor shall any debtor be liable for any deficiency remaining after the disposition of the collateral in excess of the balance which, at the time of repossession of such collateral, remained unpaid under a retail installment contract or revolving charge account agreement . . ."

This section further provides, however, that nothing in it is to be construed to relieve the debtor of liability for reasonable costs in connection with the collection of a deficiency allowed to be recovered under the Act.

Section 28:9–507 of the UCC provides, among other things, that a debtor may recover from the secured party any loss caused by the failure of the secured party to comply with the provisions of part 5 of article 9 of the UCC, relating to procedures in case of default under a security agreement, with particular reference to the disposition of collateral. In an action brought by a debtor under the authority of paragraph (1) of this section to recover "an amount not less than the credit service charge plus ten per cent of the principal amount of the debt or the time price differential plus ten per cent of the cash price", section 12 of the proposed Act provides that "the prevailing party shall be entitled to reasonable attorneys' fees and legal expenses incurred by him which shall not, in the aggregate, exceed fifty per centum of the amount in issue. . . ." This section of the bill has for its purpose the providing of some incentive on the part of the buyer to proceed against the seller or the holder of the contract or the note arising out of such contract in those cases in which there is failure to observe the requirements of the applicable provisions of the UCC relating to the disposition of collateral. At the same time, the section is designed to discourage any such action by the buyer merely for a frivolous reason or for the purpose of harassing the seller of the goods or the holder of the contract or note, as the case may be.

Section 13 authorizes the Commissioners to delegate, with power to redelegate, any of the functions vested in them by the proposed Act, with the exception of the function of making regulations to carry out the purposes of the Act. Section 14 provides that no such regulation shall be adopted by the Commissioners until after a public hearing has been held on it. Section 15 provides that no person shall knowingly include any false information in any statement required or authorized by either the Act or the regulations adopted pursuant thereto. Section 16 provides a penalty of $500 or imprisonment for not more than six months, or both such fine or imprisonment, for the willful violation of any provision of the proposed Act. This section further provides that prosecutions for such violation shall be by the Corporation Counsel.

In addition to the criminal penalty provided by section 16 of the proposed Act, section 17 provides that in the case of failure by a seller to comply with the Act (except where there is inadvertence or a bona fide error), the seller is to be barred from recovering any service charge and any delinquency, collection, extension, deferral, or refinance charge which may be imposed in connection with a retail installment contract or revolving charge account agreement. This section further provides that the buyer is to have the right to recover from the seller an amount equal to any of such charges paid by the buyer either to the seller or to a subsequent holder, plus a reasonable attorney's fee not exceeding the amount recovered. This section is not, however, to be construed as relieving the buyer from paying to the seller or a subsequent holder of the contract or note an amount equal to the cash price of the consumer goods or services and the cost to the seller of any insurance included in the transaction.

Section 18 provides that the proposed Act is to be deemed to be additional and supplementary to the authority and power now vested in the Commissioners, and not to limit such authority and power. Section 19 is a separability provision, and section 20 provides that the effective date of the proposed Act shall be the first day of the first month which begins more than ninety days after the date of its approval.

The Commissioners believe that the attached proposed legislation will permit them to deal effectively with most of the problems arising from the practices of a relatively few merchants in connection with the sale of consumer goods and services on the installment basis. The Commissioners recognize that the bill does not deal with all of the problems which could be involved in sales of this kind. For example, the bill makes no provision for the licensing of sellers under arrangements of this kind, in the belief that any such requirement, at least at this stage, would be extremely burdensome in relation to the benefits which might be achieved. Neither does the bill establish maximum rates for credit service charges which may be made on installment sales or under revolving charge account agreements. The Commissioners do not feel it necessary, at this time, to recommend legislation dealing with these aspects of the problem. They prefer to withhold any such action until experience has indicated whether the attached proposed legislation can deal adequately with the problems arising out of the sale of consumer goods and services on the installment basis. Should experience indicate that some further action is indicated, the Commissioners plan, at such time, to review the matter to determine whether to recommend appropriate legislation. In the meantime, however, the Commissioners strongly urge the enactment of the attached draft bill as an initial step to deal with those problems in the retail installment sales field which they believe stem from the unconscionable merchandising practices of a relatively few of the merchants doing business in the District of Columbia.

Sincerely yours,

WALTER N. TOBRINER,
President, Board of Commissioners, D.C.

REIMBURSEMENT TO MEDICARE PATIENTS OF CERTAIN TRANSPORTATION EXPENSES

Mr. MONDALE. Mr. President, I introduce, for appropriate reference, a bill providing reimbursement to medicare patients for expenses incurred in obtaining transportation to and from a hospital or rehabilitation center for purposes of receiving the care of a therapist.

Essentially, this proposal is a simple, though significant, amendment to the program of health insurance for the elderly enacted by this Congress last year—Public Law 89–97.

As you know, Mr. President, the medicare bill provides, under both parts A and B, that an individual patient may receive a variety of types of rehabilitation therapy either in an appropriate institution or at home. My proposal seeks to enhance these important provisions in the original legislation by utilizing more efficiently and, therefore, more wisely the therapists' time. By making it possible for patients to travel to and from such centers at no personal expense, we will make it possible not only for therapists to serve a greater number of elderly patients, but also to offer to all their patients a higher quality of therapeutic assistance. All that is involved in this proposal is the elimination from Public Law 89–97 of the phrase stating that expenses for such therapeutic treatment can be paid by the program "but not including transportation of the individual in connection with any such item or service."

Every Member of the Senate is aware of the dire shortage of adequately trained and qualified medical personnel in this country. The probable worsening of that situation in the years just ahead is already too well documented. I sincerely believe that every possible step must be taken now to assure the fullest utilization of our medical manpower, thereby fulfilling the great promise which the medicare program holds.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3797) to amend title XVIII of the Social Security Act to permit payment thereunder, in the case of an individual otherwise eligible for home health services of the type which may be provided away from his home, for the costs of transportation to and from the place where such services are provided, introduced by Mr. MONDALE, was received, read twice by its title, and referred to the Committee on Finance.

BILL AUTHORIZING THE ARMY CORPS OF ENGINEERS TO UNDERTAKE AN APPRAISAL REPORT OF THE U.S. TIDAL AND GREAT LAKES SHORELINE

Mr. TYDINGS. Mr. President, I introduce, for appropriate reference, a bill that would authorize the Army Corps of Engineers to initiate a 3-year, $1 million appraisal report of our national tidal and Great Lakes shoreline, and ask that it lay on the table for 1 week for the convenience of other Senators who may wish to join as cosponsors.

Mr. President, the length of our national and Great Lakes shoreline exceeds 93,000 miles. This figure is almost one-half the distance to the moon and is slightly less than four times the circumference of the earth. Virtually every inch of this shoreline is the site of an ancient battle, the struggle between land and sea. Sometimes this conflict receives wide publicity, as in the aftermath of a severe coastal storm. It is then that we sadly read of the great human misery, loss of life, and destruction of property that accompanies these natural onslaughts. Yet, it is unrealistic to believe that storms alone are the major cause of severe coastal erosion. Indeed, in many areas of the United States it is the day-to-day erosion process—the hour-by-hour battle between land and sea—that is frequently the primary source of devastating coastal damages. The New York Times, for example, in its July 16 issue, carried an article entitled "The Atlantic Continues To Eat Away at a New Jersey Community After Claiming a Fourth of It."

This is the story of Cape May, a small community similar to many found along our coast. The relentless forces of the Atlantic have inflicted severe losses on the town. Two Roman Catholic convents, two lighthouses, a Coast Guard radar station and nearly a fourth of the land area of the town have been claimed by the sea. Cape May faces the same fate of the nearby borough of South Cape May which fell into the Atlantic less than 50 years ago, leaving only the road that led to it.

Many other areas of the United States are suffering similar annual losses. Each year, my own State of Maryland loses approximately 300 acres of land. This loss results not only in a decrease in acreage, but also in a reduction of agricultural, industrial, and recreational potential. Such losses, of course, diminish both the State and local tax base. The barrier beaches of North Carolina are under attack from both the daily erosion process and an occasional severe storm. It is estimated that if the forces of erosion remove this natural coastal defense, 1.5 million acres of forest and farmland will be destroyed. A fait accompli is demonstrated by Sharps Island in the Chesapeake Bay. In 1848, this island was 438 acres; today, erosion has reduced this to a mere sand bar.

Mr. President, we cannot afford these losses.

Recent Federal studies indicate that the normal, day-to-day coastal erosion process causes more than $31 million of damages yearly along the coastal region extending only from Texas to New England. This is a conservative estimate for this region, because it does not include any damages occurring on the Florida coast. Major storms and hurricanes along the Atlantic and gulf coasts annually inflict damages totalling approximately $83.3 million. Yet much of this damage would be prevented by the installation of proper protective structures.

Navigation, too, is seriously affected. Coastal erosion processes continually loosen and transport large quantities of beach materials. In many regions, the eroded materials tend to accumulate in harbors and shipping lanes, greatly hindering water transport. Approximately $11 million is spent annually for the removal of shoaling in the Gulf Intercoastal Waterway and in the tidal areas of the Charlestown, Columbia, Mississippi, and Savannah estuaries. A significant amount of this shoaling is attributable to coastal erosion.

Public and private recreational facilities also are severely damaged by shoreline erosion. Population trends indicate that the number of Americans living near the shore is continually increasing. Twenty-five percent of our population lives within 50 miles of the coast. Within 30 years, this population can be expected to double. All of us know that each year a greater number of people visit our beaches. The beaches of New Jersey are accessible to over 25 million people, and California's 5 largest cities are all within 20 miles of the ocean. With the ever-increasing demand for these recreational facilities, our shorefront losses become more expensive with each season.

Coastal erosion damages are not limited to one section of the country. Every region of our Nation is scarred by this process. Tillamook Bay, Oreg., has been the sight of considerable coastal erosion damages. Over 1,000 acres of valuable oyster beds have been destroyed. Parts of Tillamook Bay have been overrun by the sea, resulting in destruction of houses, roads, and utility lines. The damages in Mississippi occurring from just one storm have been described by a House document as having "undermined and destroyed a considerable portion of the pavement of U.S. Highway 90. Also destroyed were all the piers along the Harrison County shore, numerous homes, tourist cottages, seafood canneries, bridges, cafes, and other structures. The total damage from this storm along the Mississippi Gulf coast has been estimated at $18 million." Properly designed protective devices could have prevented a significant amount of these damages. In California, sections of the Port Hueneme shoreline receded 700 feet over a 10-year period. The Lake Erie shorefront of Ohio has been the scene of severe damages. Over a 20-year period, coastal erosion inflicted damages in excess of $18.5 million, destroying beaches, summer cottages, parks, and playgrounds. This figure does not even include the losses in Cleveland and Cuyahoga County.

We know much about the mechanics of the coastal erosion process. The forces of waves, winds, and currents are continually eating away at our beaches and coastlines. This deterioration is intensified by chemical weathering of the coastal materials. Littoral and other currents transport a significant amount of sand and eroded materials along a path that tends to parallel the shoreline.

For many areas of our coast, the amount of material that is removed by these forces is counterbalanced by the arrival of materials from another area. Thus, a dynamic stability exists, and there is no significant net change in the

coastal contour. In many regions, however, these two flows are unequal and an accretion or depletion of the shore results. Coastal erosion thus represents the net removal of beach materials from a given region. In many areas, coastal erosion constantly occurs, with storms tending to accelerate the rate of depletion. In other regions, normal coastal processes enlarge the beaches. However, even in these sections, one storm may remove an amount of material far in excess of what has been gradually accumulated, and erosion occurs.

Thirty States have tidal or Great Lakes shorelines. A breakdown of our coastline shows that our Atlantic States have a total tidal shoreline of 28,673 miles. Our continental Pacific States tidal shoreline totals 7,863 miles, while the Gulf States have a tidal shoreline of 17,141 miles. Alaska and Hawaii have tidal shorelines of 33,904 miles and 1,052 miles, respectively. The aggregate tidal shoreline of our Great Lakes States is approximately 4,776 miles. The total shoreline is in excess of 93,000 miles.

Mr. President, as I have pointed out, many regions of this coast are endangered by the erosion process. I feel action must be taken now to abate this costly advance of the sea.

The Federal Government has taken some action to help mitigate the ravages of coastal erosion. For example, the Government finances a substantial amount of research in this field. The Corps of Engineers is a pioneer in coastal erosion research. Their Coastal Engineering Research Center, located here in Washington, is increasing continually our knowledge of the mechanics of the erosion process and furthering our ability to protect our coasts. In addition to research, the Federal Government, under certain conditions, offers direct financial assistance for the construction of protective works on non-Federal property. The costs of works on Federal property are, of course, entirely federally funded. Our Government also sponsors coastal erosion studies of particular problem areas. Any of the 30 coastal States may request that the corps undertake an erosion study of a particular region along its shore. Each study concerns itself with a physiographic unit that is generally much smaller than the State's entire shoreline. Since 1930, a number of States have partaken in this program. They include Alabama, California, Georgia, Illinois, New Hampshire, New Jersey, Ohio, Texas, and Wisconsin. Approximately 23,000 miles of shoreline have or are presently being studied. But this leaves over 70,000 miles of coastline that have yet to be appraised. We simply do not know the extent of erosion along these shores.

A number of coastal States have promulgated their own programs to help with the problem. Maryland offers the private property owner direct financial assistance to lessen the burden imposed by the great costs of protective works. The State also provides advisory and technical assistance to the individual property owner. Ohio, Washington, and Connecticut have similar assistance programs. North Carolina, much to her credit, has undertaken a research program concerning the use of dunes for beach stabilization purposes.

Yet, despite such Federal and State activity, coastal erosion continues to inflict great damages upon our Nation. These damages, representing both social and economic losses, are difficult to measure precisely. We do know, however, that the present rate of destruction is so large that it can no longer be tolerated. The need for action is clearly evident. My bill, I believe, would be the essential first phase of this action.

Unfortunately, for a substantial percentage of our shoreline, insufficient information makes it impossible to take constructive action. We need to know more about many regions of the diverse coastline of New England, of the sandy beaches of the gulf and Pacific coasts, of the coral shores of the Hawaiian Islands, and of the tidewater backshore of the Carolinas. Maine, for example, has approximately 3,000 miles of eroding shoreline about which we know little. The corresponding figure for South Carolina is 2,000 miles, for Georgia 1,000 miles, for Louisiana 7,000 miles, for Texas 3,000 miles, for Washington 3,000 miles, for Alaska 5,000 miles, for Michigan 2,800 miles, for Massachusetts 1,000 miles, and for Oregon 1,000 miles. These are but a few of the many States with an actively eroding coast. In total, there are over 33,000 miles of shoreline that are experiencing significant degrees of coastal erosion and have not yet been investigated. Before we can even begin to appreciate the exact nature of the problem, much less take remedial action, we must obtain more information about these regions. This appraisal report would gather this information and would be the essential first step toward the ultimate solution.

One of the primary functions of this report would be to establish a priority system for future remedial action. Some areas of our unstudied shore are so impervious to the forces of erosion that no investigation is necessary. An example of such a region is the Bering Sea coastline of Alaska. However, as I have already stated, at least 33,000 miles of our shoreline are so vulnerable to the erosion process as to merit at least an investigation. A priority system would enable us to determine which of these areas demands the most immediate attention. Many factors will be taken into consideration when establishing the priority system. The physical rate of deterioration will be considered, as well as the economic, industrial, recreational, and agricultural losses attributable to the erosion. Furthermore, estimates of future population concentrations will play a significant role in determining the immediacy of the problem.

In addition to defining the magnitude of the problem, the report will include a general description of the most suitable type of remedial action. This description will not provide specific technical data, but rather a broad solution to the regions' problem. For some areas, the appraisal might indicate that a revetment would be the most effective protective measure. For other sections, a groin system, bulkhead, or jetty may be recommended. For still other regions, periodic beach nourishment or dune creation may be preferable.

No matter what form the recommended remedial measure may take, the estimated cost of the project will be included. For many areas, we can expect that the benefits resulting from the completed remedial structures will far exceed the estimated cost of the project: In these instances, a more detailed, technical study should be undertaken, leading to formulation of specific construction plans. For other regions, the extent of damages caused by the erosion may be less than the costs that must be incurred to prevent the encroachment of the sea. For these situations, no immediate action beyond this appraisal would be justified. It is only by these preliminary conclusions regarding the economic feasibility of the remedial works that a sensible, long-range coastal erosion abatement program can be enacted. Because coastal protection is exceptionally expensive, we should not plan to halt every inch of erosion taking place on our shore. Rather we can afford to stop only that erosion where the benefits gained outweigh the costs of the protective works. This appraisal report will greatly aid us in determining which areas merit protection.

In addition to providing this needed information, the appraisal would be an important step toward the establishment of a comprehensive inventory of existing structures, something very worthwhile in its own right. It is almost beyond belief that such a tabulation does not presently exist.

The appraisal would also provide information that would assist greatly the efforts of local governments to establish suitable zoning laws and building codes. Frequently, individuals, although possessing good intention, unknowingly take action that can only lead to coastal erosion damages. Ignorance is often manifested in the wanton bulldozing of protective dunes or the building of dwellings too near the shore.

Developers of ocean front properties often remove the protective dunes that are found along many of our beaches. Such action destroys nature's most effective means of defending the coastline. As soon as storm waves begin attacking these undefended shores, rapid erosion and flooding generally occur.

A lot by lot approach to the coastal erosion problem is another unfortunate occurrence that can only lead to unnecessary erosion damages. The forces of nature do not recognize private property lines. Any solution to a coastal erosion problem must consider the entire physiographic unit involved and not just a minor section of the shoreline. Many private property owners attempt to stop erosion along their shores without considering the effects of such action on their neighbor's property. Frequently, one individual's attempt to stabilize his

shorefront only leads to a new erosion problem along the shoreline adjacent to his. Appropriate codes and laws would prevent this lack of knowledge from leading to these needless tragedies.

This appraisal report will cost $1 million and will be completed within 3 years. I believe we must not only acknowledge the national scope of the coastal erosion problem, but begin to take the national action required for its solution.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

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

The bill (S. 3798) to provide for an appraisal investigation and study of the coasts of the United States and the shorelines of the Great Lakes in order to determine areas where erosion represents a serious problem, introduced by Mr. TYDINGS, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

S. 3798

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Chief of Engineers, Department of the Army, under the direction of the Secretary of the Army, shall make an appraisal investigation and study, including a review of any previous relevant studies and reports, of the Atlantic, Gulf and Pacific coasts of the United States, the coasts of Puerto Rico and the Virgin Islands, and the shorelines of the Great Lakes, including estuaries and bays connected with such lakes, for the purpose of (1) determining areas along such coasts and shorelines where significant erosion occurs; (2) identifying those areas where erosion presents a serious problem because the rate of erosion, considered in conjunction with economic, industrial, recreational, agricultural, navigational, demographic and other relevant factors, indicates that action to halt such erosion may be justified; (3) describing generally the most suitable type of remedial action for those areas that have a serious erosion problem; (4) providing preliminary cost estimates for such remedial action; (5) recommending priorities among the serious problem areas for action to stop erosion, and (6) providing State and local authorities with information and recommendations to assist the creation and implementation of State and local coasts and shoreline erosion programs. The Chief of Engineers shall submit to the President, the Congress, and the States, as soon as practicable, but not later than three years after the date of enactment of this Act, the results of such appraisal investigation and study, together with his recommendations.

SEC. 2. There are authorized to be appropriated such amounts, not to exceed $1,000,000, as may be necessary to carry out the provisions of this Act.

ALLIED HEALTH PROFESSIONS PERSONNEL TRAINING ACT OF 1966—AMENDMENTS

AMENDMENT NO. 787

Mr. JAVITS. Mr. President, I send to the desk an amendment to H.R. 13196, the Allied Health Professional Personnel Training Act of 1966. My proposal is directed at helping to relieve the critical—and growing—nurse shortage which is seriously threatening patient care throughout the Nation. I am introducing it as an amendment to a related, House-passed measure in order that the Congress might have an opportunity to act this year on one of the Nation's most pressing health problems.

My amendment would: First, establish a new scholarship program for needy nursing students; second, a new program to encourage young people to enter into the nursing profession; third, expand construction of nursing schools; and fourth, increase nursing school teaching improvement grants. The additional cost to the Government for all aspects of this program would be $21.1 million in the current fiscal year.

The nursing shortage is widespread and universal, striking both affluent and nonaffluent communities, the cities, the suburbs and the rural areas, seriously threatening patient care throughout the Nation. The life or death aspects of this critical problem were amply illustrated in recent newspaper reports on conditions in New York City municipal hospitals. In these articles physicians reported that practical nurses were forced to run entire wards on afternoons, evenings, and weekends due to the shortage of registered nurses, despite the fact that by law, practical nurses must work under the supervision of registered nurses. In some hospitals practical nurses were covering up to 12 wards apiece on some days without any supervision, presenting grave dangers to the health of patients.

The Department of Health, Education, and Welfare estimates the nurse shortage at 125,000. In New York City, for example, 25 percent of the registered nursing positions in 150 private hospitals are unfilled. For the city's 21 municipal hospitals, the situation is more drastic—60 percent of the positions are unfilled. The U.S. Army itself is short 3,650 nurses. A few years ago, it was estimated that 850,000 nurses would be needed by 1975; there is now some indication that this estimated need will be revised upward to 1 million. The legislation I am introducing today is designed to mobilize the resources needed to meet this shortage now, before it worsens.

The scholarship program envisioned by my bill is patterned after the educational opportunity grant program enacted last year by the Congress as a part of the Higher Education Act of 1965. By following this established pattern, I hope to minimize the controversy which might surround the establishment of a new program. Funded at $5 million for the current fiscal year, $10 million is authorized for each of fiscal years 1968 and 1969. Recipients of nursing scholarships would receive up to $800 annually, based on need, and those who prove themselves by ranking in the upper half of their nursing class would be awarded an additional $200. Nursing students could meet the balance of their schooling costs through the loan program established by the Nurses Training Act of 1964.

Federal scholarships for student nurses is one of the few remaining unfilled recommendations of the Surgeon General's Consultant Group on Nursing which issued its report, "Toward Quality in Nursing—Needs and Goals," in February 1963. Other principal recommendations in the report were brought to fruition in the Nurses Training Act of 1964.

The provision to encourage young people to enter nursing school is also patterned after a similar provision in the Higher Education Act of 1965. Under this part, the Secretary of Health, Education, and Welfare can enter into contracts with State and local educational agencies and other public or nonprofit organizations, for up to $100,000 annually, to encourage young people to undertake educational training in the field of nursing. Entries into nursing school are decreasing. To illustrate, in 1955, six girls were admitted to college for every one admitted to a professional nursing program of any type. By 1964 this ratio has changed to 9 to 1.

This amendment will be especially useful in recruiting young Negro girls for nursing. Although 11 percent of the population, Negroes comprise only 5 percent of the nursing profession. Nursing offers an excellent opportunity for these young people to expand their horizons and to fill a national need.

My amendment also expands the nursing school construction grants authorized by the Nurses Training Act of 1964, increasing the fiscal year 1967 authorization from $25 million to $40 million and increasing the fiscal year 1968 authorization from $25 million to $50 million. I propose leaving the fiscal year 1969 authorization open, so that Congress and the administration will be obliged to review the entire act a year earlier and thus evaluate and meet the needs as they appear at that time.

This expansion is very much needed. The Public Health Service indicates that if all the nursing school construction now authorized by law is completed, there still would be a shortage of at least 41,300 first-year places in nursing schools by 1972. Presently indicated requests for nursing school construction funds for the next 3 years are already $22.5 million beyond the amounts now authorized by law. And the actual needs are still greater. The Public Health Service tabulates the need for Federal construction funds for fiscal year 1969 at $284 million; for fiscal year 1970 at $154 million; for fiscal year 1971 at $206 million and $82 million for fiscal year 1972.

Another amendment to present law contained in my proposal would permit funds authorized for associate degree and diploma programs to be interchangeable with funds for baccalaureate and higher degree programs in instances where one program has insufficient applications and the other is underfunded. In practice, this would aid the 4-year schools where experience has shown that requests for

construction funds are in excess of the authorization and requests for diploma programs, on the other hand, fall short of the authorization.

Finally, to meet the needs of additional nursing schools, my proposal amends the Nurses Training Act to increase from $4 million to $5 million the authorization for teaching improvement grants for fiscal year 1968 and $5 million for fiscal year 1969. These grants enable public and nonpublic collegiate, associate degree, and diploma schools of nursing to strengthen, improve, and expand their programs of nursing education.

Because of the desperate need for a great number of highly trained nurses, today, and the certain acceleration of that need in the years ahead, I hope that the Senate will act favorably on this proposal.

The VICE PRESIDENT. The amendment will be received, printed, and appropriately referred.

The amendment (No. 787) was referred to the Committee on Labor and Public Welfare.

APPOINTMENTS BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair, pursuant to Senate Resolution 276, agreed to on Thursday, July 28, 1966, appoints Senators J. W. FULBRIGHT, EDMUND S. MUSKIE, and PAUL J. FANNIN to attend the Commonwealth Parliamentary Association Meeting, Ottawa, Canada, September 28 through October 4, 1966.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 1, 1966, he presented to the President of the United States the following enrolled bills:

S. 3005. An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce deaths and injuries occurring in such accidents;

S. 3052. An act to provide for a coordinated national highway program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes;

S. 3155. An act to authorize appropriations for the fiscal years 1968 and 1969 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3418. An act to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

WATERSHED PROJECTS APPROVED BY THE COMMITTEE ON PUBLIC WORKS

Mr. RANDOLPH. Mr. President, in order that the Members of the Senate and other interested parties may be advised of various projects approved by the Committee on Public Works, I ask unanimous consent for inclusion in the CONGRESSIONAL RECORD, information on this matter.

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

Projects approved by the Committee on Public Works on Aug. 30, 1966, under the Watershed Protection and Flood Prevention Act, Public Law 566, 83d Cong., as amended

Project	*Estimated Federal cost*
Bridge Creek–Ochlocknee River, Georgia	$888,059
Euharlee Creek, Georgia	1,928,300
Pine Log Tributary, Georgia	2,921,306
Sallacoa Creek Area, Georgia	3,744,150
Indian Creek, Indiana	1,204,499
Upper Big Blue River, Indiana	3,560,125
Three Mile Creek, Iowa	1,364,490
Upper Black Vermillion, Kansas	3,955,200
Cypress Black Bayou, Louisiana	4,070,885
Upper Bayou–Nezpique (Supplemental), Louisiana	4,445,248
East Branch of Sturgeon River, Michigan	198,443
Houlka Creek, Mississippi	3,393,227
Tallahaga Creek, Mississippi	2,387,440
Crow and Broad Canyons and Placitas Arroyo, New Mexico	2,890,885
Boundary Creek, North Dakota	1,180,899
Middle Branch Park River, North Dakota	2,473,091
South Fork Roanoke River, Virginia	1,950,096
Potomac Creek, Virginia	656,089
Otter Creek, Wisconsin	866,463
Total	44,078,895

EXECUTIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate proceeded to consider executive business.

The VICE PRESIDENT. If there be no reports of committees, the nomination on the Executive Calendar will be stated.

NATIONAL LABOR RELATIONS BOARD

The legislative clerk read the nomination of Gerald A. Brown, of California, to be a member of the National Labor Relations Board.

Mr. DOMINICK. Mr. President, I should like to make a brief statement on this matter.

Several of us on the Committee on Labor and Public Welfare examined Mr. Brown at some length. As I am sure the majority leader knows, some of the decisions—in fact, many of them—that Mr. Brown has participated in have been very controversial decisions.

After that hearing, I must say that we found no reason at all for objecting to Mr. Brown on personal grounds. I, for one, feel that some of his philosophical positions in connection with these decisions are not in accord with what I think is the more favorable method of handling labor-management relations.

I want to register this as a protest, but not as an objection, to his nomination.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

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

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

LEGISLATIVE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 1504 and the succeeding measures in sequence, up to and including Calendar No. 1516.

The VICE PRESIDENT. Without objection, it is so ordered.

EXTENSION OF 3 YEARS FOR PERIOD DURING WHICH EXTRACTS SUITABLE FOR TANNING MAY BE IMPORTED

The bill (H.R. 12328) to extend for 3 years the period during which certain extracts suitable for tanning may be imported free of duty, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1539), explaining the purposes of the bill.

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

PURPOSE

The purpose of H.R. 12328, as reported by your committee, is to extend for 3 years, until the close of September 30, 1969, the period during which certain extracts suitable for tanning may be imported free of duty.

GENERAL STATEMENT

Public Law 85–235 temporarily transferred from paragraph 38 of the dutiable list of the Tariff Act of 1930 to the free list of that act certain tanning extracts. Section 4 of Public Law 85–645 made special provision for eucalyptus extract in paragraph 1670(b), and Public Law 86–288 made special provision for hemlock extract in this free-list provision. The free treatment in each of the three public laws had a terminal date of September 28, 1960. Public Law 86–427, however, extended the terminal date to the close of September 30, 1963. It was further extended to the close of September 30, 1966, by Public Law 88–92. The present duty-free treatment is provided for under item 907.80 of the Tariff Schedules of the United States. Your committee's bill, H.R. 12328, would extend the suspension for another 3 years, to the close of September 30, 1969.

Among the considerations which led to the original suspensions of duties on these extracts were the following: The domestic tanning extract industry has been dependent upon domestic chestnut wood and bark for the domestic production of chestnut tanning extract, the only vegetable tanning material which has been produced in the United

States in significant quantity. Because of the blight which virtually wiped out the chestnut trees along the Appalachian Range, domestic firms producing tanning extracts have been unable to secure raw materials. The domestic availability of tanning extracts has steadily declined and the firms which had been engaged in extract production have largely gone into other fields of activity. Public Law 85-235 provided for the suspension of duties with respect to tanning extracts chiefly used in the United States for tanning purposes at the time of importation. Section 4 of Public Law 85-645 provided that eucalyptus extract should be classified under paragraph 1670(b) irrespective of its chief use, so long as it was suitable for use for tanning. Public Law 86-288 provided that hemlock extract be included subject to the same rule as that applicable to eucalyptus extract because it was believed that hemlock also might be found to be no longer chiefly used for tanning, although it was suitable for use for tanning.

In its report to your committee of May 13, 1966, the U.S. Tariff Commission has advised your committee as follows:

"The Commission has no information that would indicate that the considerations which led the Congress to suspend the duties on the tanning extracts are not also pertinent at present. The Commission is unaware of any complaints against the temporary duty-free treatment of these tanning extracts."

In addition to the report from the Tariff Commission, your committee has received favorable reports from the Departments of State, Treasury, Commerce, and the Bureau of the Budget on H.R. 12328.

In view of the above, your committee, like the Ways and Means Committee of the House, believes the additional 3-year suspension of duty that would be provided under H.R. 12328 is warranted.

TEMPORARY CONTINUATION OF EXISTING SUSPENSION OF DUTY ON CERTAIN ISTLE

The bill (H.R. 12461) to continue for a temporary period the existing suspension of duty on certain istle, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1540), explaining the purposes of the bill.

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

PURPOSE

The purpose of H.R. 12461 is to continue, until the close of September 5, 1969, the existing suspension on duty on processed istle fiber.

GENERAL STATEMENT

Crude istle fiber has always been afforded duty-free entry under the Tariff Act of 1930 (TSUS item 192.65). However, the processed fiber has been dutiable under the act at the rate of 20 percent ad valorem (TSUS item 192.70). Public Law 85-284, approved September 4, 1957, in effect suspended the duty applicable to processed fiber for a 3-year period expiring at the close of September 4, 1960. Public Law 86-456, approved May 13, 1960, and Public Law 88-90, approved August 8, 1963, have continued the suspension of the duty applicable to the processed fiber until the close of September 5, 1966. H.R. 12461 would amend item 903.90 of the Tariff Schedules of the United States to further extend the period for the suspension of the duty until the close of September 5, 1969.

Istle fiber is derived from several species of the agave plant which is indigenous to Mexico. It is one of the best known and most widely used of all vegetable brush fibers. Its principal use in the United States is in the manufacture of brushes.

The situation in 1957 at the time of enactment of Public Law 85-284 was that there was no domestic production of the raw fiber and an insignificant production of the processed fiber from imported raw fiber; that good grades of raw fiber were in short supply; and that the brush industry and importing interests indicated that the prices of processed fiber had risen, with resulting increases in the cost of production and in the prices of the finished product. The object of the suspension was to reduce the burden of higher prices on domestic users of the fibers and of the finished products. Your committee, like the Committee on Ways and Means of the House, is convinced that conditions continue to warrant the suspension of this duty.

Favorable reports with respect to H.R. 12461 have been received from the Departments of State, Treasury, and Commerce. An informative report was received from the U.S. Tariff Commission.

AMENDMENT OF CONNALLY HOT OIL ACT

The bill (H.R. 10860) to promote the general welfare, public policy, and security of the United States was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1544), explaining the purposes of the bill.

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

PURPOSE OF EXPLANATION

The bill, H.R. 10860, would amend the Connally Hot Oil Act (1935) (15 U.S.C. 715a(1)) to permit any State to ship in interstate commerce oil which it has acquired through confiscation or otherwise because of violation of its laws. Under existing law a State may confiscate oil produced in violation of State law but such oil may not be transported in interstate commerce.

BACKGROUND AND NEED

The Connally Hot Oil Act prohibits the shipment or transportation in interstate commerce from any State of contraband oil produced in such State. The U.S. Court of Appeals for the Fifth Circuit in *Hurley* v. *Federal Tender Board No. 1*, 108 F. 2d 574 (1939) held that States are not exempted from the Connally Hot Oil Act. As a result States that confiscate or otherwise acquire contraband oil can dispose of it in intrastate but not in interstate commerce.

At the time the Connally Act was enacted this limitation on the States posed no particular problem because there were a substantial number of markets exclusively within a State where oil could be sold for strictly intrastate distribution. But today it is virtually impossible to sell oil to a refinery and at the same time restrict its use to intrastate commerce. Interstate pipelines have been built to facilitate the movement of crude and refined products to large markets often at great distances from the State where it was produced. Once the oil is shipped by pipeline it is, as a practical matter, impossible to prevent that oil from entering interstate commerce either as crude oil itself, constituent parts thereof, or the products manufactured therefrom. The only truly intrastate markets available are sales directly to the consumer for limited uses such as oiling roads or firing boilers.

Some States reportedly have large accumulations of oil on hand which they are unable to dispose of or are unable to dispose of at a reasonable price. It has been estimated for example that the State of Texas has some 135,000 to 150,000 barrels of oil which cannot be sold at market price.

COST

It is anticipated that no cost to the Government will result from the passage of this bill.

The title was amended, so as to read: "An Act to amend the Connally Hot Oil Act by exempting States from certain provisions thereof."

AMENDMENT OF THE SHIP MORTGAGE ACT, 1920

The bill (H.R. 8000) to amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1545), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of H.R. 8000 is to reduce the cost of obtaining certified copies of certain mortgages to owners of non-self-propelled vessels and to eliminate the requirement for retaining those copies on such vessels.

BACKGROUND AND EXPLANATION

Under the Ship Mortgage Act of 1920 the owner of a vessel is required in the case of a preferred mortgage to place a certified copy of the mortgage on board the vessel to be mortgaged, which copy is to be available for exhibit to any interested person. The original mortgage is filed with the collector of customs at the home port of the vessel and a charge of 20 cents a folio—consisting of 100 words—is made for the certification of the copy to be placed aboard the vessel. In the case of a blanket mortgage on a considerable number of barges, the cost of certification has run as high as $28,000.

With respect to the requirement of maintenance of a certified copy aboard the vessel in the case of barges, this has given rise to a physical problem of storage and in view of the fact that it is extremely unlikely that anybody would seek to examine the copy, the retention of this requirement appears to be unnecessary. This bill would, therefore, eliminate the requirement of retention of the copy aboard a vessel which is not self-propelled.

With respect to the fee for certification, the bill provides that where there is a request for certification of more than 10 copies of a mortgage including more than 1 vessel, the fee for certification for each copy in excess of 10 shall be $1 per copy. In the case of the $28,000 fee hereinbefore referred to, the fee under this bill would be approximately $1,000 which representatives of the Bureau of Customs have indicated would be

a reasonable and compensatory charge for the service.

The requirements of the present law with respect to fees and retention of copies aboard barges appear to be unreasonable in the light of current practices and the committee accordingly recommends the enactment of H.R. 8000, which would reduce the fees to a reasonable amount and eliminate the requirement for carriage of certified copies of mortgages aboard barges.

COST

The enactment of the bill would entail no expense to the U.S. Government but the Customs Bureau states that the loss of revenue from the reduction of fees for certified copies of mortgages would be approximately $20,000 per year.

IMPROVEMENT OF AIDS TO NAVIGATION SERVICES OF THE COAST GUARD

The bill (S. 3715) to improve the aids to navigation services of the Coast Guard was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 3715

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 81 of title 14, United States Code, is amended to read as follows:

"§ 81. Aids to navigation authorized

"In order to aid navigation and to prevent disasters, collisions, and wrecks of vessels and aircraft, the Coast Guard may establish, maintain, and operate:

"(1) aids to maritime navigation required to serve the needs of the Armed Forces or of the commerce of the United States;

"(2) aids to air navigation required to serve the needs of the Armed Forces of the United States peculiar to warfare and primarily of military concern as determined by the Secretary of Defense or the Secretary of any department within the Department of Defense and as requested by any of those officials; and

"(3) electronic aids to navigation systems (a) required to serve the needs of the Armed Forces of the United States peculiar to warfare and primarily of military concern as determined by the Secretary of Defense or any department within the Department of Defense; or (b) required to serve the needs of the maritime commerce of the United States; or (c) required to serve the needs of the air commerce of the United States as requested by the Administrator of the Federal Aviation Agency.

These aids to navigation other than electronic aids to navigation systems shall be established and operated only within the United States, the waters above the Continental Shelf, the territories and possessions of the United States, the Trust Territory of the Pacific Islands, and beyond the territorial jurisdiction of the United States at places where naval or military bases of the United States are or may be located."

SEC. 2. Section 82 of title 14, United States Code, is amended to read as follows:

"§ 82. Cooperation with Administrator of the Federal Aviation Agency

"The Coast Guard, in establishing, maintaining, or operating any aids to air navigation herein provided, shall solicit the cooperation of the Administrator of the Federal Aviation Agency to the end that the personnel and facilities of the Federal Aviation Agency will be utilized to the fullest possible advantage. Before locating and operating any such aid on military or naval bases or regions, the consent of the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, as the case may be, shall first be obtained. No such aid shall be located within the territorial jurisdiction of any foreign country without the consent of the government thereof. Nothing in this title shall be deemed to limit the authority granted by the Federal Aviation Act of 1958, as amended (ch. 20 of title 49), or by the provisions of sections 7392 and 7394 of title 10."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1546), explaining the purposes of the bill.

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

PURPOSE AND BRIEF SUMMARY

The purpose of this legislation is to expand the authority of the Coast Guard with respect to the establishment of aids to navigation beyond the territorial limits of the United States and permit the Coast Guard to establish and operate various electronic aids to navigation.

In summary the bill would—

(1) Authorize the Coast Guard to establish, maintain, and operate aids to maritime and air navigation within the waters above the Continental Shelf;

(2) Authorize the Coast Guard to develop and utilize electronic aids to navigation systems other than the "loran" system; and

(3) Clarify existing statutory language relating to requests of the Secretary of Defense and the Administrator of the Federal Aviation Agency for the establishment of aids to air navigation.

BACKGROUND AND NEED FOR THE LEGISLATION

Under existing law, the Coast Guard has only limited authority to establish aids to navigation beyond the territorial seas of the United States. However, present use of extraterritorial waters by vessels of increased size and draft and the increased use of these waters for operations other than navigation makes additional aids to navigation necessary.

Presently the Coast Guard does not have authority to mark wrecks or harbor entrance channels which extend beyond our territorial waters. It also lacks authority for marking areas where offshore drilling structures are located beyond the territorial limit.

The need for navigational aids in these areas has already been shown by collisions between vessels bound to or from New York. These collisions could have been avoided by the establishment of sealanes. The committee also believes that it will ultimately be necessary to designate and mark fairways among the offshore oil-well structures in the Gulf of Mexico and this legislation will enable the Coast Guard to carry out this task.

In regard to electronic aids to navigation, present law authorizes the Coast Guard to establish loran stations for certain purposes. Since the word "loran" has come to be interpreted as referring only to a specific type of pulsed electronic aid, the Coast Guard is without authority to develop and utilize other types of electronic aids to navigation.

This expansion of Coast Guard authority is not intended to impinge upon the authority of the Federal Aviation Agency which has statutory responsibilities in the field of air navigation. Present law provides the Coast Guard with authority to establish loran stations required to serve the needs of the air commerce as determined by the Federal Aviation Agency. S. 3715 slightly changes existing law to indicate more clearly that the Coast Guard would only establish electronic aids to air commerce upon *request of that agency.*

In addition, this legislation provides that aids to air navigation established upon request of the Armed Forces would be those which are peculiar to warfare and primarily of military concern as determined by the Department of Defense. The language used here parallels that found in the Federal Aviation Act of 1958 in those provisions dealing with the responsibilities of the Federal Aviation Agency and the Department of Defense in matters concerning air navigation.

RELATIONSHIP BETWEEN COAST AND GEODETIC SURVEY AND AIR FORCE

The Senate proceeded to consider the bill (H.R. 722) to amend certain provisions of existing law concerning the relationship of the Coast and Geodetic Survey to the Army and Navy so they will apply with similar effect to the Air Force which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert:

That section 16 of the Act of May 22, 1917, chapter 20, as amended (33 U.S.C. 855, 858), is amended as follows:

(1) The first paragraph (33 U.S.C. 855) is amended to read as follows:

"The President is authorized, whenever in his judgment a sufficient national emergency exists, to transfer to the service and jurisdiction of a military department such vessels, equipment, stations, and commissioned officers of the Environmental Science Services Administration as he may deem to the best interest of the country, and after such transfer all expenses connected therewith shall be defrayed out of the appropriations for the department to which transfer is made: *Provided,* That such vessels, equipment, stations, and commissioned officers shall be returned to the Environmental Science Services Administration when such national emergency ceases, in the opinion of the President, and nothing in this section shall be construed as transferring the Environmental Science Services Administration or any of its functions from the Department of Commerce except in time of national emergency and to the extent herein provided: *Provided further,* That any of the commissioned officers of the Environmental Science Services Administration who may be transferred as provided in this section, shall, while under the jurisdiction of a military department, have proper military status and shall be subject to the laws, regulations, and orders for the government of the Army, Navy, or Air Force, as the case may be, insofar as the same may be applicable to persons whose retention permanently in the military service of the United States is not contemplated by law."

(2) The last paragraph (33 U.S.C. 858) is amended to read as follows:

"The Secretary of Defense and the Secretary of Commerce shall jointly prescribe regulations governing the duties to be performed by the Environmental Science Services Administration in time of war, and for the cooperation of that service with the military departments in time of peace in preparation for its duties in war, which regulations shall not be effective unless approved by each of those Secretaries, and included therein may be rules and regulations for making reports and communications between a military department and the Environmental Science Services Administration."

SEC. 2. Section 10 of the Act of January 19, 1942, chapter 6, as amended (33 U.S.C. 868a), is amended to read as follows:

"Commissioned officers, ships' officers, and members of the crews of vessels of the Environmental Science Services Administration shall be permitted to purchase commissary

and quartermaster supplies as far as available from the Army, Navy, Air Force, or Marine Corps at the prices charged officers and enlisted men of those services."

SEC. 3. Section 1 of the Act of December 3, 1942, chapter 670, as amended (33 U.S.C. 854a-1), is amended to read as follows:

"Personnel of the Environmental Science Services Administration shall be subject in like manner and to the same extent as personnel of the Navy to all laws authorizing temporary appointment or advancement of commissioned officers in time of war or national emergency subject to the following limitations:

"(1) Commissioned officers in the service of a military department, under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended, may, upon the recommendation of the Secretary of the military department concerned, be temporarily promoted to higher ranks or grades.

"(2) Commissioned officers in the service of the Environmental Science Services Administration may be temporarily promoted to fill vacancies in ranks and grades caused by the transfer of commissioned officers to the service and jurisdiction of a military department under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended.

"(3) Temporary appointments may be made in all grades to which original appointments in the Environmental Science Services Administration are authorized: *Provided*, That the number of officers holding temporary appointments shall not exceed the number of officers transferred to a military department under the provisions of section 16 of the Act of May 22, 1917 (40 Stat. 87), as amended."

The amendment was agreed to.

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

The bill was read the third time, and passed.

The title was amended, so as to read: "An Act to amend certain provisions of existing law concerning the relationship of the Environmental Science Services Administration to the Army and Navy so they will apply with similar effect to the Air Force."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1547), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of this bill, as amended, is to provide authority during periods of national emergency for Presidential transfer of vessels equipment, stations, and commissioned officers of the Environmental Science Services Administration to the service and jurisdiction of a military department. The bill, as amended, also amends the laws relating to promotion of such transferred personnel and authorizes the appointment of others to replace the transferees.

BACKGROUND

The legislation being amended was enacted prior to the establishment of the Air Force as a separate military department. As passed by the House, H.R. 722's primary purpose was to provide the same status for members of the Coast and Geodetic Survey Service with the Air Force in times of emergency as those serving in the Army and Navy. Subsequent to the date of House passage, however, Reorganization Plan No. 2 of 1965 became effective. This plan consolidated the Coast and Geodetic Survey and the Weather Bureau to form the Environmental Science Services Administration.

AMENDMENTS

In order to reflect the absorption in the Environmental Science Services Administration of the Coast and Geodetic Survey, the committee has amended H.R. 722 by substituting the words "Environmental Science Services Administration" for the words "Coast and Geodetic Survey" in every instance including the title of the act. The committee also limited the personnel transfer under this amendment to the transfer of commissioned officers. This limitation is necessitated by the fact that personnel under the Environmental Science Services Administration includes considerable more civilian personnel than existed under the Coast and Geodetic Survey.

In addition the committee provided that commissioned officers of the Environmental Science Services Administration be subject to all laws regulating the temporary appointment or advancement of commissioned officers of the Navy in time of war or national emergency. The authority for temporary appointments in time of war or national emergency has also been made consistent with the authority to make original appointments.

EXEMPTION OF REQUIREMENT FOR AN EXAMINATION-OF-RECORDS CLAUSE IN CONTRACTS

The Senate proceeded to consider the bill (H.R. 3041) to amend title 10, United States Code, to exempt certain contracts with foreign contractors from the requirement for an examination-of-records clause, which had been reported from the Committee on Armed Services, with amendments, on page 2, at the beginning of line 16, to strike out "Comptroller General or his designee is not required where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination" and insert "Comptroller General or his designee is not required—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the head of the agency determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by not applying subsection (b).

If subsection (b) is not applied to a contract or subcontract based on a determination under clause (2), a written report shall be furnished to the Congress."; on page 3, at the beginning of line 23, to strike out "for the omission of such clause where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination. The power of the agency head to make the determination specified in the preceding sentences shall not be delegable." and insert "for the omission of such clause—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the agency head determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by the omission of the clause.

If the clause is omitted based on a determination under clause (2) a written report shall be furnished to the Congress. The power of the agency head to make the determination specified in the preceding sentences shall not be delegable." and on page 5, at the beginning of line 4, to strike out "not required for the omission of such clause where the contractor or subcontractor (1) is a foreign government or agency thereof; or (2) is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination." and insert "not required for the omission of such clause—

"(1) where the contractor or subcontractor is a foreign government or agency thereof or is precluded by the laws of the country involved from making its books, documents, papers, or records available for examination; and

"(2) where the agency head determines, after taking into account the price and availability of the property or services from United States sources, that the public interest would be best served by the omission of the clause.

If the clause is omitted based on a determination under clause (2), a written report shall be furnished to the Congress."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1548), explaining the purposes of the bill.

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

EXPLANATION OF AMENDMENTS

In those cases where concurrence of the Comptroller General in the exclusion of an examination of records clause would not be required, that is, in cases involving contracts or subcontracts with foreign governments or agencies of foreign governments, or where the laws of the country involved preclude the examination of records, the amendments require that before making a determination that the public interest would be best served by not requiring the examination-of-records clause, the agency head must consider the price and availability of the supplies or services from U.S. sources, and the amendments also require that the Congress be furnished a report explaining the reasons for such determinations.

PURPOSE

This bill would permit the head of an agency to exclude an examination of records clause from a contract or a subcontract with a foreign contractor or subcontractor after

determining that the inclusion of such a clause would not be in the public interest.

EXPLANATION OF THE BILL

Existing law requires that contracts negotiated by the military departments, the Secretary of the Treasury, or the Administrator of the National Aeronautical and Space Administration contain a provision authorizing the Comptroller General of the United States and his representatives to examine any books, documents, papers, or records of the contractor or any of his subcontractors that directly pertain to and involve transactions relating to such contract.

The requirement for an examination-of-records clause has resulted in difficulty and delay in placing contracts with foreign contractors and in at least one instance it has resulted in a failure to procure a needed item. These difficulties and delays are particularly obvious in contracting with foreign governments or agencies of foreign governments, as this requirement is often considered to impinge on their sovereign rights. Cases in which the United States needs supplies and services obtainable from only a single source of foreign supply include postal communications and transportation services in Japan, Belgium, the Netherlands, and Germany.

Cases in which the requirement for an examination-of-rights clause has proved troublesome can be divided into two groups: (1) those in which the contractor refuses to accept the clause on the basis of foreign law prohibiting any group such as the General Accounting Office from making an examination; and (2) those in which the foreign contractor refuses to agree to the clause because of his own business policy.

When for legal or policy reasons a potential contractor refuses to accept an examination-of-records clause, the contracting officer must try to make the procurement elsewhere if he cannot change the contractor's mind. But if the contractor cannot be persuaded to accept the examination-of-records clause and if the procurement cannot be made elsewhere for one of several reasons, including there being only a sole source of supply or unreasonable cost alternatives, the choice is narrowed to failing to make a procurement or violating the requirement.

Under this bill the head of the agency could exclude the examination-of-records clause from a contract or a subcontract with a foreign contractor or foreign subcontractor. Before the clause could be excluded the agency head must determine that inclusion of the clause would not be in the public interest and the Comptroller General or his designee would have to concur in this determination. Moreover, this finding must be in writing and it must clearly indicate why the requirement for an examination-of-records clause would not be in the public interest.

The concurrence of the Comptroller General or his designee would not be required where the contractor or subcontractor is a foreign government or an agency thereof, or where the laws of the country involved preclude the contractor from making his books, documents, papers, or records available for examination. The committee has adopted an amendment providing that in those cases where the concurrence of the Comptroller General is not required before the examination-of-records clause can be excluded, the head of the agency must take into account the price and availability of the supplies or services from U.S. sources before determining that inclusion of the examination-of-records clause would not be in the public interest. In addition, the Congress must be furnished a report explaining the reasons for any such determinations.

The committee was assured that the military departments have found an examination-of-records clause to be useful and that it will be included whenever possible. The authority to exclude the clause is intended to be exercised only in exceptional cases.

Waiver authority of the type this bill provides has been approved in the Atomic Energy Act of 1954, the Foreign Assistance Act of 1961, and military construction authorization acts for the last several years.

REPEAL OF CERTAIN ACTS RELATING TO CONTAINERS FOR FRUITS AND VEGETABLES

The Senate proceeded to consider the bill (S. 17) to repeal certain acts relating to containers for fruits and vegetables, and for other purposes which had been reported from the Committee on Commerce, with an amendment on page 2, line 3, after the word "on", to insert "January 1, 1967."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Acts of Congress listed below are hereby repealed:

(a) The Act of August 31, 1916, entitled "An Act to fix standards for Climax baskets for grapes and other fruits and vegetables, and to fix standards for baskets and other containers for small fruits, berries, and vegetables, and for other purposes" (39 Stat. 673, as amended; 15 U.S.C. 251–256);

(b) The Act of May 21, 1928, entitled "An Act to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes" (45 Stat. 685, as amended; 15 U.S.C. 257–257i).

SEC. 2. This Act shall become effective on January 1, 1967.

The amendment was agreed to.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1550), explaining the purposes of the bill.

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

PURPOSE OF THE LEGISLATION

S. 17 would repeal the Standard Container Act of August 31, 1916 (39 Stat. 673; 15 U.S.C. 251–256), and the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U.S.C. 257–257i).

EXPLANATION OF THE BILL

The act of August 31, 1916 (15 U.S.C. 251–256), known as the Standard Container Act of 1916, establishes standard sizes for Climax baskets for grapes and other fruits and vegetables and fixes standards for baskets and other containers for small fruits, berries, and vegetables. The act provides for the examination of containers subject to regulation to determine their compliance with the law.

The act of May 21, 1928 (15 U.S.C. 257–257i), known as the Standard Container Act of 1928, establishes standard sizes for hampers, round stave baskets, and splint baskets used for fresh fruits and vegetables. Specifications of containers covered by the act are submitted to and approved by the Department of Agriculture if such containers are of the prescribed capacity and not deceptive in appearance.

When these laws were enacted, baskets and hampers were the principal types of containers used for the shipment of fresh fruits and vegetables. At that time, because of the large number of sizes of containers being manufactured, a strong movement developed in the industry, particularly among container manufacturers, to bring about some degree of standardization in order to reduce the resultant unnecessary cost, confusion, and deception.

In the years since the enactment of the Standard Container Acts, great changes have taken place in the containers used for shipping fresh fruit and vegetables. Baskets and hampers, formerly the principal types used, have been displaced in large part by newer types. During the past 10 years, for example, the number of factories producing containers subject to the Standard Container Acts of 1916 and 1928 has declined from 183 to 129, or a reduction of 31 percent, while the number of different containers manufactured by these plants has dropped by 20 percent, from 726 to 584.

Of the large and increasing number of containers now widely used such as fiberboard cartons, wirebound and nailed crates, wooden boxes and lugs, mesh, paper, and plastic bags, some were not in use at all for fruits and vegetables at the time these acts were passed. None of these newer containers are regulated by Federal law as to shape, size, or capacity.

Moreover, most fruits and vegetables are now sold by weight or count. Consequently, slight variations in the volume capacity of containers are no longer an important marketing factor. Largely because of the growth in the use of containers not covered by the Standard Container Acts, it is estimated that less than 10 percent of the fresh fruits and vegetables shipped in interstate commerce now are packed in containers regulated under these acts.

In view of the limited volume of fresh fruits and vegetables currently being shipped in containers subject to regulation under the Standard Container Acts of 1916 and 1928, the continuing trend toward wider use of types of containers not subject to Federal regulation, and the fact that most fruits and vegetables are now sold by weight or count, the committee is convinced that continued administration of these laws is no longer justified and that a saving can be achieved through repeal of these laws without detriment to the fruit and vegetable industry or the public.

COST

Repeal of the bill will result in a savings of approximately $16,200 annually.

AMENDMENT OF THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

The Senate proceeded to consider the bill (S. 3298) to amend the Federal Hazardous Substances Labeling Act to ban hazardous toys and articles intended for children, etc., which had been reported from the Committee on Commerce, with an amendment on page 1, after the enacting clause, to strike out "That this Act"; after line 3, to insert:

TITLE I—AMENDMENTS TO THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

Short title

At the beginning of line 7, to insert "Section 1. This title"; on page 3, line 7, after the word "substance" to strike out "(including a toy, or another article intended for use by children, which is, bears, or contains a hazardous substance)" and insert "(including a toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted)"; on

page 5, line 24, after the word "is", to strike out "or bears"; in the same line after the word "which", where it appears the second time, to insert "bears or"; on page 6, line 3, after the word "substance", to strike out "intended or offered for household use, or so packaged as to be suitable for such use, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that the hazard involved in the use of such substance in households is such that cautionary labeling would not be an adequate safeguard against substantial personal injury or substantial illness occurring during or as a proximate result of any customary or reasonably foreseeable handling or use of such substance: *Provided*, That the Secretary shall by regulation exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved and which are intended for use by children who have attained sufficient maturity to read and heed the directions and warnings in the labeling of such article." and insert "intended, or packaged in a form suitable, for use in the household, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that, notwithstanding such cautionary labeling as is or may be required under this Act for that substance, the degree or nature of the hazard involved in the presence or use of such substance in households in such that the objective of the protection of the public health and safety can be adequately served only by keeping such substance, when so intended or packaged, out of the channels of interstate commerce: *Provided*, That the Secretary, by regulation, (i) shall exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved, and which bear labeling giving adequate directions and warnings for safe use and are intended for use by children who have attained sufficient maturity, and may reasonably be expected to read and heed such directions and warnings, and (ii) shall exempt from clause (A), and provide for the labeling of, common fireworks (including toy paper caps, cone fountains, cylinder fountains, whistles without report, and sparklers) to the extent that he determines that such articles can be adequately labeled to protect the purchasers and users thereof."; at the top of page 9, to insert a new section, as follows:

Effect upon State law

SEC. 4. (a) Section 17 of such Act (15 U.S.C. 1261, note) is amended by inserting "(a)" immediately after the section designation and adding at the end thereof the following new subsection:

"(b) It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and political subdivisions thereof insofar as they may now or hereafter provide for the precautionary labeling of any substance or article intended or suitable for household use (except for those substances defined in sections 2(f) (2) and (3) of this Act) which differs from the requirements or exemptions of this Act or the regulations or interpretations promulgated pursuant thereto. Any law, regulation, or ordinance purporting to establish such a labeling requirement shall be null and void."

(b) The title of such section is amended to read as follows:

"Effect upon Federal and State law".

At the beginning of line 21, to change the section number from "4" to "5"; and at the top of page 10, to insert a new title, as follows:

TITLE II—NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

Statement of purpose

SEC. 201. The Congress hereby recognizes that the American consumer has a right to be protected against unreasonable risk of bodily harm from products purchased on the open market for the use of himself and his family, and that manufacturers whose products are marketed substantially in interstate commerce are entitled to a reasonable degree of uniformity in the application of safety regulations to such products. Federal, State, and local laws relating to consumer protection against such hazardous products are widely divergent and fail to provide adequately for consumer protection. It is the purpose of this title to establish a commission to review the scope, adequacy, and uniformity of existing legislation and to make recommendations for appropriate remedial action by the President, the Congress, and the States.

Establishment of commission

SEC. 202. There is hereby established a National Commission on Hazardous Household Products (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members appointed by the President from among persons who are specifically qualified to serve on such Commission by virtue of their education, training, or experience.

(c) Any vacancy in the Commission shall not affect its powers.

(d) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(e) Four members of the Commission shall constitute a quorum.

Duties of the Commission

SEC. 203. (a) The Commission shall conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by hazardous household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products, except such products excluded in section 207, which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement.

(b) The Commission may transmit to the President and to the Congress such interim reports as it deems advisable and shall transmit its final report to the President and to the Congress not later than March 1, 1968. Such final report shall contain a detailed statement of the findings and conclusions of the Commission together with its recommendations for such legislation as it deems appropriate.

Powers of the commission

SEC. 204. (a) The Commission, or any two members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinions pertinent to the study. In connection therewith the Commission is authorized by majority vote—

(1) to require, by special or general orders, corporations, business firms, and individuals to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in the case of disobedience to a subpena or order issued under paragraph (a) of this section, to invoke the aid of any district court of the United States in requiring compliance with such subpena or order;

(5) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths, and in such instances to compel testimony and the production of evidence in the same manner as authorized under paragraphs (3) and (4) of this subsection; and

(6) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) Any district court of the United States within the jurisdiction of which an inquiry is carried on may, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) The Commission is authorized to require directly from the head of any Federal agency available information deemed useful in the discharge of its duties. Each Federal agency is authorized and directed to cooperate with the Commission and to furnish all information requested by the Commission to the extent permitted by law.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) When the Commission finds that publication of any information obtained by it is in the public interest and would not give an unfair competitive advantage to any person, it is authorized to publish such information in the form and manner deemed best adapted for public use, except that data and information which would separately disclose the business transactions of any person, trade secrets, or names of customers shall be held confidential and shall not be disclosed by the Commission or its staff: *Provided, however*, That the Commission shall permit business firms or individuals reasonable access to documents furnished by them for the purpose of obtaining or copying such documents as need may arise.

"(f) The Commission is authorized to delegate any of its functions to individual members of the Commission or to designate individuals on its staff and to make such rules and regulations as are necessary for the conduct of its business, except as herein otherwise provided.

Compensation of members of the Commission

SEC. 205. Each member of the Commission who is appointed by the President may receive compensation at the rate of $100 for each day such member is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

Administration

SEC. 206. (a) The Commission is authorized, without regard to the civil service laws and regulations or the Classification Act of 1949, as amended, to appoint and fix the compensation of, an executive director and the executive director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission, but no individual so appointed shall receive compensation in excess of the rate authorized for GS-18 under the Classification Act of 1949, as amended.

(b) The executive director, with the approval of the Commission, is authorized to obtain services in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem.

(c) The head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to assist in carrying out the duties of the Commission under this Act.

(d) Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payments shall be made in advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. Regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46c) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Administrator for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Commission, but the Commission shall not be required to prescribe such regulations.

(e) Ninety days after submission of its final report, as provided in section 203(b), the Commission shall cease to exist.

Definition

SEC. 207. As used in this title the term "household products" means products customarily produced or distributed for sale through retail sales agencies or instrumentalities for use by a consumer or any member of his family. Such term does not include motor vehicles or products regulated under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), the Federal Hazardous Substances Labeling Act (15 U.S.C. 1261 et seq.), the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. 1331 et seq.), and the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.).

Authorization

SEC. 208. There are authorized to be appropriated such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this title.

So as to make the bill read:

S. 3298

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE FEDERAL HAZARDOUS SUBSTANCES LABELING ACT

Short title

SECTION 1. This title may be cited as the "Child Protection Act of 1966."

Application of Federal Hazardous Labeling Act to articles bearing or containing pesticides, and to unpackaged hazardous substances

SEC. 2. (a) Section 2(f)(2) of the Federal Hazardous Labeling Act (15 U.S.C. 1261(i)(2)), which excludes "economic poisons" subject to the Federal Insecticide, Fungicide, and Rodenticide Act and certain other articles from the term "hazardous substance", is amended by inserting before the period at the end thereof the following: ", but such term shall apply to any article which is not itself an economic poison within the meaning of the Federal Insecticide, Fungicide, and Rodenticide Act but which is a hazardous substance within the meaning of subparagraph 1 of this paragraph by reason of bearing or containing such an economic poison".

(b) So much of section 2(n) of such Act (15 U.S.C. 1261(n)), defining the term "label", as precedes the semicolon is amended to read as follows:

"(n) the term 'label' means a display of written, printed, or graphic matter upon the immediate container of any substance or, in the case of an article which is unpackaged or is not packaged in an immediate container intended or suitable for delivery to the ultimate consumer, a display of such matter directly upon the article involved or upon a tag or other suitable material affixed thereto."

(c)(1) Paragraph (p) of section 2 of such Act (15 U.S.C. 1261(p)), defining the terms "misbranded package" and "misbranded package of a hazardous substance", is amended by changing so much of such paragraph as precedes subparagraph (1) thereof to read as follows:

"(p) The term 'misbranded hazardous substance' means a hazardous substance (including a toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted) intended, or packaged in a form suitable, for use in the household or by children, which substance, except as otherwise provided by or pursuant to section 3, fails to bear a label—".

(2) Such paragraph (p) is further amended by striking out, in subparagraph (1), all of clause (J) through the word "and" and inserting in lieu thereof the following: "(J) the statement (i) 'Keep out of the reach of children' or its practical equivalent, or, (ii) if the article is intended for use by children and is not a banned hazardous substance, adequate directions for the protection of children from the hazard, and".

(d) Section 3(b) of such Act (15 U.S.C. 1262(b)), authorizing the Secretary to establish a reasonable variations or additional label requirements necessary for the protection of the public health and safety, is amended by changing so much of such subsection as follows the semicolon to read as follows: "and any such hazardous substance intended, or packaged in a form suitable, for use in the household or by children, which fails to bear a label in accordance with such regulations shall be deemed to be a misbranded hazardous substance."

(e) Subsection (d) of section 3 of such Act (15 U.S.C. 1262(d)), authorizing the Secretary to except containers of hazardous substances with respect to which adequate requirements satisfying the purposes of such Act have been established by or pursuant to another Act, is amended by inserting "hazardous substance or" before "container of a hazardous substance".

(f) Section 4 of such Act (15 U.S.C. 1263), setting forth prohibited acts, is amended as follows:

(1) Paragraphs (a), (c), and (g) of such section are each amended by striking out "misbranded package of a hazardous substance" and inserting in lieu thereof "misbranded hazardous substance";

(2) Paragraphs (b) and (f) of such section are each amended by striking out "being in a misbranded package" and inserting in lieu thereof "being a misbranded hazardous substance".

(g) Subsection (b) of section 5 of such Act (15 U.S.C. 1264) is amended by striking out "in misbranded packages" in clause (2) thereof and inserting in lieu thereof "a misbranded hazardous substance".

(h) Section 6(a) of such Act (15 U.S.C. 1265(a)) is amended by striking out "Any hazardous substance that is in a misbranded package" and inserting in lieu thereof "Any misbranded hazardous substance".

(i) Section 14(a) of such Act (15 U.S.C. 1273(a)) is amended by striking out "in misbranded packages" in the second sentence thereof and inserting in lieu thereof "a misbranded hazardous substance".

Exclusion, from interstate commerce, of toys and other children's articles containing hazardous substances, and of other substances so dangerous that cautionary labeling is not adequate

SEC. 3. (a) Section 2 of such Act (15 U.S.C. 1261) is further amended by adding at the end thereof the following new paragraph:

"(q)(1) The term 'banned hazardous substance' means (A) any toy, or other article intended for use by children, which is a hazardous substance, or which bears or contains a hazardous substance in such manner as to be susceptible of access by a child to whom such toy or other article is entrusted; or (B) any hazardous substance intended, or packaged in a form suitable, for use in the household, which the Secretary by regulation classifies as a 'banned hazardous substance' on the basis of a finding that, notwithstanding such cautionary labeling as is or may be required under this Act for that substance, the degree or nature of the hazard involved in the presence or use of such substance in households is such that the objective of the protection of the public health and safety can be adequately served only by keeping such substance, when so intended or packaged, out of the channels of interstate commerce: *Provided*, That the Secretary, by regulation, (i) shall exempt from clause (A) of this paragraph articles, such as chemical sets, which by reason of their functional purpose require the inclusion of the hazardous substance involved, and which bear labeling giving adequate directions and warnings for safe use and are intended for use by children who have attained sufficient maturity, and may reasonably be expected, to read and heed such directions and warnings, and (ii) shall exempt from clause (A), and provide for the labeling of, common fireworks (including toy paper caps, cone fountains, cylinder fountains, whistles without report, and sparklers) to the extent that he determines that such articles can be adequately labeled to protect the purchasers and users thereof.

"(2) Proceedings for the issuance, amendment, or repeal of regulations pursuant to clause (B) of subparagraph (1) of this paragraph shall be governed by the provisions of sections 701 (e), (f), and (g) of the Federal Food, Drug, and Cosmetic Act: *Provided*, That if the Secretary finds that the distribution for household use of the hazardous substance involved presents an imminent

hazard to the public health, he may be order published in the Federal Register give notice of such finding, and thereupon such substance when intended or offered for household use, or when so packaged as to be suitable for such use, shall be deemed to be a 'banned hazardous substance' pending the completion of proceedings relating to the issuance of such regulations."

(b) Subsections (a), (b), (c), and (g) of section 4 of such Act, as amended by section 2 of this Act, are each further amended by inserting "or banned hazardous substance" after "misbranded hazardous substance".

(c) Clause (2) of section 5(b) of such Act, as amended by section 2 of this Act, is further amended by striking out "within the meaning of that term" in such clause and inserting in lieu thereof "or a banned hazardous substance within the meaning of those terms".

(d) Section 6(a) of such Act, as amended by section 2 of this Act, is further amended by inserting "or banned hazardous substance" after "Any misbranded hazardous substance".

(e) Section 14(a) of such Act, as amended by section 2 of this Act, is further amended by inserting "or banned hazardous substance" after "misbranded hazardous substance" in the second sentence thereof.

Effect upon State law

SEC. 4. (a) Section 17 of such Act (15 U.S.C. 1261, note) is amended by inserting "(a)" immediately after the section designation and adding at the end thereof the following new subsection:

"(b) It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and political subdivisions thereof insofar as they may now or hereafter provide for the precautionary labeling of any substance or article intended or suitable for household use (except for those substances defined in sections 2(f) (2) and (3) of this Act) which differs from the requirements or exemptions of this Act or the regulations or interpretations promulgated pursuant thereto. Any law, regulation, or ordinance purporting to establish such a labeling requirement shall be null and void."

(b) The title of such section is amended to read as follows:

"Effect upon Federal and State law"

Change in short title of Act

SEC. 5. Section 1 of the Federal Hazardous Substances Labeling Act is amended by striking out "Labeling".

TITLE II—NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

Statement of purpose

SEC. 201. The Congress hereby recognizes that the American consumer has a right to be protected against unreasonable risk of bodily harm from products purchased on the open market for the use of himself and his family, and that manufacturers whose products are marketed substantially in interstate commerce are entitled to a reasonable degree of uniformity in the application of safety regulations to such products. Federal, State, and local laws relating to consumer protection against such hazardous products are widely divergent and fail to provide adequately for consumer protection. It is the purpose of this title to establish a commission to review the scope, adequacy, and uniformity of existing legislation and to make recommendations for appropriate remedial action by the President, the Congress, and the States.

Establishment of commission

SEC. 202. There is hereby established a National Commission on Hazardous Household Products (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of seven members appointed by the President from among persons who are specifically qualified to serve on such Commission by virtue of their education, training, or experience.

(c) Any vacancy in the Commission shall not affect its powers.

(d) The President shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Commission.

(e) Four members of the Commission shall constitute a quorum.

Duties of the Commission

SEC. 203. (a) The Commission shall conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by hazardous household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products, except such products excluded in section 207, which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement.

(b) The Commission may transmit to the President and to the Congress such interim reports as it deems advisable and shall transmit its final report to the President and to the Congress not later than March 1, 1968. Such final report shall contain a detailed statement of the findings and conclusions of the Commission together with its recommendations for such legislation as it deems appropriate.

Powers of the Commission

SEC. 204. (a) The Commission, or any two members thereof as authorized by the Commission, may conduct hearings anywhere in the United States or otherwise secure data and expressions of opinions pertinent to the study. In connection therewith the Commission is authorized by majority vote—

(1) to require, by special or general orders, corporations, business firms, and individuals to submit in writing such reports and answers to questions as the Commission may prescribe; such submission shall be made within such reasonable period and under oath or otherwise as the Commission may determine;

(2) to administer oaths;

(3) to require by subpena the attendance and testimony of witnesses and the production of all documentary evidence relating to the execution of its duties;

(4) in the case of disobedience to a subpena or order issued under paragraph (a) of this section, to invoke the aid of any district court of the United States in requiring compliance with such subpena or order;

(5) in any proceeding or investigation to order testimony to be taken by deposition before any person who is designated by the Commission and has the power to administer oaths, and in such instances to compel testimony and the production of evidence in the same manner as authorized under paragraphs (3) and (4) of this subsection; and

(6) to pay witnesses the same fees and mileage as are paid in like circumstances in the courts of the United States.

(b) Any district court of the United States within the jurisdiction of which an inquiry is carried on may, in case of refusal to obey a subpena or order of the Commission issued under subsection (a) of this section, issue an order requiring compliance therewith; and any failure to obey the order of the court may be punished by the court as a contempt thereof.

(c) The Commission is authorized to require directly from the head of any Federal agency available information deemed useful in the discharge of its duties. Each Federal agency is authorized and directed to cooperate with the Commission and to furnish all information requested by the Commission to the extent permitted by law.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) When the Commission finds that publication of any information obtained by it is in the public interest and would not give an unfair competitive advantage to any person, it is authorized to publish such information in the form and manner deemed best adapted for public use, execpt that data and information which would separately disclose the business transactions of any person, trade secrets, or names of customers shall be held confidential and shall not be disclosed by the Commission or its staff: *Provided, however,* That the Commission shall permit business firms or individuals reasonable access to documents furnished by them for the purpose of obtaining or copying such documents as need may arise.

(f) The Commission is authorized to delegate any of its functions to individual members of the Commission or to designate individuals on its staff and to make such rules and regulations as are necessary for the conduct of its business, except as herein otherwise provided.

Compensation of members of the Commission

SEC. 205. Each member of the Commission who is appointed by the President may receive compensation at the rate of $100 for each day such member is engaged upon work of the Commission, and shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

Administration

SEC. 206. (a) The Commission is authorized, without regard to the civil service laws and regulations or the Classification Act of 1949, as amended, to appoint and fix the compensation of an executive director and the executive director, with the approval of the Commission, may employ and fix the compensation of such additional personnel as may be necessary to carry out the functions of the Commission, but no individual so appointed shall receive compensation in excess of the rate authorized for GS-18 under the Classification Act of 1949, as amended.

(b) The executive director, with the approval of the Commission, is authorized to obtain services in accordance with the provisions of section 15 of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates for individuals not to exceed $100 per diem.

(c) The head of any Federal agency is authorized to detail, on a reimbursable basis, any of its personnel to assist in carrying out the duties of the Commission under this Act.

(d) Financial and administrative services (including those related to budgeting and accounting, financial reporting, personnel, and procurement) shall be provided the Commission by the General Services Administration, for which payment shall be made in

advance, or by reimbursement, from funds of the Commission in such amounts as may be agreed upon by the Chairman of the Commission and the Administrator of General Services. Regulations of the General Services Administration for the collection of indebtedness of personnel resulting from erroneous payments (5 U.S.C. 46c) shall apply to the collection of erroneous payments made to or on behalf of a Commission employee, and regulations of said Administrator for the administrative control of funds (31 U.S.C. 665(g)) shall apply to appropriations of the Commission, but the Commission shall not be required to prescribe such regulations.

(e) Ninety days after submission of its final report, as provided in section 203(b), the Commission shall cease to exist.

Definition

SEC. 207. As used in this title the term "household products" means products customarily produced or distributed for sale through retail sales agencies or instrumentalities for use by a consumer or any member of his family. Such term does not include motor vehicles or products regulated under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), the Federal Hazardous Substances Labeling Act (15 U.S.C. 1261 et seq.), the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1331 et seq.), and the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.).

Authorization

SEC. 208. There are authorized to be appropriated such sums, not to exceed $2,000,000, as may be necessary to carry out the provisions of this title.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1551), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to ban the sale of toys and other children's articles containing hazardous substances; to authorize the Secretary of Health, Education, and Welfare to ban the sale of other substances which are so hazardous in nature that they cannot be made suitable for use in or around the household by cautionary labeling; to extend coverage of the act to unpackaged as well as packaged hazardous substances intended for household use; and to make it clear that household products treated with pesticides are not exempt from the act. The bill would also create a National Commission on Hazardous Household Products.

BACKGROUND AND NEED

The Federal Hazardous Substances Labeling Act, which originated in the Senate Commerce Committee, was reported favorably by this committee, passed by the Congress, and signed by the President on July 12, 1960. Passage of the act was prompted by evidence that thousands of children were being poisoned, burned, overcome by fumes, and otherwise accidentally injured annually through contact with unlabeled or inadequately labeled hazardous household chemical products. In the intervening 6 years, thousands of children's lives have been spared through the rigorous labeling programs conducted by FDA under the provisions of the act.

The proposed amendments to the Federal Hazardous Substances Labeling Act in S. 3298 are the product of that 6 years' experience administering the act. At present, the act is limited to the cautionary labeling of products in containers intended or suitable for household use. Cautionary labeling is adequate protection for most products. But there are extremely hazardous products which cannot be made safe for use by cautionary labeling, particularly products intended for use by children.

In testimony before the Consumer Subcommittee of the Committee on Commerce, Dr. James L. Goddard, Commissioner of Food and Drugs, told the committee of recent cases involving toy ducklings containing very high concentrations of the pesticide benzene hexachloride and highly poisonous jequirity beans used as necklace beads which were exempt from Federal jurisdiction because they were not sold in packages intended of suitable for household use. The ducklings, some of which were also contaminated by salmonella and arsenic, were sold as decorations for children's Easter baskets. Brightly colored scarlet and black jequirity beans, which can cause death within a few hours from ingestion, were found in toys and novelties, such as dolls and swizzle sticks.

Dr. Goddard also brought to the committee's attention the case of an extremely flammable and explosive water repellent which was responsible for the deaths of 3 persons, and which injured at least 30 more, yet could not be banned from sale. Dr. Goddard produced samples of "cracker balls," small torpedolike firecrackers, which appear indistinguishable from small pieces of candy or cereal. He reported that at least 25 children had suffered burns and cuts inside their mouths from mistaking the "cracker balls" for candy.

FEDERAL HAZARDOUS SUBSTANCES ACT AMENDMENTS

To give the Food and Drug Administration the regulatory tools necessary to deal appropriately with these and similar cases, the Child Protection Act would amend the Hazardous Substances Labeling Act. The bill would authorize the Secretary to impose, after full opportunity for hearing and subject to judicial review, a ban on interstate commerce in hazardous substances intended or suitable for household use, when he finds that the hazard involved is such that cautionary labeling would not be an adequate safeguard for the protection of the public. Where the procedural delay involved in plenary hearings would otherwise result in injury to the public, the Secretary would be authorized to suspend the article from the market, pending the completion of hearing and review.

Toys or other articles intended for use by children which bear or contain a hazardous substance are banned by the language of the bill itself, except that the Secretary is required to exempt by regulation, articles containing hazardous substances, intended for use by children of ages capable of reading and understanding the label instructions and warnings. This exception is intended to allow the sale of such products as children's chemistry sets if accompanied by adequate labeling warnings.

Dr. Goddard testified in response to questions by committee members that "common fireworks," as classified by the Interstate Commerce Commission on the basis of present knowledge, could be adequately labeled and sold where local law permits their sale. The committee adopted an amendment reflecting the substance of Commissioner Goddard's testimony on this point. The Commissioner will be given the authority, however, to ban "cracker balls" and any other fireworks as to which experience shows the labeling warnings to be inadequate.

Witnesses before the committee also sought amendments to include blasting caps within the coverage of the Hazardous Substances Act and to prevent the banning of fireworks used by farmers to protect crops against predatory animals. With respect to blasting caps, the Department of HEW informed the committee:

"The type of fused cap that is available for sale to a farmer would be classified as a substance intended or suitable for household use, since it is likely to be stored and used around the farmhouse. Under existing law, if these products are packaged, they are required to bear precautionary labeling. Under S. 3298 which would extend the law to unpackaged substances, each cap would have to be labeled by outside markings or by a tag to give notice of the hazard and the other cautionary information."

With respect to agricultural and wildlife fireworks, the Department replied:

"Such fireworks are not intended for use by children and hence are not within the scope of the above-quoted clause (A) of the definition of "banned hazardous substance" (automatically banned substances). Nor are we aware of any facts * * * that show that such fireworks satisfy the requirements of clause (B) of that definition, which would be applicable only to hazardous substances that are so dangerous that nothing less than a complete ban, rather than appropriate cautionary labeling, could adequately serve the objectives of the basic act. This is a severe limitation and, as explained by the Commissioner of Food and Drugs in his testimony, is coupled with procedural safeguards, including judicial review."

The bill also extends the coverage of the Hazardous Substances Labeling Act to any unpackaged product which is, bears, or contains a hazardous substance.

Finally, the bill would make it clear that household articles treated with pesticides are not exempt from the Federal Hazardous Substances Labeling Act. There has been some question as to whether the Food and Drug Administration has jurisdiction over such articles as the toy ducklings, which have been treated by regulated pesticides. The bill would eliminate this doubt, they will be covered.

PREEMPTION

The committee adopted a limited preemption amendment supported by the Department of HEW which would preclude any State from imposing a precautionary labeling requirement which differs from requirements imposed under the Federal act. The provision applies solely to labeling requirements. It would not preclude States from banning the sale of articles covered by the Federal act which State and local authorities consider too dangerous.

THE NATIONAL COMMISSION ON HAZARDOUS HOUSEHOLD PRODUCTS

During hearings on S. 3298, members of the committee questioned Commissioner Goddard closely on the adequacy of legislation protecting consumers against nonvehicular accidents generally, as well as the specific hazards involved in the amendments to the Hazardous Substances Labeling Act. Dr. Goddard indicated that no effective legislation now exists to protect against design hazards in such household products as power equipment, especially power mowers and power tools, electric household appliances, such as heaters, electric blankets and broilers, household furnishings, such as flammable blankets and upholstered furniture. Even with passage of the Child Protection Act, Goddard testified, children would remain unprotected against such hazards as plastic toys which splinter into sharp fragments, and electric toys bearing potential shock hazard.

A witness from the Accident Prevention Division of the Public Health Service estimated that power mowers alone caused 100,000 accidents annually; power tools, 125,000; washing machines, 100,000; and such cooking utensils as skillets with improperly designed pouring spouts cause as many as 80,000 burn injuries annually.

Based upon the testimony of Dr. Goddard and other witnesses, and upon staff studies,

the committee has concluded that there is today no overall rational plan or pattern in national nonvehicular product safety legislation. The safe design and construction of the products sold to the American family now depend upon an incoherent patchwork of voluntary self-regulation, municipal ordinanace, and State and Federal law, characterized by broad variations in scope, adequacy, and uniformity. In response to these findings, the committee adopted as title II of S. 3298 an amendment creating a National Commission on Hazardous Household Products. The Commission is to be composed of seven members from the public including a chairman and vice chairman appointed by the President "from among persons specially qualified to serve on such Commission by virtue of their education, training, or experience." The Commission is directed to "* * * conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by household products. Such study and investigation shall include consideration of the following:

"(1) the identity of household products * * * which are determined to present an unreasonable hazard to the health and safety of the consuming public;

"(2) the extent to which self-regulation by industry affords such protection;

"(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such protection; and

"(4) a review of Federal, State, and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application, and the quality of enforcement."

The Commission is authorized to submit interim reports and is directed to transmit a final report to the President and to Congress not later than March 1, 1968. The final report is to contain a detailed statement of findings and conclusions of the Commission, together with its recommendations for such legislation as it deems appropriate. With respect to its powers, compensation of members, and administration, the Commission is closely patterned after such prior congressionally approved commissions as the National Commission on Food Marketing.

COSTS

The Food and Drug Administration estimates that the amendments to the Federal Hazardous Substance Labeling Act contained in S. 3298 will not entail additional annual expenditures. The National Commission on Hazardous Household Products is authorized to expend not more than $2 million for the full life of the Commission.

Mr. MAGNUSON. Mr. President, S. 3298, the bill to create a National Commission on Hazardous Household Products and to strengthen the Hazardous Substances Act, which passed the Senate today, represents the first work product of the new Consumer Subcommittee of the Senate Commerce Committee.

Throughout the year, as the committee became more and more deeply involved in questions of product safety, with the committees' strenuous efforts in the field of tire and auto safety, as well as with products covered by the Hazardous Substances Labeling Act, we became increasingly concerned at the absence of any overall plan or pattern in national product safety legislation. We found that the safe design and construction of the products sold to the American family rest on a flimsy patchwork of voluntary self-regulation, municipal ordinance, State and Federal law characterized by grave gaps and inadequacies.

During the hearings on the Child Protection Act, S. 3298, the Senator from New Hampshire [Mr. COTTON] and I had the opportunity to question Food and Drug Commissioner Goddard on the extent of legislation protecting consumers against nonvehicular accidents. In response to our questions, Dr. Goddard indicated that no effective legislation now exists to protect against design hazards in such products as household power equipment, including power mowers and power tools; electric household appliances, such as heaters, electric blankets, and broilers; and the flammability of household furnishings, such as drapes and upholstered furniture.

A witness from the Accident Prevention Division of the Public Health Service estimated that power mowers caused 100,000 accidents annually; power tools, 125,000; washing machines, 100,000; and cooking utensils, such as skillets with improperly designed pouring spouts, as many as 80,000 burn injuries. Goddard also testified that even with the passage of the Child Protection Act, children would remain unprotected against such hazards as plastic toys which splinter into sharp fragments and electric toys carrying a potential shock hazard.

It may be that the substantial efforts of industry to adopt and to conform to voluntary standards, such as the Underwriters' Laboratory standards for shock hazard, can provide sufficient protection; it may be that building codes can be amended to deal with such injury-producing home hazards as the shattering of sliding glass doors and the explosion of boilers and furnaces. It may be that the threat of liberalized common law product liability for injuries will be sufficient sanction to induce the vast majority of product manufacturers to take every reasonable precaution in the design and construction of potentially hazardous products.

We do not propose an automatic Federal solution for every potential product hazard, real or imagined. But we do not know all that we should know of the hazards inherent in the wide range of products which find their way into the home. There has been no systematic evaluation of the overall adequacy of measures, both voluntary and mandatory, designed to prevent the marketing of unreasonable hazardous products.

Senator COTTON and I, and the members of our committee, concluded that this was a job for a National Commission and Title II of the Child Protection Act so provides.

The Commission is to be composed of seven members, qualified by education, training, and experience, appointed by the President and is directed to—

Conduct a comprehensive study and investigation of the scope and adequacy of measures now employed to protect consumers against injuries which may be caused by household products. Such study and investigation shall include consideration of the following:

(1) the identity of household products * * * which are determined to present an unreasonable hazard to the health and safety of the consuming public;

(2) the extent to which self-regulation by industry affords such protection;

(3) the protection against such hazardous products afforded at common law in the States, including the relationship of product warranty to such law in the States, including the relationship of product warranty to such protection; and

(4) a review of Federal, State and local laws relating to the protection of consumers against such hazardous products, including the scope of coverage, the effectiveness of sanctions, the adequacy of investigatory powers, the uniformity of application and the quality of enforcement.

The Commission is authorized $2,000,000 to carry out its duties.

In this March 21 message on consumer interest, President Johnson urged expansion of the Hazardous Substances Labeling Act, saying:

Too many children now become seriously ill—too many die—because of accidents that could be avoided by adequate labeling and packaging of dangerous substances. This is a senseless and needless tragedy.

The child-protection amendments in S. 3298 will prevent much of this "needless tragedy."

The bill expands the Federal Hazardous Substances Labeling Act to provide for the labeling of unpackaged, as well as packaged, products containing hazardous substances. The bill would also ban the sale of toys containing hazardous substances and would authorize FDA to ban the sale of other substances which are so hazardous in nature that the public cannot be adequately protected by cautionary labeling. The bill would also make it clear that household products treated with pesticides are not exempt from the act.

The amendments were agreed to.

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

AMENDMENT OF THE INTERSTATE COMMERCE ACT RELATING TO BUS CHARTER SERVICE

The bill (S. 2893) to amend section 208(c) of the Interstate Commerce Act, and so forth, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2893

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 208(c) of the Interstate Commerce Act is amended to read as follows:

"(c) Any common carrier by motor vehicle transporting passengers under a certificate issued under this part on or before January 1, 1967, or under any reissuance of the operating rights contained in such certificate, may transport in interstate or foreign commerce to any place special or chartered parties under such rules and regulations as the Commission shall have prescribed."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report

(No. 1552), explaining the purposes of the bill.

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

I. INTRODUCTION

The purpose of the bill is to amend section 208(c) of the Interstate Commerce Act (49 USC 308(c)) so as to require future applicants for motor common carrier passenger operating authority to show a need for bus charter service rights instead of automatically acquiring the right to perform such transportation service as an incident to obtaining a certificate to transport passengers over a regular route or routes.

II. NEED FOR PROPOSED LEGISLATION

Section 208(c) of the Interstate Commerce Act now permits any regular route common carrier of passengers by motor vehicle to transport, under a certificate issued pursuant to the provisions of part II of the act, special or chartered parties from any point on an authorized route 'to any place" as a destination point. The phrase "to any place" has been interpreted by the Commission to mean "to any place in the United States" (Ex Parte No. MC-29, Regulations Governing Special or Chartered Party Service, 29 M.C.C. 25, 48). Consequently, the grant of regular route authority to any bus company carries with it the right to perform charter service from any point on its authorized route to nationwide destinations.

In recent years abuses have arisen because of this automatic grant of bus charter service rights as an incident to the grant of regular route authority. The Chairman of the Interstate Commerce Commission testified that bus carriers have applied for the right to transport passengers over a short regular route solely for the purpose of obtaining automatic charter rights from points on such routes to all points in the United States. He further testified that some carriers conduct only token operations over their authorized routes in order to retain the right to engage in charter service throughout the country. Usually such operations are in the vicinity of a metropolitan area which provides access to a large charter service market which may already be adequately served by existing charter operators. For example, some carriers have been known to operate a single station wagon as their only regular route passenger service, while utilizing buses in the performance of charter service to points and places throughout the United States.

The president of the National Association of Motor Bus Owners, testifying as spokesman for nearly 1,000 carriers providing over three-quarters of the intercity motorbus transportation in the United States, gave further examples of abuses of automatic charter rights under present law.

He testified that an applicant sought a certificate to operate a station wagon transporting about five passengers a day between Platteville, Wis., and the Savanna Ordnance Depot Proving Ground at Savanna, Ill., largely to obtain charter service rights from Jo Daviess County and other Wisconsin points to the entire United States. Another applicant sought interstate authority between Sheridan and Indianapolis, a distance less than 30 miles, to add to intrastate authority between the same points, in order to obtain nationwide charter authority.

Under the provisions of the proposed amendment only certificates issued for bus authority prior to January 1, 1967, or under any reissuance of the operating rights contained in such certificate, would automatically have the right to perform special or chartered party service.

Any certificate issued after January 1, 1967, would not automatically carry with it such incidental rights. It is intended by the word "issued" to mean that not only must the Interstate Commerce Commission have served its report and order granting such regular route authority, but also that the applicant must have completed compliance with tariff filing and other necessary requirements following the Commission decision.

The "reissuance" of the operating rights contained in a certificate issued prior to January 1, 1967, would carry with it incidental charter rights, but the committee does not intend by this language to permit the severance and separate transfer of incidental charter rights from the underlying basic regular route authority.

Applicants for motor carrier passenger operating authority certificates which would be issued after January 1, 1967, must separately apply for regular route authority and for charter service rights. An application would be filed under section 208(c) to obtain regular authority upon the showing of need therefor, and an application would be filed in accordance with sections 206 and 207 of the Interstate Commerce Act to obtain charter service authority upon the showing of need therefor. The committee does not intend by this proposed amendment to bar an handicap in any way future bona fide applications for charter service authority. The Committee expects the Commission to administer the revised law on this subject with due regard for the needs of the public in considering future requests for additional charter service, when the requisite showing of necessity is made.

The proposed amendment would in no way affect the operations of presently authorized carriers. It would require future applicants for motor common carrier passenger authority to show a need for the service of transporting special or charter parties instead of, as today, automatically obtaining such rights as an incident to a grant of regular route authority.

III. EFFECT OF PROPOSED LEGISLATION ON THE NATIONAL TRANSPORTATION SYSTEM

In 1935 when the Motor Carrier Act was passed, charter services were only a small part of common carrier operations. Since 1935, charter operations have increased greatly and have accounted for an increasingly larger share of passenger motor bus revenues. In 1935, charter operations accounted for approximately 3 percent of the revenues of class I motor carriers. In 1965, charter operations accounted for approximately 11 percent of the revenues of class I bus carriers. They accounted for nearly 26 percent of the revenues of classes II and III bus carriers in 1963, the latest year for which figures are available for these two classes of bus carriers.

The Chairman of the Interstate Commerce Commission testified that many motorbus carriers are today able to render regularly scheduled service essential to thousands of communities because revenues from charter service offset operating losses incurred on certain intercity schedules. In some instances, he testified, regular route passenger bus service would be discontinued were it not for charter service.

The president of the National Association of Motor Bus Owners testified that class I intercity carriers of passengers in the eastern district with annual revenues of less than $1 million, reported overall operating expenses for the year 1965, not including income taxes, averaging 50.5 cents per bus-mile, or 94 percent of total revenues which averaged 53.8 cents per bus-mile. Revenues from passenger fares on regular route schedules averaged only 42.2 cents per bus-mile operated on such routes, considerably less than the amount of the operating expenses per bus-mile. Even including revenues from transportation of package express and the other nonpassenger services, the average revenue per mile was 48.5 cents, still less than the cost of providing the service. The revenues from charter service operations provided the difference between profit and loss for these bus companies.

The witness for the bus owners further testified that bus companies are able to afford to maintain and operate extra buses to handle greater volume of travel on weekends and holidays largely because of their ability to use substantial numbers of buses interchangeably in regular route service and charter operations.

The president of the Transportation Association of America testified that from the standpoint of number of passengers carried, the intercity bus is the most frequently used public carrier by far. In 1964, a total of 459 million passengers were carried by intercity buses, considerably more than the combined totals of 318 million carried by rail and 74 million carried by air. Intercity bus service is the cheapest form of passenger service—2.74 cents a passenger-mile compared to 2.99 cents for rail coach and 5.58 cents for aircoach. As such, intercity bus service is heavily relied upon by lower income families. Fully 55 percent of the total trips by bus are taken by persons that are members of families with incomes of less than $5,000 per year. With rail passenger service declining, the intercity bus is rapidly becoming the only means of public passenger transportation for short trips by lower income families and those persons not having access to a car.

In view of the importance of charter service revenues to operations of the motorbus industry, these valuable rights should not automatically be granted as an incident to regular route authority. The proposed amendment would accomplish this objective by requiring a separate showing of the need for regular route service and for bus charter service. The amendment would not affect existing operating rights or bona fide future applicants for charter service, but would insure that charter service business would continue to support regular route operations.

The proposed amendment is supported by the U.S. Chamber of Commerce, the Transportation Association of America, and the National Association of Motor Bus Owners. No testimony in opposition to the bill was offered at the hearing held on June 30, 1966.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 1542, 1544, and 1545.

The VICE PRESIDENT. Without objection, it is so ordered.

CONCESSIONS AT THE NATIONAL ZOOLOGICAL PARK TO CERTAIN NONPROFIT ORGANIZATIONS

The Senate proceeded to consider the bill (S. 3230) to authorize the Board of Rgents of the Smithsonian Institution to negotiate cooperative agreements granting concessions at the National Zoological Park to certain nonprofit organizations and to accept voluntary services of such organizations or of individuals, and for other purposes, which had been reported from the Committee on Rules and Administration, with an amendment on page 2, after line 8, to strike out:

SEC. 2. The Board of Regents of the Smithsonian Institution is authorized to negotiate agreements granting such concessions as may be appropriated to facilitate the operation of the National Zoological Park and to provide services to the public. The gross receipts accruing to the Smithsonian Institution from such agreements under this section shall be covered into the Treasury in a special fund to be expended upon direction of

the Secretary of the Smithsonian Institution for research and educational purposes of the National Zoological Park, and such receipts are hereby appropriated for such purposes.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Board of Regents of the Smithsonian Institution, in furtherance of the mission of the National Zoological Park to provide for the advancement of science and instruction and recreation of the people, is authorized to negotiate agreements granting concessions at the National Zoological Park to nonprofit scientific, educational, or historic organizations. The net proceeds of such organizations gained from such concessions granted under this subsection shall be used exclusively for research and educational work for the benefit of the National Zoological Park.

(b) The Smithsonian Institution is authorized to accept the voluntary services of such organizations, and the voluntary services of individuals, for the benefit of the National Zoological Park.

The amendment was agreed to.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1580), explaining the purposes of the bill.

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

S. 3230 would authorize the Board of Regents of the Smithsonian Institution to negotiate agreements granting concessions at the National Zoological Park to certain nonprofit organizations and to accept the voluntary services of such organizations or of individuals. This proposed legislation is the result of a recent Comptroller General decision (42 Comp. Gen. 651, May 27, 1963) that held that the Smithsonian Institution could not grant the Friends of the National Zoological Park, a nonprofit organization promoting educational purposes of the zoo, the privilege of conducting a coin-operated audio tour lecture system concession. The proceeds of the concession were to be used exclusively for educational purposes at the National Zoological Park. In summary of his position, the Comptroller General advised:

"We feel that the proposed arrangements with the Friends of the National Zoo would be unauthorized, however beneficial and desirable it might be. * * *

"We believe that authorization for entering such arrangements as proposed should be requested of the Congress."

Section 1 of S. 3230 would provide the remedy suggested by the Comptroller.

Section 2 of S. 3230 would have allowed the Smithsonian Institution to negotiate its cafeteria concession at the National Zoological Park, rather than award it on the basis of competitive bidding, and to retain the Government portion of the receipts from the negotiated agreement to be used for research and educational purposes for the benefit of the Zoological Park. Upon the recommendation of the Bureau of the Budget and at the request of the Smithsonian Institution the Committee on Rules and Administration has amended S. 3230 by deleting section 2 therefrom.

ADDITIONAL SPAN OF BRIDGE ACROSS THE MISSISSIPPI RIVER AT ROCK ISLAND, ILL.

The Senate proceeded to consider the bill (S. 1515) to include the construction of an additional span as part of the authorized reconstruction, enlargement, and extension of the bridge across the Mississippi at Rock Island, Ill., which had been reported from the Committee on Public Works, with an amendment on page 2, line 1, after the word "additional," to strike out "span," and insert "span to increase the capacity of the bridge"; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (b) of the first section of the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa", approved March 18, 1938 (52 Stat. 110), as amended, is amended by striking out the comma after "foregoing" and inserting in lieu thereof the following: "(1) the construction of an additional span to increase the capacity of the bridge and (2)".

SEC. 2. Subsection (c) of the first section of such Act of March 18, 1938, as amended, is amended by inserting before the period at the end thereof a comma and the following: "except that the construction of an additional span authorized as part of such reconstruction, enlargement, and extension shall be commenced not later than April 1, 1970, and shall be completed within three years after such date".

The amendment was agreed to.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1582), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of S. 1515 is to authorize the construction of an additional span as part of the reconstruction, enlargement, and extension of the toll bridge across the Mississippi River from Rock Island, Ill., to Davenport, Iowa, authorized by act of Congress approved March 18, 1938 (Public Law 446, 75th Cong.; 52 Stat. 110), as amended.

GENERAL STATEMENT

The act of March 18, 1938, authorized the city of Rock Island, Ill., to construct, maintain, and operate a toll bridge across the Mississippi River from Rock Island, Ill., to Davenport, Iowa, in accordance with the provisions of an act to regulate the construction of bridges over navigable waters, approved March 26, 1906.

The Rock Island Centennial Bridge was completed in 1940, and since that time the average daily traffic over the bridge has increased from 4,000 to nearly 15,000 per day.

The metropolitan area of Rock Island and Moline, Ill., Davenport, Iowa, and adjacent cities, has a total population of over 20,000. The area is highly industrialized, with an estimated 130 industries and about 30,000 employees on the Illinois side, and 180 industries with about 15,000 employees on the Iowa side. Being one metropolitan area, the traffic across the river produced by this employment is extremely heavy on the bridge.

The 1938 act was amended by an act approved July 11, 1956 (Public Law 682, 84th Cong.; 70 Stat. 520) to authorize the reconstruction, enlargement, and extension of the bridge and its approaches. The amendment also extended the period within which tolls could be charged so not to exceed 30 years from the completion of the reconstruction, enlargement, an extension of the bridge and its approaches as authorized therein. A further amendment by the act of August 14, 1958 (Public Law 85-629; 72 Stat. 582) required the completion of this work by July 1, 1963.

S. 1515 would grant authority for the construction of an additional span as part of the authorized reconstruction, enlargement, and extension of the bridge. It provides that the construction of such additional span shall be commenced not later than April 1, 1970, and shall be completed within 3 years after such date. The bill by providing that such span must be completed by April 1, 1973, would extend the time during which tolls may be charged by approximately 10 years or until April 1, 2003.

NEED FOR LEGISLATION

Section (c) of the act of March 18, 1938, as amended, provides that the reconstruction, enlargement, and extension of a toll bridge across the Mississippi River at or near Rock Island, Ill., by the city of Rock Island, shall be completed by July 1, 1963.

S. 1515, amends existing law to provide for construction of an additional span and extends the period for completion of such construction until April 1, 1973.

COST TO THE UNITED STATES IF LEGISLATION IS ENACTED

Enactment of this legislation will not result in any cost to the Federal Government.

COMMITTEE RECOMMENDATIONS

Under the provisions of the General Bridge Act of 1946, and interstate compact procedure, the States have authority to provide for interstate bridges without Federal legislation.

However, since the Rock Island Centennial Bridge Commission has been previously established by Federal law, and since it is urgent that steps be taken now to permit the Centennal Bridge to be utilized to its designed capacity to relieve the existing and anticipated traffic conditions, it is considered desirable to authorize the construction of an additional span at this time.

The committee accordingly recommends early enactment of this bill.

JOSEPH H. HIRSHHORN MUSEUM AND SCULPTURE GARDEN

The Senate proceeded to consider the bill (S. 3389) to provide for the establishment of the Joseph H. Hirshhorn Museum and for other purposes, which had been reported from the Committee on Public Works with amendments.

The amendments of the Committee on Public Works are as follows:

On page 1, line 5, after the word "and", to strike out "Madison" and insert "Jefferson"; on page 2, line 2, after the word "museum", to strike out "and sculpture garden to be used exclusively for the exhibition of works of art" and insert "and the area bounded by Seventh Street, Jefferson Drive, Ninth Street, and Madison Drive, in the District of Columbia is hereby made available to the Smithsonian Institution as the permanent site of a sculpture garden, both areas to be used for the exhibition of works of art."; in line 12, after the word "museum", to strike out "and" and insert "within said area lying south of Jefferson Drive and to provide a"; in line 15, after the word "the", to strike out "area" and insert "areas"; in line 21, after the word "Institution", to insert "In administering the sculpture garden the Board shall cooperate with the Secretary of Interior so that the development and use of the Garden is consistent with the open-space concept of the Mall, for which the Secretary

of Interior is responsible, and with related development regarding underground garages and street development."; on page 3, line 10, after the word "used", to strike out "exclusively"; and on page 5, after line 11, to strike out:

"SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, including all sums necessary for planning, constructing, and operating the Joseph H. Hirshhorn Museum and Sculpture Garden."

And, in lieu thereof, to insert:

"SEC. 5. There is authorized to be appropriated not to exceed $15,000,000 for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden."

The bill was reported from the Committee on Rules and Administration without amendment.

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

SECTION 1. (a) The area bounded by Seventh Street, Independence Avenue, Ninth Street, and Jefferson Drive, in the District of Columbia, is hereby appropriated to the Smithsonian Institution as the permanent site of a museum and the area bounded by Seventh Street, Jefferson Drive, Ninth Street, and Madison Drive, in the District of Columbia is hereby made available to the Smithsonian Institution as the permanent site of a sculpture garden, both areas to be used for the exhibition of works of art.

(b) The Board of Regents of the Smithsonian Institution is authorized to remove any existing structure, to prepare architectural and engineering designs, plans, and specifications, and to construct a suitable museum within said area lying south of Jefferson Drive and to provide a sculpture garden for the use of the Smithsonian Institution within the areas designated in section 1(a) of this Act.

SEC. 2. (a) The museum and sculpture garden provided for by this Act shall be designated and known in perpetuity as the Joseph H. Hirshhorn Museum and Sculpture Garden, and shall be a free public museum and sculpture garden under the administration of the Board of Regents of the Smithsonian Institution. In administering the sculpture garden the Board shall cooperate with the Secretary of Interior so that the development and use of the Garden is consistent with the open-space concept of the Mall, for which the Secretary of Interior is responsible, and with related development regarding underground garages and street development.

(b) The faith of the United States is pledged that the United States shall provide such funds as may be necessary for the upkeep, operation, and administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

(c) The Joseph H. Hirshhorn Museum and Sculpture Garden shall be the permanent home of the collections of art of Joseph H. Hirshhorn and the Joseph H. Hirshhorn Foundation, and shall be used for the storage, exhibition, and study of works of art, and for the administration of the affairs of the Joseph H. Hirshhorn Museum and Sculpture Garden.

SEC. 3. (a) There is established in the Smithsonian Institution a Board of Trustees to be known as the Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden, which shall provide advice and assistance to the Board of Regents of the Smithsonian Institution on all matters relating to the administration, operation, maintenance, and preservation of the Joseph H. Hirshhorn shall have the sole authority (i) to purchase or otherwise acquire (whether by gift, exchange, or other means) works of art for the Joseph H. Hirshhorn Museum and Sculpture Garden, (ii) to loan, exchange, sell, or other-Museum and Sculpture Garden; and which wise dispose of said works of art, and (iii) to determine policy as to the method of display of the works of art contained in said museum and sculpture garden.

(b) The Board of Trustees shall be composed of the Chief Justice of the United States and the Secretary of the Smithsonian Institution, who shall serve as ex officio members, and eight general members to be appointed as follows: Four of the general members first taking office shall be appointed by the President of the United States from among nominations submitted by Joseph H. Hirshhorn and four shall be appointed by the President from among nominations submitted by the Board of Regents of the Smithsonian Institution. The general members so appointed by the President shall have terms expiring one each on July 1, 1968, 1969, 1970, 1971, 1972, 1973, 1974, and 1975, as designated by the President. Successor general members (who may be elected from among members whose terms have expired) shall serve for a term of six years, except that a successor chosen to fill a vacancy occurring prior to the expiration of the term of office of his predecessor shall be chosen only for the remainder of such term. Vacancies occurring among general members of the Board of Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden shall be filled by a vote of not less than four-fifths of the then acting members of the Board of Trustees.

SEC. 4. The Board of Regents of the Smithsonian Institution may appoint and fix the compensation and duties of a director and, subject to his supervision, an administrator and two curators of the Joseph H. Hirshhorn Museum and Sculpture Garden, none of whose appointment, compensation, or duties shall be subject to the civil service laws or the Classification Act of 1949, as amended. The Board of Regents may employ such other officers and employees as may be necessary for the efficient administration, operation, and maintenance of the Joseph H. Hirshhorn Museum and Sculpture Garden.

SEC. 5. There is authorized to be appropriated not to exceed $15,000,000 for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden.

The amendments were agreed to.

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

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1583), explaining the purposes of the bill.

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

S. 3389 would establish within the Smithsonian Institution the Joseph H. Hirshhorn Museum and Sculpture Garden for the purpose of housing and making available for public viewing the large private collection of paintings, drawings, and sculpture valued at $25 million offered by Mr. Joseph H. Hirshhorn to the Smithsonian Institution on behalf of the American people.

The Senate on May 19, 1966, ordered that the bill be first referred to the Committee on Public Works and subsequently to the Committee on Rules and Administration for consideration of those aspects of the proposal within their respective jurisdictions. The Committee on Public Works reported S. 3389 favorably with amendments on August 30, 1966 (S. Rept. 1538, 89th Cong.). A summary of the bill as amended and reported by that committee is as follows:

"*Section 1.* (a) Makes available to the Smithsonian Institution the areas bounded by Seventh Street NW., Independence Avenue, Ninth Street NW., and Madison Drive in the District of Columbia as the permanent site of a museum and sculpture garden.

"(b) Authorizes the Board of Regents of the Smithsonian Institution to remove any existing structure, to prepare architecture and engineering designs, plans, and specifications and to construct a suitable museum and sculpture garden within the areas designated in (a).

"*Section 2.* (a) Designates the museum and sculpture garden as the Joseph H. Hirshhorn Museum and Sculpture Garden, and provides that it shall be a free public museum and sculpture garden under the administration of the Board of Regents of the Smithsonian Institution.

"(b) Pledges the faith of the United States to provide necessary funds for the upkeep, operation, and administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

"(c) Designates the Joseph H. Hirshhorn Museum and Sculpture Garden as the permanent home of the collection of art of Joseph H. Hirshhorn and the Joseph H. Hirshhorn Foundation, with the provision that it be used for the storage, exhibition, and study of works of art and for the administration of the Joseph H. Hirshhorn Museum and Sculpture Garden.

"*Section 3.* (a) Establishes in the Smithsonian Institution a Board of Trustees to be known as the Trustees of the Joseph H. Hirshhorn Museum and Sculpture Garden, and designates the Board of Trustees as the sole authority to purchase or acquire works of art for the Joseph H. Hirshhorn Museum and Sculpture Garden, to loan, exchange, sell, or otherwise dispose of said works of art and to determine policy as to the method of display of the works of art.

"(b) Designates the composition of the Board of Trustees, the manner in which the eight general members shall be appointed and their terms of office.

"*Section 4.* Provides that the Board of Regents of the Smithsonian Institution may appoint and fix the compensation of a director, an administrator, and two curators of the Joseph H. Hirshhorn Museum and Sculpture Garden, and such other officers and employees as may be necessary to administer, operate, and maintain the Joseph H. Hirshhorn Museum and Sculpture Garden.

"*Section 5.* Authorizes an appropriation not to exceed $15 million for the planning and construction of the Joseph H. Hirshhorn Museum and Sculpture Garden and such additional sums as may be necessary for the maintenance and operation of such museum and sculpture garden."

The jurisdiction of the Committee on Public Works in this respect embraces "measures relating to the construction or reconstruction, maintenance, and care of the buildings and grounds of * * * the Smithsonian Institution" as well as "public buildings and occupied or improved grounds of the United States generally." Accordingly, that committee has reported primarily on the proposed site and structures contemplated by the bill.

The jurisdiction of the Committee on Rules and Administration embraces all other matters relating to the Smithsonian Institution, which in respect to S. 3389 means primarily sections 3 and 4.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar, and I thank the Senate for its consideration.

ORDER OF BUSINESS

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

Is there a morning hour this morning?

The VICE PRESIDENT. Yes. A limitation of 3 minutes on statements during the morning hour was agreed to.

WHO'S IN CHARGE OF MONEY MATTERS?

Mr. DOMINICK. Mr. President, recently, in some of the newspapers in my area, there have been some fairly important articles which I think bear on a number of the problems which face us in this country, and in the Senate in particular.

One of the articles, dated August 19, is entitled "Who's in Charge of Money Matters?" It strikes me that this particular article, which is an editorial from the Denver Post, dated August 19, is particularly appropriate at this time, when there have been a number of rumors circulating through the press and through the Senate that it is possible that we will be asked to change fiscal policy this year, as well as dealing with the inflationary problems of this country on a monetary basis.

I ask unanimous consent that this editorial of August 19 be printed at this point in the RECORD.

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

WHO'S IN CHARGE OF MONEY MATTERS?

Part of the American economic problem is that there are immense amounts of money and credit—particularly credit—sloshing through some sectors of the economy. Where this loose money and credit tends to make demand for goods outpace production, there is the threat of inflation.

The other part of the problem is that some sectors of the economy—construction, housing, sales compared to inventories—are trending down. Here the threat is deflation.

So what does the federal government, charged with responsibility for maintaining full employment while avoiding ruinous inflation, do? This week at least, the answer is nothing. But others have been busy.

The nation's bankers raised interest rates to a 40-year high; a day later the Federal Reserve System—which is in the government but independent of either legislative or White House control—cut down the amount of money the banks will have available to lend at those higher rates.

The effect of both these actions should be deflationary. That is, higher interest rates should discourage some would-be borrowers and the cutback in money supply should reinforce whatever urge bankers still have to say no.

But if inflation is the main threat to the nation's economic health—and most, but not all, economists think that it is—two questions arise. Are these small squeezes on the money and credit supply enough to head off inflation? And is anyone involved coordinating with anyone else?

There are certainly reasons for doubt that these two actions will do the job. The Wall Street Journal quotes a California banker as saying that tightening money and credit this way is like putting on the brakes on the right front wheel of a car roaring down the road at 70 mph: you may distort the car's path, cause the car to swerve off the road, but you won't stop it that way.

The distorting effects of soaring bank interest rates have already been visible in the drying up of the home mortgage money supply. It will be interesting to see what effects the latest moves have.

We would doubt whether either the interest rate boost or the money supply cutbacks will make too much difference.

Raising interest rates used to have a powerful effect in slowing down the economy. Would-be borrowers would quickly pull back and business expansion would slow up.

So far this year, though, rising interest rates have not had that effect. Businessmen, in particular, have gone right on borrowing. Why? Apparently because loan interest is deductible before taxes on corporate income tax returns, so higher interest rates cost a booming corporation relatively little. This latter-day fact of life takes much of the sting out of higher interest rates for businessmen in a time of rising prices and profits.

Similarly with the Federal Reserve's cutback in back loan funds; the amount of money "frozen" in banks is about $450 million.

How much effect this will have on an economy roaring along at an annual gross national product rate of nearly $730 billion is questionable.

No one, of course, can be sure what effect these money and credit tightening measures will have. As Walter Heller, formerly the President's chief economic adviser, says: "Tight money is a subject we know very little about"—for the very good reason that America has had so little of it since the 1920s. But the best guess is that these tightening up measures will fall short of what's needed.

On the second question we raised, there seems to be no doubt about the answer: no one is really coordinating those anti-inflation measures.

The bankers did what comes naturally when demands for money and credit press hard on the supply: they raised the interest rates. The Federal Reserve, feeling the bankers were putting out too much money and credit, did what comes naturally for the Fed: it froze some of that money so the bankers can't lend it out.

But the White House and Treasury seem neither to be doing anything themselves nor trying to coordinate the actions of others.

We trust that stance won't last much longer. In the present "iffy" state of the economy someone needs to be visibly in charge.

SUITABILITY OF DENVER AS SITE FOR BEVTRON

Mr. DOMINICK. Mr. President, there have been discussions on the floor of the Senate between the Senator from Missouri [Mr. LONG] and myself in connection with the climatic conditions, the degree of scientific ability, and transportation access, as far as Denver is concerned in connection with our application to be one of the chosen sites for the Bevtron.

Recently two newspaper articles were published in the Denver Post to which I shall refer. Both articles appeared in the Denver Post of August 21, 1966.

The first article refers to a report from the Mountain States Telephone Co. as to its estimates of the population increase in the Rocky Mountain area over the next decade. The report deals specifically with the reasons why people are coming into our area. We hope that this will continue. In addition, the article gives a good factual background as to the reasons for our economic and population growth over the past 10 to 15 years.

Mr. President, the second article from the Denver Post is entitled "Scientists Prefer Colorado." This article is very interesting because it relates to a survey which was conducted by a Denver-based management and recruiting company, in which they made a survey of approximately 100,000 degree-holding scientists, engineers and technical administrators. Of all the people they interviewed, 82 percent listed Colorado as their first choice of the place to which they would like to move, and where they would like to work. I admire their judgment, having been a refugee from the East myself, I know what a wonderful State Colorado is.

The survey clearly shows the climatic conditions, working conditions, and all of the other attributes that make Colorado not only an appropriate place for scientists, and others as well, but also a very favorable place for the location of our Bevtron, which will accelerate this infusion of new brains, blood, and ideas into our scientific community which is growing so rapidly and ably at this time.

Mr. President, I ask unanimous consent to have printed in the RECORD the two articles from the Denver Post of August 21, 1966.

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

TELEPHONE CO. VIEW: AREA GROWTH FORECAST LABELED CONSERVATIVE

Mountain States Telephone Co. says it believes that estimates by the U.S. Census Bureau that population in the Rocky Mountain States will increase 25 per cent between now and 1985 are conservative.

The company makes its statement in a special issue of Monitor, its house magazine distributed to its employes in Colorado, Wyoming, Montana, Idaho, Utah, Arizona, New Mexico and the El Paso area of Texas which it serves.

The special issue is called "The Rockin' West!"

Factors which Mountain States Telephone says it believes will speed the economic growth of this area are spelled out in an article by Roger Willbanks, business research statistician for the firm.

"We in the Mountain States stand on the threshold of a magnificent future," says Willbanks.

With the predominance of nuclear, electronic and aerospace facilities, we perhaps have the most modern industrial base in the world.

"Our natural resources are among the most impressive to be found anywhere.

"We have the nation's largest known reserves of such modern minerals as uranium, molybdenum, beryllium and oil shale.

"We are centrally located with plenty of room for people and industry to grow.

"Our scenery and climate offer wide variation, and to many are unexcelled.

"We have progressive legislatures modernizing tax structures to improve the business environment.

"We have unlimited recreational potential and an extensive interstate highway system bringing outdoor enjoyment within easier reach of everyone.

"All this doesn't mean things will be all sunshine and happiness. They never have been. Our region always reserved its greatest rewards for those able to meet its challenges.

"Four out of every 100 Americans live in the Mountain States region. The United States Census Bureau projects that by 1985 nearly 5 out of every 100 will live here.

"We believe that estimate is conservative."

Monitor points out in its special edition that "Westerners are working today in industries that were not even here a generation ago."

It adds: "Developers looking for ideal sites are increasingly turning to the West with its abundance of raw materials, available transportation, skilled labor, progressive government and room to expand."

It says the West's economic cycle that began a century ago started with agriculture and mining and even with space-age jobs almost everywhere, agriculture and mining remain of prime importance.

The "Rockin' West," says Monitor, is "a place to work, a place to enjoy, a place to learn—and a place to grow."

EXTENSIVE SAMPLING: SCIENTISTS PREFER COLORADO

(By Dick Johnston)

Eighty per cent of the nation's graduate engineers and scientists would prefer to live and work in Colorado compared with any other state, according to an extensive sampling by a Denver-based management and recruiting company.

Edward Isaacson, president of Lead International and of a newly formed companion corporation, Space International, said Colorado's attractiveness to highly trained men in such fields as research, aerospace and electronics was first spotlighted in a Lead survey about two years ago.

At that time, 100,000 degree-holding scientists, engineers and technical administrators were asked to indicate state preferences for job opportunities. Eighty-two percent listed Colorado first.

Approximately the same percentage preference has held true since then in Lead's processing of some 75,000 applications annually from persons seeking professional advancement.

Some scientists and engineers now working in other states, especially parts of the South, would be willing to move to Colorado for the same, or even less, pay, Isaacson said. However, he added, Colorado does not yet offer the number and type of job opportunities some other areas do.

Second to Colorado in preference as a place to work is California, followed by Texas. Among the higher educated men, such as those with doctorate degrees, the preference for Colorado runs up to 90 per cent.

Two centers of the aerospace industry, Los Angeles, Calif., and Huntsville, Ala., are cited first on many applications because they offer a large number of jobs and possible swift advancement. But the Denver area is the unquestioned first choice as a place for family living, Isaacson continued.

Lead International which he formed here in 1947 with his wife, Carron, as vice president, has engaged in U.S. and European recruiting of scientists and engineers for major industrial companies.

Last month they set up Space International as their recruiting operation and began switching Lead to specialization in management systems studies and surveys.

Isaacson said the firms now have contracts with 200 of the nation's major companies. Newest contract for Space International is one for $72,000 with Douglas Aircraft Co. to find personnel for its manned orbital laboratory work.

The Denver firm has lined up 500 scientists and engineers for interviews with Douglas management. A Space International team left last week for Los Angeles to work on the Douglas contract and inaugurate a new cost-saving technique for recruitment by big firms.

Space will conduct a symposium for Douglas Department heads and other management-level officials. A system of charging recruitment costs against the departmental budgets is being set up.

This technique, in effect, forces faster decision-making on hirings in the departments, cutting down loss of time and loss of talented applicants.

Newly appointed general manager for Space is Charles Meno, former personnel manager of Chrysler Corp. operations at Cape Kennedy, Fla. Another new addition to the Space staff is Milton (Chick) Cook, former marketing manager in Pomona, Calif., with 22 years of engineering experience.

Lead and Space, with home offices at the Denver Technological Center, has a total staff of 16 with branch offices in Beverly Hills, Calif., and London, England.

The home office which moved into a new building last fall is completing installation of computer equipment to allow almost instant compilation of statistics and lists of potential employees for client companies.

ORDER FOR ADJOURNMENT FROM TODAY UNTIL 9 A.M. TOMORROW, AND FROM TOMORROW UNTIL 12 O'CLOCK NOON ON TUESDAY NEXT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9 a.m. tomorrow, Friday, and that immediately after convening tomorrow the Senate stand adjourned until 12 o'clock noon on Tuesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, in other words, no business will be transacted tomorrow.

Mr. CLARK. Mr. President, I ask unanimous consent that I may proceed for not in excess of 10 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

WORLD DISARMAMENT AND DEVELOPMENT ORGANIZATION TO SUPPLEMENT UNITED NATIONS

Mr. CLARK. Mr. President, in 1958, the Harvard University Press published a most important volume entitled, "World Peace Through World Law," written jointly by Grenville Clark, now of Dublin, N.H., and Prof. Louis B. Sohn, of the Harvard University Law School.

This volume contained a detailed, article-by-article proposed revision of the charter of the United Nations designed to make that body an effective instrument for bringing about general and complete disarmament under enforceable world law.

The goal of general and complete disarmament was accepted as an integral part of U.S. foreign policy during the concluding years of the Eisenhower administration, under the leadership of Secretary of State Christian Herter. It was subsequently refined, made more specific, and emphasized by President John F. Kennedy in a series of speeches he made during the years 1961, 1962, and 1963.

The policy is purportedly still that of the Johnson administration. Outlines of draft treaties setting forth the steps which need to be taken to achieve general and complete disarmament under enforceable world law have been pending at the 18-nation Disarmament Conference in Geneva ever since early in 1962.

Messrs. Clark and Sohn concluded a few years ago that prospects for the needed revision of the United Nations Charter were dim, indeed. Accordingly, they prepared a proposed treaty establishing a world disarmament and world development organization which would have a connection with the United Nations but would not operate within the limitations of the present charter.

Such a world disarmament and world development organization might well spring, at a future date, from the disarmament negotiations at the 18-nation conference in Geneva.

The proposed treaty establishing a world disarmament and world development organization has recently been translated into Japanese, at the instance of the two authors, Messrs. Clark and Sohn.

In connection with the Japanese translation, an introduction has been prepared by the authors, stating their reasons for advocating this approach to world disarmament as opposed to their initial approach, which would have called for a comprehensive revision of the United Nations Charter.

Mr. President, I ask unanimous consent that a copy of the introduction to the Japanese translation of the proposed treaty establishing a world disarmament and world development organization be printed in the RECORD.

The PRESIDING OFFICER (Mr. MCGEE in the chair). Is there objection?

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

INTRODUCTION

(By Grenville Clark, Dublin, N.H., and Louis B. Sohn, Harvard University Law School, Cambridge, Mass.)

As the joint authors of "A Proposed Treaty Establishing a World Disarmament and World Development Organization", we are honored to have translated into Japanese by eminent scholars this alternative plan of ours for an effective world federation to prevent war. We welcome the opportunity to explain our reasons for such a plan as an alternative to the drastic revision of the United Nations Charter as proposed in our book "World Peace Through World Law", first published in 1958 and recently in a third edition by the Harvard University Press.

The rationale of this alternative plan is that the creation of a new and adequately empowered world organization to supplement the United Nations is likely to prove a more feasible procedure to accomplish the desired end of a disarmed and warless world than the necessary radical revision of the Charter.

Why do we believe that this alternative is probably a more feasible method than the necessary thorough revision of the U.N. Charter? The answer is that over the years since 1945 inflexible positions have been taken by both large and small countries which for psychological reasons deep in human nature, make it virtually impossible to adopt the radical changes in the Charter which are essential to its adequacy. On the other hand, it is possible, we believe, to avoid or overcome these difficulties by making an entirely fresh start with a wholly new organization, with membership open to all nations and closely affiliated with the United Nations.

As early as 1961 we arrived at these conclusions, based upon the experience of the fifteen years since the adoption of the Charter in 1945. Article 109 of the Charter provided that in the tenth year after adoption, the question of holding a revision conference must be on the agenda of the General Assembly, but when 1955 came all that happened was the appointment of a committee to report as to whether the time was opportune for such a conference. No favorable report was then made and, incredible as it may seem in view of the basic and obvious deficiencies of the United Nations, similar denying reports have been made in every subsequent year with no prospect whatever, as of 1966, that a revision conference is any more likely in the foreseeable future than in the eleven years since the question was supposed to be voted upon in 1955.

Meanwhile, vested interests have grown up to make the future prospects for drastic Charter revision even less than when the question came on the agenda in 1955. For example, if one thing is apparent, it is that unless the voting system in the General Assembly is changed so as to abolish the unrealistic one-vote-for-each-country rule, irrespective of population or any other factor, the major powers will refuse to confer any important authority on that body. And yet with the addition of some fifty small-country members which value this unrealistic system as a means of influence and a symbol of status, it seems more unlikely than ever that this all-important change can be made. Moreover, even in face of near bankruptcy, no move is under way to substitute a reliable revenue system for the precarious reliance upon voluntary annual contributions by the members; nor any real effort to abolish the veto in the Security Council which has so often paralyzed that body.

This failure to act for U.N. Charter revision not only ignores the obviously precarious state of the U.N., but also the warnings of its best friends. For example, such a warning was issued in June 1965 by an unusual group of fourteen persons from thirteen nations meeting near San Francisco. This group, assembled by C. Maxwell Stanley, now President of the United World Federalists of the United States, included the eminent scientist Hideki Yukawa, and two former Presidents of the General Assembly, Carlos P. Romulo and Zafrullah Khan. The group unanimously declared that "The UN and the world community cannot survive without enforceable world law, world police, and world courts for the maintenance of international peace and security" and solemnly warned that "Unless drastic changes are made in the UN Charter, there is grave danger that the UN may not survive the next ten years." This message was sent to all the delegates who met to celebrate the twentieth anniversary of the Charter.

Nevertheless, no attention has been paid either to this warning or to numerous other petitions for a Charter review conference, and it is time to face the fact that for the foreseeable future there is no prospect whatever that the Charter will be so revised as to enable the U.N. to fulfill its principal declared objective, namely, "to maintain international peace and security."

In this situation, what should the workers for world order do? Should they blindly continue to insist that the Charter must be radically revised in spite of the obstacles almost certain to frustrate such a revision for an indefinite time? Or should they abandon the objective of an effective world organization as hopeless? Or should they look for an alternative method, such as the creation of a new and adequately empowered world organization, open to all nations, such as the World Disarmament and World Development Organization proposed in our Draft Treaty?

It is this third course which we advocate, since the case for world federalism, as demonstrated by events, is stronger than ever.

The Viet-Nam war should be regarded as an inevitable consequence of the prevailing state of lawlessness as between the nations, evidenced also by the vast waste of material and human resources in the arms race, which continues at an annual cost of some $140 billion, and by the constant tensions which are the result of these conditions.

There is no reason whatever to suppose that these conditions will improve unless and until there is established a really effective world federation equipped to supervise complete national disarmament, to settle all disputes between nations by peaceful means and to bring about a real improvement in the living standards of the two thirds of all the world's people who now live in dire poverty.

If, as we grieve to say, there appears to be no chance in the foreseeable future for such a world federation through Charter revision, why not at least examine with care the alternative method which we present for consideration?

This is the spirit and purpose of our Draft Treaty and we deem it an honor that its first translation has now been made into Japanese.

Mr. CLARK. Mr. President, this statement contains a cogent argument in support of the proposed treaty. It has convinced me that the best long-range approach to world peace through world law is that outlined in this proposed treaty by Messrs. Clark and Sohn, rather than by revision of the charter of the United Nations, as suggested in their original plan.

In this time of increasing world tensions, when we are at war in Vietnam, when we see a deterioration in the NATO structure, and when there is reason to fear that some of the acts of our Government—and of many other governments as well—will have the effect of advancing international conflict rather than international cooperation, I would hope that Senators and other readers of the CONGRESSIONAL RECORD would give careful thought to the suggestion of Messrs. Clark and Sohn.

Mr. President, we are going to have to get a peace offensive, and a strong one, underway, and promptly, if the world is not to disintegrate with a nuclear world war III.

It is far later than we think.

It is not just nuclear war we fear. Threats of chemical, biological, and radiological war hang over the heads of all of us as well.

Conventional war is now being fought on a massive basis in Vietnam and is threatening to erupt elsewhere in the world.

Accordingly, I would hope that the administration and the governments of other countries would turn their thoughts away from the diplomacy of power politics and turn them toward measures of international cooperation which might bring a just and lasting peace in our lifetime.

As an earnest, able, and carefully reasoned approach to such a posture on the part of our Government, and indeed, all the other members of the United Nations, and the Communist nations as well, including Communist China, I strongly support the proposal presented by Messrs. Clark and Sohn.

SMALL BUSINESS INVESTMENT COMPANY PROGRAM

Mr. PROXMIRE. Mr. President, I anticipate that within a few minutes a minority member of the Subcommittee on Small Business of the Committee on Banking and Currency will be in the Chamber.

Meanwhile, we want very much to be able to take up S. 3695 during the morning hour, as soon as the other member of the subcommittee appears. In the meanwhile, I should like to speak briefly on the bill.

Mr. President, during July and August of this year, the Senate Small Business Subcommittee, Permanent Investigations Subcommittee, and the House Select Committee on Small Business each held hearings on the small business investment company program. These hearings clearly show that the Administrator of the Small Business Administration needed additional tools to regulate the SBIC program.

Mr. President, I introduced S. 3695—which I hope we can take up and pass this morning—on August 8, 1966. The cosponsors of the bill are the Senator from Alabama [Mr. SPARKMAN], chairman of the Senate Select Committee on Small Business, the Senator from Texas [Mr. TOWER], the ranking minority member of the Small Business Subcommittee, the Senator from Oklahoma [Mr. HARRIS], who very effectively chaired the hearings on the SBIC program held by the Permanent Investigations Subcommittee, and the Senator from South Dakota [Mr. MUNDT], the ranking member of that subcommittee. All of us are vitally interested in seeing that Mr. Boutin has more adequate supervisory powers regarding SBIC's.

I would like to compliment the Senator from Oklahoma [Mr. HARRIS], for the excellent way in which he conducted the hearings of the Permanent Investigations Subcommittee on the SBIC program. The staff of that subcommittee cooperated with the staff of the Small Business Subcommittee on this bill and portions of a bill that the Senator from Arkansas [Mr. MCCLELLAN] and the Senator from Oklahoma [Mr. HARRIS] have drafted are included in this bill. I had agreed to engage in a colloquy with the Senator from Oklahoma on this bill but he is unable to be here today. If the bill is not brought up today I will, of course, be happy to discuss the bill with the Senator from Oklahoma when the bill is acted upon.

This is, frankly, a compromise measure which we have discussed in great detail with the leaders of the small business investment industry. It is a compromise measure. It is the result of their best thinking and I believe an acceptable compromise which will work.

This bill would: First, Authorize SBA to revoke SBIC's licenses after Administrative proceedings. SBA now has power to suspend licenses;

Second. Authorize SBA to issue cease-and-desist orders to individuals as well as SBIC's who have violated or are about to violate provisions of the Act or regulations. The present law provides for the issuance of cease and desist orders

against SBIC's for a violation of the Act or regulations; and

Third. Authorize SBA to remove or suspend officers or directors of an SBIC. Appropriate administrative proceedings and judicial review are provided when these powers are exercised.

Mr. President, the Banking and Currency Committee reported out S. 3695 without objection. This bill would amend the Small Business Investment Act of 1958, and the Small Business Act and other laws. There are no objections to the bill by the Small Business Administration or the National Association of Small Business Investment Companies. It is noncontroversial.

This bill would strengthen the authority of the Administrator of the SBA to supervise more effectively the small business investment company program. This is the primary purpose of the bill.

I would like to discuss the main provisions of the bill:

The bill would clarify the authority of the Administrator of the SBA by deleting from title II of the Small Business Investment Act of 1958 the provisions that the powers conferred on the Administration shall be exercised through the Small Business Investment Division and the powers conferred on the SBA Administrator shall be exercised by him through a Deputy Administrator. The provision establishing an Investment Division is retained in the Act. This bill also provides that the present title of Deputy Administrator be changed to Associate Administrator. The bill would create a Deputy Administrator who would be Acting Administrator of SBA in the absence of the Administrator, or in the event of a vacancy in the office of Administrator. This provision conforms to standard practice in other departments and agencies of the Government.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. PROXMIRE. I ask unanimous consent that I may have 2 additional minutes.

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

Mr. PROXMIRE. Mr. President, S. 3695 would authorize SBA to revoke licenses of SBIC's after administrative proceedings. SBA now has authority to suspend licenses, but it needs this additional authority to move against those SBIC's who have seriously violated the act or regulations. This procedure would be conducted under procedure set out in the Administrative Procedure Act. There is ample protection against arbitrary action on the part of SBA.

S. 3695 would amend the Small Business Investment Act to authorize SBA to issue cease and desist orders against individuals, as well as SBIC's who have violated or are about to violate the act or regulations. The present law provides SBA authority to issue cease and desist orders against an SBIC for any violation of the act or regulations. This amendment will enable SBA to reach officers, directors, and other persons with a cease and desist order where in the past the order only was effective against the SBIC, which in many cases may just be a corporate shell.

S. 3695 also authorizes SBA to remove or suspend officers or directors of an SBIC after appropriate administrative proceedings and judicial review. The provisions in this bill relating to removal or suspension of officers or directors contain the same safeguards as were provided in the Financial Institutions Supervisory Act, S. 3158, which passed the Senate without objection August 22, 1966. Under this bill an SBIC officer or director may be removed if three specific findings are made—first, that he has committed a violation of law or regulation or of a final cease and desist order or has engaged in a practice which constitute a breach of his fiduciary duty; second, that the SBIC has suffered or will probably suffer substantial loss or that the interest of the SBA could be seriously prejudiced; and third, in addition to the other two conditions, that the violation or breach of fiduciary duty involves personal dishonesty on the part of the director or officer.

This is a very limited power. In every case personal dishonesty must be involved as well as substantial financial loss or other damage. Furthermore, the bill grants to the director or officer an opportunity to apply to the U.S. district court for a stay if a temporary suspension order is granted or to appeal from a final order to the appropriate U.S. court of appeals or the Court of Appeals for the District of Columbia Circuit.

Another ground for suspension or removal of a director or officer is having been charged in any information, indictment, or a complaint authorized by a U.S. attorney with the commission of or participation in a felony involving dishonesty or breach of trust. The director or officer may also be removed if he is convicted of the felony.

The bill also provides that wherever an SBIC violates any provision of the act or regulations, such violations shall be deemed to be also a violation on the part of any person, including the officers and directors of the SBIC, who participate in such violation. The bill makes it unlawful for any participant in the management of an SBIC to engage in any act or practice in breach of his fiduciary duty. It also provides that except with written consent of the SBA no person may take office or participate in the management of an SBIC who has been convicted of a felony or convicted or found civilly liable for fraud or other dishonesty. It would also provide that persons hereafter so convicted or found civilly liable could not, without consent of the SBA, continue to serve or participate in the management of an SBIC.

S. 3695 provides for the imposition of a fine of $100 per day against any SBIC which fails to file a required report to SBA unless the failure to file is due to reasonable cause and is not due to willful neglect.

The bill would provide a fine of not more than $10,000 or imprisonment of not more than 1 year, for any officer, director, or principal stockholder of an SBIC who knowingly offers any shares of stock in such SBIC as security for any loan to purchase an interest in such SBIC. These persons making these loans have 90 days after the passage of this act to substitute the SBIC stock used as collateral for other acceptable collateral.

The committee has not included in the bill any provision for personal civil liability of officers and directors for losses to SBA caused by violations of the act or regulations. I recognize that there can be a strong argument made for such liability, at least in cases not resulting from mistaken business judgment. This concept needs more study and clarification than is possible in this session.

Mr. Boutin, the Administrator of SBA, assured the committee that he would submit a bill which contains additional incentives to those who are now operating SBIC's and to those who may want to form an SBIC. Early next year the committee will also consider other matters which we did not have time to include in this bill, along with the incentive legislation which Mr. Boutin promises early in the next session.

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

Mr. PROXMIRE. Mr. President, I ask unanimous consent for 1 additional minute.

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

Mr. PROXMIRE. Mr. President, I am happy to yield to the distinguished Senator from South Carolina [Mr. THURMOND], who has been a very diligent member of the Small Business Subcommittee and who also took part in doing highly competent work on this bill.

Mr. THURMOND. Mr. President, I wish to thank the distinguished Senator from Wisconsin and to commend him upon the outstanding work he did on this bill. This bill, S. 3695, grants to the Administrator of the Small Business Administration additional powers to enable him to deal with small business investment company operations more effectively.

I realize that this bill was acted upon quickly. At the same time, there were various and divergent views on the bill. Finally, a bill was agreed upon that appears to meet the objections, of most, if not all interested parties. At least, the controversial features have been eliminated.

The provisions of this bill are needed at once by the Small Business Administration to meet problems that have been arising in the small business investment company operations.

I believe this bill gives Small Business Administration officials the additional authority to deal promptly with these problems, since the bill includes new revocation powers, new reporting requirements and penalties, and authority for closer examination of the industry.

I am sure the committee will watch the effectiveness of this bill and take further action next year, if needed.

This bill probably does not accomplish everything that some of us would like to do, but we think it is a proper step and one that will be effective.

I again commend the Senator from Wisconsin.

Mr. PROXMIRE. I thank the Senator from South Carolina.

Mr. President, I ask unanimous consent that S. 3695, which is now at the desk, be made the pending business. This has been cleared with both the majority and minority. The bill was reported by the committee without objection. It is very urgently needed by the Small Business Administration. It is a noncontroversial bill.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object, I hope the Senator will not press his request at this time, it may be all right, but the bill has not been printed. There is no bill before us to read. I wonder what the rush is in wanting to pass it before Members of the Senate can read it.

Mr. PROXMIRE. I may say to the Senator from Delaware that we have committee prints of the bill as reported and the committee report which are available. I shall be delighted to have the Senator from Delaware look at it.

It is obvious that this bill, like any noncontroversial bill on the calendar, cannot be considered if any Senator objects to having it taken up; and the Senator from Delaware is perfectly within his rights if he chooses to exercise them in this regard.

The bill was not controversial in committee. It is a bill which the committee strongly feels should be passed by the Senate before the Labor Day recess. The committee was unable to report this bill out until today. And today is the last day before the recess on which it can be passed so that it may go to the House, where it must pass through a committee before the House can consider it. It is the feeling of the committee that if action on the bill is delayed until after we return from the Labor Day recess, when the civil rights bill will be before the Senate, it will be extremely difficult to have the bill enacted before sine die adjournment. The bill provides the kind of supervisory authority that the SBA urgently needs, and needs now. The Administrator has asked for this authority. If Congress fails to give it to him, we may be respcnsible for loss of millions of dollars of taxpayers' and investors' money in November and December when Congress may be in recess. This is a bill designed to stop sharp practices and protect the Government investment and the taxpayer.

However, if the Senator from Delaware wishes to hold up the bill, he is, of course, perfectly within his rights to do so. The committee—both Republican and Democratic members—regarded this as a noncontroversial bill.

Mr. WILLIAMS of Delaware. I am always interested in noncontroversial matters; I sometimes propose them myself.

I do correctly understand that the bill changes the method of payment of taxes on losses sustained by investors in small business companies?

Mr. PROXMIRE. No. The bill does not affect taxes at all—in any way, shape, or form. It is completely and totally a supervisory bill. The bill contains no tax incentive provisions.

Mr. WILLIAMS of Delaware. Are taxpayers' investments in the stocks of small business investment companies now allowed as ordinary business losses or as a capital loss?

Mr. PROXMIRE. They are allowed as provided in the law at the present time. The bill does not change that situation.

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

Mr. PROXMIRE. I yield.

Mr. KUCHEL. Before the Senator discusses the merits of the bill, may we have an answer from the Senator from Wisconsin as to who on the minority side has cleared the bill?

Mr. PROXMIRE. In the first place, the Senator from South Carolina [Mr. THURMOND], who is a minority member of the Banking and Currency Committee and the Small Business Subcommittee, has just made a statement approving the bill. In addition, it is my understanding that the minority staff member, Mr. Egenroad, has discussed the bill with the minority members of the committee and has heard of no objection to the bill on their part and no objection to having the Senate act on it at once.

Mr. KUCHEL. I may say to the Senator from Wisconsin that the leadership on this side of the aisle, for which I am attempting to act at the moment, assumes the responsibility of clearing legislation by first ascertaining that the minority members of a particular committee approve it and that there is no objection from any other member of the minority. Under those circumstances, would the Senator from Wisconsin be willing to withdraw his request momentarily, until an appropriate answer can be ascertained with respect to the consideration of the bill?

Mr. THURMOND. I would say to the distinguished Senator from California that the minority members of the committee favor the bill. The distinguished Senator from Texas [Mr. TOWER], the ranking minority member, is in accord with it. The distinguished Senator from Iowa [Mr. HICKENLOOPER] sent his proxy. The other minority members of the committee are in accord with the purposes of the bill. There is no objection to the bill. Originally, there was objection to some provisions of the bill, but, as now reported, most of the controversial features have been removed. So as matters now stand, the minority is in accord. They would not be in accord if the bill had contained certain other features.

Mr. KUCHEL. I thank the Senator. I simply do not know whether the minority leader has cleared this bill.

Mr. THURMOND. I could not speak for the minority leader.

Mr. PROXMIRE. At the suggestion of the Senator from California, I shall certainly withdraw my request if the Senator from Delaware wishes me to do so. I should be reluctant to do so, because I would prefer to have the matter finished today, and not run the risk that it may be difficult to have the bill brought up on Tuesday. However, I recognize that Members have not had a chance to read the bill and the report as filed. If the bill cannot be brought up today, I trust that all Members of the Senate will take advantage of the 4 days intervening to study the bill so they will be able to act promptly on Tuesday.

The PRESIDING OFFICER. The Senator from Wisconsin has asked unanimous consent to call up S. 3695. Is there objection?

Mr. KUCHEL. There is objection.

The PRESIDING OFFICER. Objection is heard.

Is there further morning business?

Mr. KUCHEL. Mr. President, let me complete my statement on this problem.

If the leadership on this side clears the bill—and I shall ask the minority leader to pass judgment on it—there will be no objection, as far as I know, to the Senator from Wisconsin taking the bill up later in the day.

Mr. PROXMIRE. I should be delighted; and I shall be happy to discuss the matter further with the Senator from Delaware, who, as I understand, may have additional questions.

Mr. DOMINICK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMINICK. It is a simple one. I am merely trying to understand the rules in this respect, and what our procedures are. I did not understand that it was the prerogative of a Senator, during the morning hour, to have that kind of bill made the pending business.

The PRESIDING OFFICER. It can be done by unanimous consent.

Mr. DOMINICK. Even during the morning hour?

The PRESIDING OFFICER. Even during the morning hour.

The Senator from California has the floor.

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

Mr. THURMOND. Mr. President, I believe, as a matter of policy, it is better for bills to be considered carefully; I do not think they should be taken up too quickly. However, in this case there does appear to be an emergency, and for that reason I agreed to have the bill called up at this time. The Republican members of the committee agreed to the bill as it has now been reported.

RIGHT-TO-WORK LAW FOR THE TERRITORY OF GUAM

Mr. BYRD of Virginia. Mr. President, like 19 States, including Virginia, the territory of Guam wants a right-to-work law.

The territorial legislature earlier this summer overwhelmingly passed a bill providing that no person should be denied the right to work—if he wants to—because of membership or nonmembership in a labor union.

On July 8 territorial Gov. Manuel Guerrero—a presidential appointee—vetoed the bill. Four days later, the Guam Legislature, by a 14-to-6 vote, overrode the Governor's veto.

Federal law provides that, when the territorial Governor's veto is overridden, the bill is forwarded to the President of the United States, who then has three alternatives:

First. He may sign the bill into law;

Second. He may veto the bill; or

Third. He may allow the bill to become law without his signature by failing to act within 90 days.

The 90 days period on the Guam right-to-work bill started to run on July 22.

As of today the Office of Territories in the Interior Department is preparing a report to the President on "the legal and technical aspects of the bill."

I am advised that the Office of Territories expects the report to the President to be completed about September 1.

Following Governor Guerrero's veto of the island bill, Ricardo Salas, chairman of the Guam Legislature's Rules Committee, said:

This bill is designed to protect the basic right of individuals to choose either membership or nonmembership in labor organizations. The measure does not in any manner or form interfere with legitimate union activities nor does it restrict the right of employees to organize and bargain collectively with their employers.

The U.S. Senate in February killed an effort to repeal section 14(b) of the Taft-Hartley Act. In this action the Senate preserved the rights of States to enact right-to-work laws, if they want them.

I hope, in the Guam case, the President will permit the territory the privileges afforded under section 14(b) of the Taft-Hartley Act.

Now, Mr. President, I ask unanimous consent to insert in the RECORD following my remarks an editorial entitled "Guam's Right To Work," published in the Northern Virginia Daily, of Tuesday, August 30, 1966, whose able editor is J. J. Crawford, of Strasburg, Va.

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

[From the Northern Virginia Daily, Aug. 30, 1966]

GUAM'S RIGHT TO WORK

The little 209 square mile unincorporated territory of Guam is providing President Johnson with what could turn out to be a kingsize headache. The unicameral legislature of Guam has managed to put the President squarely on the spot.

Here's what happened. The legislative body of Guam passed a Right to Work bill patterned after several well-established state Right to Work laws on the mainland. The heart of the Guam bill is expressed in Section 53002 which stipulates: "No person shall be denied the opportunity to obtain or retain employment because of non-membership in a labor organization . . ."

In other words, the majority of the 75,483 people of Guam want no part of compulsory unionism. They have made it clear they want the right to decide for themselves whether they, individually, will or will not join a union in order to hold a job.

But, the abolishment of the threat of compulsory unionism was not to be that easy. On July 8 the Federally appointed Territorial Governor of Guam vetoed the bill passed by the legislature. Four days after the Governor's action the 20-member legislature immediately overrode the veto by a vote of 14 to 6. Federal law provides that when a territorial governor's veto is overridden the bill in question is forwarded to the President. The President must do one of three things: sign the bill into law, veto the bill, or, if he fails to act within 90 days, the bill becomes law without the President's signature.

Thus, the President must now make a decision, which, regardless of which method he employs in deciding the fate of the bill, could be painful. All along LBJ has made no secret of his support for federal legislation which would abolish Section 14(b) of the Taft-Hartley Act. He long ago threw in his lot with organized labor in an effort to cram compulsory unionism down the throats of the people. Ironically enough, however, the President and the Democratically-controlled Congress were unable to deliver.

The power of the presidency and the power of organized labor combined were not enough to overcome the power of the people, approximately 70 percent of whom opposed repeal. Accordingly, the effort to kill Section 14(b) failed. The right of the individual states to ban compulsory unionism remains unviolated, at least temporarily.

The question now is, since there is no federal law to morally support him, will the President carry his allegiance to organized labor to the point of vetoing the Guam Right to Work law, against the islanders' overwhelming wishes? Or, will he risk the ire of his organized labor cohorts by approving the Guam bill?

It's an awkward position for LBJ who has been outspoken against Right to Work laws and equally outspoken for civil rights and individual freedoms. The fact that this bill involves, for the people of Guam, the important basic civil right of the individual's freedom to work, does not make it easier. On August 20, speaking at the University of Rhode Island, President Johnson said:

"If there is a single word that describes our form of society, it may be the word 'voluntary' . . . the tremendous prosperity we enjoy and the personal liberty we cherish, are at least good evidence that the system works."

If LBJ really means what he said there is only one thing he can consistently do—O.K. the Guam Right to Work bill.

POLLUTION OF LAKE MICHIGAN DURING DREDGING BY U.S. CORPS OF ENGINEERS PRESENTS SEVERE PROBLEM—PUBLIC WORKS COMMITTEE CHAIRMAN CONCERNED

Mr. RANDOLPH. Mr. President, I am concerned with the pollution of Lake Michigan in the Chicago area associated with the activities of the Corps of Army Engineers.

Because the Senate Committee on Public Works has general legislative authority over the civil functions of the Corps of Engineers and general legislative authority over the water pollution control program, I feel it is important to learn exactly the scope and extent of the corps' contribution to pollution of Lake Michigan. The corps has provided me with a comprehensive summary of this situation and recommended solutions to the pollution problem. In essence, the problem arises from dredging operations currently in progress in the north fork of the Chicago River. The material which the corps dredges from the Chicago River is taken out and dumped in an area of Lake Michigan where such dumping will not constitute a hazard to beaches or water-supply intakes.

According to the information I have received from the corps, changing the present disposal method would involve unloading the dredge material on shore and rehandling by trucks at an estimated cost probably in excess of $7.50 per yard instead of the contract unit price of approximately $1.50 per yard.

Mr. President, when the Federal Government recognized its responsibility to aid in the control of water pollution and, more specifically, when the administration issued an Executive order relating to pollution control by Federal agencies, most of us recognized that it would be more costly not to pollute than to allow pollution to continue.

The Corps of Engineers has assured me that "prior to the accomplishment of any future dredging work in the Chicago area, the problem of spoil disposal will be the subject of detailed study." While this is adequate assurance for the future, it is important that existing pollution be minimized and that Lake Michigan does not go the same route as Lake Erie.

The Corps of Engineers can and should request from the Congress sufficient funds to avoid polluting this great lake. The Corps has an obligation to protect the value of other resources when performing its authorized function. I earnestly urge the Corps of Engineers and the Bureau of the Budget to recommend adequate methods of pollution control for Lake Michigan.

I ask unanimous consent that the communication from the Corps of Engineers regarding their operations on Lake Michigan be inserted at this point in the RECORD.

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

ARMY CORPS OF ENGINEERS DREDGING OF GREAT LAKES HARBORS AND CHANNELS

1. *Problem:* In recent months greatly increased attention has been given to the pollution of the Great Lakes. In connection therewith some local and state interests have protested the dredge spoil disposal operations of the Corps of Engineers on the grounds that this activity is contributing to pollution of the Lakes.

2. *Facts:* a. New work and maintenance dredging of the harbors and channels of the Great Lakes has been carried on by the Corps of Engineers for many years. In many instances the dredge spoil has been disposed of in open waters of the Lakes. This practice has been followed because it is usually by far the most economical means of accomplishing this work.

b. Executive Orders 11258 and 11288 provide, among other things, that the heads of Departments of the Executive Branches shall cooperate in preventing or controlling water pollution and that pollution caused by the operations of the Federal Government shall be reduced to the lowest level practicable.

c. The original interpretation of these Executive Orders was that the Corps' dredging operations were not necessarily covered on the basis that these operations did not constitute a source of polluted material. They do, however, in many instances, involve moving material which is highly polluted from either industrial or sanitary sources from one place to another. The Corps' prior practice has been limited to assuring that the dredge spoil areas were so selected that they did not constitute a pollution hazard to beaches or water supply intakes.

d. The scope of the protests being received indicates the clear need for more positive and direct action.

e. This need is substantiated by the policies of the Federal Water Pollution Control Administration and the necessity that regardless of the relative impact of the operations, as a federal activity it should be exemplary to those private and public interests which are in fact the source of the pollution.

3. *Position of the Corps of Engineers:* The Corps of Engineers agrees completely that wherever practicable and as soon as practicable dredge disposal methods should be modified so that they will not unreasonably accentuate this problem.

4. *Solution:*

a. The long range solution is to give adequate treatment to all wastes before they are deposited in waterways. It is recognized that this will require a major effort over several years with Federal, state and local interests working together.

b. Pending achievement of the long range solution, there will be continued need for maintenance dredging in the Great Lakes Harbors as a vital element of the economy of the region and the United States.

c. To meet both the needs for navigation and for pollution abatement the Corps of Engineers proposes to study each location at which dredge spoil is now being placed in open waters. This study will be directed toward devising an alternate plan of operation which will reduce the polluting impact of dredging operations to a minimum. Generally these plans will provide for land disposal or diked shoreside disposal areas. This type of alternate solution is not a complete one because it will not eliminate dissolved polluted material and the disposal sites will not be very attractive. It will, however, eliminate the solid materials and it will limit the transfer of dissolved polluted material largely to the actual periods of dredging. The complete solution lies in the control of polluted waste at its source.

d. As soon as the most economic plans for all sites have been determined and no later than the next requests for funds subsequent hereto, the scope of the alternate solution will be presented to the Bureau of the Budget for its consideration in the appropriation of the necessary funds.

e. As soon as funds have been provided for the alternate method of operation, it will be put into effect in connection with the next dredging for the site concerned.

5. *Limitations:* It is considered that these revised procedures to the extent that they are adopted will meet the objectives of the Executive Orders in the reduction of pollution. There will, however, be some limitations with respect thereto as follows:

a. It cannot be expected that corrective measures will be immediately adopted for all harbors. The engineering studies involved will take time. In addition, the construction of alternate disposal areas where this is the proposed solution will also take time. In the meantime, the only alternative would be to cease maintenance of the project. This latter solution is inconsistent with the general economy and the needs of the people.

b. There will be considerable expense involved. The prior methods of dredging as noted above were premised on the most economic way of accomplishing the work. The adoption of alternate methods will require very substantial increased funding all of which may be beyond immediate budgetary limitations. It may also be expected that the increased costs may result in the abandonment of some projects on the basis of economics.

c. Our best present estimates are that at the very least it will be from three to five years before all corrective measures can be placed into effect.

TRAFFIC SAFETY ACT OF 1966

Mr. NELSON. Mr. President, the Congress has now completed action on the Traffic Safety Act of 1966 and sent the bill to the President for signature. This is a historic piece of legislation and certainly one of the most important accomplishments of the 89th Congress. It shows the determination on the part of the U.S. Congress and the American people to do something positive about the scandalous conditions on American highways which are causing the deaths of 50,000 people a year.

Final passage of this bill is especially meaningful to me, of course, because the bill incorporates the entire safety program which I offered to the Congress in the form of three bills over the past 2 years:

First. Grading and labeling of automobile tires.

Second. Minimum safety standards for all automobiles.

Third. Research into prototypes of safely designed cars.

There is some irony in the fact that we complete action on this bill designed to save lives on the highway on the eve of the Labor Day weekend when many hundreds of Americans will be needlessly killed, causing grief and hardship throughout the country.

The fact that hundreds will die over the Labor Day weekend despite our action on this bill dramatizes that much remains to be done to restore sanity and safety to the highways of America.

First of all, this legislation must be implemented. Congress must act promptly on an appropriation measure to provide the funds which this new safety legislation will require. Second, the administration must recruit the people and set up the machinery necessary to carry out this bill.

In addition, every level of government in America, every automobile and tire manufacturer, and every individual motorist must make highway safety a more urgent priority if we are going to make any meaningful reduction in our highway death toll.

I introduced the first automobile tire safety legislation in the Senate in May 1964. It would have directed the Federal Government to establish national safety standards for all automobile tires. This legislation was revised and introduced April 1, 1965, as bill S. 1463. It provoked an interesting nationwide reaction. It brought denunciation from tire manufacturers who insisted that "tires were safer than ever" and who resisted any kind of safety standards established by a public agency. But the bill also brought thousands of letters from individual motorists who testified to the most shocking examples of tire failure, even on new automobiles. Hearings before the Federal Trade Commission and Senate and House committees soon proved beyond a shadow of doubt that many new cars were being delivered with inadequate tires and that the individual motorist was virtually helpless in selecting the proper tire to suit his needs in an industry which was using a bewildering array of misleading names and size labels.

Thanks to the leadership of the Senator from Washington [Mr. MAGNUSON] and a number of others, this tire safety bill, further revised and improved, passed the Senate by a vote of 79 to 0. Legislation which had been denounced by prominent spokesmen for a major industry was suddenly so acceptable that not a single vote was cast against it.

Realizing that the American highway scandal was not caused by tire failure alone, I introduced another bill, S. 1251, in February of 1965 to authorize the Federal Government to set mandatory minimum safety standards for all automobiles. As I said at the time, it seemed unusual that the Congress asserted the authority to require safety features on cars bought by the Federal Government but did not extend this same protection to cars bought by the average American citizen. This bill also was very sharply criticized by the automobile industry and even by some who appeared to be disinterested persons. One of the criticisms was that there were widely different opinions as to what constituted safe design in an automobile.

To meet that criticism, I introduced legislation, S. 2162, in June of 1965 to authorize the Federal Government to finance and supervise the development and testing of prototypes of truly safe automobiles. The purpose of this bill was to allow engineering research firms to do far-ranging research leading to the construction and testing of cars which would meet the needs of American motorists and at the same time help to reduce the highway death toll.

This bill particularly was scoffed at. The most common taunt was that a car designed for safety would have to look "like a Sherman tank," a remark which simply exposed the lack of understanding of many people as to what constitutes safe design in an automobile.

It is a source of great personal satisfaction to me that all three of these bills which I introduced over the past 2 years—national safety standards and quality labeling for automobile tires; mandatory minimum safety standards for all automobiles, and authorization for federally financed research in safe automobile design—have now been incorporated into the Traffic Safety Act of 1966 and have passed both Houses of the Congress by unanimous vote.

As I remarked earlier, much remains to be done. At the same time, it is interesting to note that much already has been accomplished. As is so often the case, industry has reacted to this legislation even before it has taken effect. Already, realizing that the Congress finally meant business and the American people were serious about highway safety, the auto makers are announcing 1967 models including such items as collapsible steering columns and dual braking systems as standard features. It is interesting to note that not much more than a year ago the industry was minimizing the need for such features and even criticizing them, just as the industry criticized seat belts a decade earlier.

Because the American public demanded action on safe automobile and tire design and because Congress showed that it was serious about this matter, the new cars rolling off the assembly lines this month will be safer than the cars which otherwise would have been produced. Once this bill takes effect, the 1968 and later models which are produced will be still safer yet. I must emphasize that the passage of this legislation should not signal a letup in our

overall, nationwide campaign for highway safety. But it is a cause for rejoicing that at long last something really significant has been done to raise the standards of the millions of automobiles and tires which play such an important part in the lives of all Americans today.

INTERVIEW WITH A MEMBER OF THE VIETCONG

Mr. RIBICOFF. Mr. President, yesterday the National Broadcasting Co. on the Huntley-Brinkley show televised an interview between its distinguished correspondent Sander Vanocur and Tran Hoai Nam, a high official of the "National Liberation Front"—otherwise known as the Vietcong.

The interview was filmed in Algeria, and presents a striking view of the Front's attitudes and positions. Arrangements for the interview took several months to accomplish, and I believe the interview is a real tribute to the initiative, enterprise, and journalistic skill of both Mr. Vanocur and NBC News.

What was said in the discussions deserves attention. I ask unanimous consent that a transcript of the broadcast be printed at this point in the RECORD.

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

This interview with Tran Hoai Nam, a high official of the National Liberation Front and the Front's representative in Algeria, took place four days ago in Algiers. The Front is the political arm of the Viet Cong.

I asked for the interview three months ago. At the end of June, I received a request for written questions. The interval between the time the questions were sent and when the interview took place was presumably used to formulate the answers with the leaders of the Front in Vietnam. NBC News agreed to show the interview unedited.

Before the interview began, I proposed an additional question—one about the 1954 Geneva accords, and this request was agreed to.

The interview took place at the Front's headquarters in Algiers, 18 Rue Langevian. Though I believe that Nam understands English and may even speak it, he answered in Vietnamese from a prepared text. A representative for the Northvietnamese news agency read the prepared English translation of the answers. The atmosphere was cordial.

SANDER VANOCUR-TRAN HOAI NAM INTERVIEW

VANOCUR. What are the conditions, in the opinion of the leaders of the National Liberation Front, which would be necessary to secure an end to the fighting in Vietnam?

TRAN HOAI NAM. The South Vietnamese people fervently cherish peace, a real peace not dissociated from national independence. For our people, peace means that there is no longer any aggressor on the Vietnamese soil. As long as the American troops still hang onto our country, the South Vietnamese people will fight them until the achievement of independence, democracy and peace. This unswerving position has been clearly defined in the statement of the Central Committee of the South Vietnam National Front for Liberation on March 22, 1965, as follows:

"The South Vietnamese people and their armed forces are resolved never to lose hold of their arms so long as they have not attained the fundamental aims of their struggle: independence, democracy, peace and neutrality. All talks with the U.S. imperialists at this moment are entirely useless if they still refuse to withdraw from South Vietnam all their troops and means of warfare and those of their satellite countries, if they still have not dismantled all their military bases in South Vietnam, if the traitors still surrender South Vietnamese people's sacred rights to independence and democracy to the U.S. imperialists and if the South Vietnam National Front for Liberation, the only genuine representative of the 14 million South Vietnamese people does not have its decisive voice."

VANOCUR. If agreement could be reached on the need for discussions among the interested parties in this conflict, would the National Liberation Front favor a temporary cease-fire to hostilities during the discussions, or would it be necessary for the hostilities to continue during such a conference?

TRAN HOAI NAM. The U.S. rulers have always been trumpeting about negotiation and peace. But it is common knowledge that each time they are about to send reinforcements to South Vietnam and make a further step in escalating their war of aggression, they always resort to their "peace talks" swindle in an attempt to cover up their criminal acts, to fool world opinion and blame the Vietnamese people for unwillingness to enter into "peace talks." In fact, the U.S. rulers are feverishly intensifying their aggressive war in South Vietnam and giving a new and extremely dangerous impulse to their "escalate" in North Vietnam in an attempt to change their position of weakness and defeat into a position of strength and victory and obtain at the conference table what they could not obtain in the battlefield.

In this context and as long as the claims defined by the above mentioned statement of the Central Committee of the South Vietnam National Front for Liberation are not realized, any discussion or negotiation would be inappropriate. The entire people of South Vietnam will consequently continue their resolute struggle until final victory.

VANOCUR. What are the political objectives of the National Liberation Front and are the leaders of the NLF prepared to participate in elections throughout Vietnam to be supervised by a neutral body?

TRAN HOAI NAM. According to the ten-point program defined in its Manifesto, the position of the South Vietnam National Front for Liberation on the political field is:

To overthrow the disguised colonial regime and to form a national democratic coalition government which should include the representatives of the various sections of the population, of all the nationalities, political parties, religious beliefs and all the patriotic personalities.

To set up a progressive regime of broad democracy and abolish the present dictatorial constitution of the puppet government.

To carry out a foreign policy of peace and neutrality. The national democratic government is disposed to establish diplomatic relations with all the other countries regardless of their political regimes and in conformity with the principles of peaceful coexistence as defined by the Bandung Conference, and unite closely with peace loving countries and neutral countries . . . South Vietnam should not join any military alliance. It is disposed to receive economic aid from any country which would grant it without any binding condition.

VANOCUR. Is unification with the North a political objective of the National Liberation Front?

TRAN HOAI NAM. The South Vietnam National Front for Liberation stands for the gradual reunification of the country by peaceful means, on the principle of negotiations and discussions between the two zones and all forms and measures to be applied for the benefit of the people and Fatherland, because the reunification of our country is the ardent aspiration of all our compatriots.

The South Vietnam National Front for Liberation will consequently organize free general elections.

As "for general elections in South Vietnam" you have made mention of, I should assert that as long as the U.S. and their satellites do not withdraw their armed forces from South Vietnam it is absolutely impossible to talk about free elections. Not to mention the so-called elections of the "Constituent Assembly" or any other elections of the "National Assembly" staged by the traitors in Saigon on U.S. orders, which are nothing but political bluffs. Such facetious elections will never be recognized by the South Vietnamese people.

VANOCUR. If agreement as it seems cannot be reached on major substantive issues, would the National Liberation Front be prepared to discuss an exchange of prisoners with the United States? In this connection, and perhaps as a useful first step, would the National Liberation Front be prepared to immediately arrange for the release of a United States AID official, Mr. Gustave Hertz?

TRAN HOAI NAM. As long as the U.S. government persist in refusing to recognize the South Vietnam National Front for Liberation, there is no possibility to consider any discussion on the problem of American prisoners.

VANOCUR. Have your representatives here or elsewhere in the world, met with official representatives of the United States, and if the answer is in the negative, are your leaders prepared for such a meeting or meetings, at this time or in the future?

TRAN HOAI NAM. The leaders of the South Vietnam Front for Liberation have never met officially or unofficially with the U.S. representatives. At present, while the U.S. are continuing to intensify and extend the war in Vietnam, if there is any U.S. suggestion about such a meeting, this can only be considered as a maneuver in the fallacious "peace" policy of President Johnson with a view to cover up his aggressive policy of war and hoodwink American and world opinion.

VANOCUR. There has been some talk of late in the United States that perhaps the 1954 Geneva Accords have no application to the present conflict, have perhaps been overtaken by events. What is the official position of the National Liberation Front with regard to the Accord?

TRAN HOAI NAM. The essential spirit of the 1954 Geneva Agreements on Vietnam is to recognize the independence, sovereignty, unity and territorial integrity of Vietnam. If the U.S. government acts in accordance with the engagement made by its representative at the 1954 Geneva Conference, Mr. Bedell Smith, that is to say if it respects the 1954 Geneva Agreements, real peace has been restored in South Vietnam and the reunification of the whole of Vietnam, an independent and sovereign country has been realized since long.

The South Vietnam National Front for Liberation did not participate to the 1954 Geneva Agreements on Vietnam. Consequently, it is not bound by these agreements. Nevertheless, it is striving for the realization of the fundamental principles of these agreements because they are in conformity with the just aspirations and rights of the South Vietnamese people.

To conclude, I take this opportunity to express my heart-felt thanks to the intellectuals, religious groups, students, workers and all other men of good-will in the United States who have time and again manifested and continue to manifest their solidarity with the Vietnamese people in the latter's struggle for national salvation.

VANOCUR. Thank you.

VANOCUR CLOSER

The important points in an interview in a foreign language are not always immediately

obvious. But the tone in this one was unmistakable. It was defiance.

In revolutionary movements, defiance can often be a mask for weakness. That may be what we witnessed in this interview. But we cannot be sure. In my opinion, the important points were: the curt refusal to discuss an exchange of prisoners, their unwillingness to meet with U.S. representatives, and the sharp emphasis on fighting to the end. I came away with this impression: These people offered absolutely nothing, in manner or in words, which would suggest, even faintly, an early or a painless end to this struggle.

This is Sander Vanocur, NBC News.

LONG WAR IN VIETNAM INDICATED

Mr. McGOVERN. Mr. President, last night, NBC Commentator Sander Vanocur was featured in an important filmed interview with an official of the Vietnamese National Liberation Front. Three months ago, Mr. Vanocur requested an interview with a representative of the political arm of the Vietcong. In June, he was asked to submit written questions which he did. Four days ago, the interview was granted at the National Liberation Front office in Algiers. Mr. Tran Hoai Nam, the group's representative in Algeria, answered the questions submitted by Mr. Vanocur.

The clear import of the interview is that at least at the present time our escalating military pressure on the Vietcong is not prompting them to take a more favorable attitude toward negotiations. Mr. Vanocur reached the conclusion that "these people offered absolutely nothing in manner or in words which would suggest even faintly an early or a painless end to this struggle."

In the course of the interview, the Vietcong spokesman said that the political aims for the guerrilla movement are to overthrow the "disguised colonial regime" in Saigon and replace it with a "progressive" coalition government. He further said that it is "absolutely impossible to talk about free elections" as long as American troops are overrunning Vietnam. The Vietcong spokesman said that the U.S. peace offensives have all been designed to deceive public opinion as a cloak for an escalating U.S. military involvement.

The distinguished Senator from Connecticut [Mr. RIBICOFF], whose remarks precede mine, under the headline "Interview With a Member of the Vietcong," has already placed in the RECORD the text of the interview. I join him in urging Members of Congress and the general public to read it.

Mr. President, I ask unanimous consent that an article by Mr. Max Frankel, published in the New York Times of September 1, 1966, relative to Mr. Vancour's interview, be printed at this point in the RECORD.

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

[From the New York (N.Y.) Times, Sept. 1, 1966]

VIETCONG SPOKESMAN IS DEFIANT ON PEACE TALKS—AID IN ALGERIA, IN REPLIES TO AMERICAN TV QUERIES, SAYS U.S. TROOPS MUST LEAVE

(By Max Frankel)

WASHINGTON, August 31.—South Vietnam's National Liberation Front expressed a defiant and extremely tough line toward negotiations of any kind in a statement prepared for an American television showing tonight.

The front, the political parent group of the Vietcong, said peace talks would be "inappropriate" as long as American troops remained in Vietnam. It accused American officials of seeking negotiations only to convert defeat into victory and to "obtain at the conference table what they could not obtain in the battlefield."

The Communist-led organization refused even to consider discussions about prisoners until the United States formally recognized it as a legitimate political group. Washington has consistently denounced the front as the "creature" of North Vietnam's Communist Government.

The views of the front were given to Sander Vanocur, a correspondent of the National Broadcasting Company, by Tran Hoai Nam, the group's representative in Algeria. In presenting the interview on the Huntley-Brinkley Report, Mr. Vancour said he had requested it three months ago and submitted written questions at the end of June.

TOOK PLACE 4 DAYS AGO

The interview took place four days ago at the front's office in Algiers. Mr. Vancour said that he presumed the answers had been cleared with front leaders in Vietnam over the summer.

"For our people, peace means that there is no longer any aggressor on Vietnamese soil," Mr. Nam said. "As long as the American troops still hang onto our country, the South Vietnamese people will fight them until the achievement of independence, democracy and peace."

He said that there had been no change in the front's policy since the declaration of its central committee on March 22, 1965. That declaration vowed continuation of the war until American troops were withdrawn and the front had gained a "decisive" voice in the government of South Vietnam.

Mr. Nam denounced calls for negotiation without withdrawal as a "swindle" designed to cloak intensification of the pace of war by the United States.

He defined the front's political aims as the overthrow of the "disguised colonial regime" now governing in Saigon, formation of a broadly based and "progressive" coalition government and adoption of a foreign policy of "peace and neutrality." He described the front, however, as "the only genuine representative of the South Vietnamese people."

The front advocates "gradual" reunification of North and South Vietnam "on the principle of negotiations and discussions between the two zones," the spokesman said. It is "absolutely impossible to talk about free elections," he added, as long as American and other foreign troops are stationed in Vietnam.

Mr. Nam dismissed the Sept. 11 elections for a constituent assembly as a "political bluff" staged by "traitors in Saigon on U.S. orders."

CALLS EFFORTS A MANEUVER

The leaders of the front have never met officially or unofficially with American representatives, Mr. Nam said, and can only regard suggestions for such meetings while the war is being intensified "as a maneuver in the fallacious peace policy of President Johnson."

He ended the interview by expressing "heartfelt thanks to the intellectuals, religious groups, students, workers and all other men of good will in the United States who have time and again manifested and continue to manifest their solidarity with the Vietnamese people in the latter's struggle for national salvation."

Mr. Nam spoke in Vietnamese from a prepared text. He had a prepared English translation read before the camera by a representative of the North Vietnamese news agency. Mr. Vanocur described the atmosphere of the talk as cordial, but came away with the "impression that the front had offered nothing in either manner or words to suggest an early or painless end to the war."

REPORT OF PLAN FOR LONG WAR

PNOMPENH, CAMBODIA, August 31.—Wilfred Buchett, a leftist Australian journalist who returned Monday from Vietcong areas in Vietnam, says that insurgent leaders expect that the war will go on for years. Mr. Burchett interviewed Nguyen Huu Tho, chairman of the National Liberation Front.

The Australian also said that economic planning in North Vietnam was based on the assumption that the war with the United States would be a long one.

Mr. Burchett said that the Vietcong leaders saw no point in entering into negotiations with the United States as long as the Johnson Administration treated the war in South Vietnam simply as "aggression from the North." He expressed the opinion that the United States could break the impasse over negotiations only by expressing readiness to negotiate directly with national Liberation Front.

Mr. Burchett said that Mr. Tho had told him that the front's political position had not changed, that the front was still ready to form a broad coalition government that would embrace all political groupings in South Vietnam and eventually negotiate with Hanoi on unification of the country.

Mr. Burchett reported that he had found the Vietcong more confident than during his last visit in November when they were experiencing some uneasiness about the American military build-up.

Mr. McGOVERN. Mr. President, the Vanocur interview is one more indication that our assumption that the Vietcong and North Vietnam would come to the conference table if they are only hit hard enough militarily may be a questionable assumption. Writing in this same vain, Mr. Stewart Alsop suggests in the September 10 issue of the Saturday Evening Post that our policy planners may have made "a great miscalculation" in concluding that our mounting military pressure on North Vietnam and the Vietcong is the road to the conference table.

Mr. Alsop quotes Secretary of Defense McNamara as follows:

> The essence of our military effort there must be to show the North Vietnamese and the Viet Cong that they can't win in the South. Then we presume that they will move to a settlement, either through negotiations or other action.

Mr. Alsop also quotes the opposing view of North Vietnamese leader Ho Chi Minh:

> Johnson and his clique should realize this: . . . The war may last five, ten, twenty years or longer. Hanoi, Haiphong and other cities and enterprises may be destroyed, but the Vietnamese people will not be intimidated. . . . In the past, we defeated the Japanese fascists and the French colonialists in much more difficult junctures. . . . The Vietnamese people will win.

Then Mr. Alsop concludes:

> If the war drags on and on, the pressure to fight "our kind of war," and to "occupy his territory"—or at least some of it—will mount inexorably. The bombing of the demilitarized zone is already a step in that direction. Wars have a terrible logic of their own, which is quite unlike the logic of intelligent and reasonable men, examining charts in air-conditioned offices.

In short, if the McNamara thesis turns out to be a great miscalculation, the United States could find itself involved, all unwittingly, in a military occupation of a large hostile population. The United States could also find itself involved, all unwittingly, in a very much larger and very much uglier war.

Surely all sensible men must hope, and also pray, that the McNamara thesis will prove correct, and that now that we have indeed shown the Communists that "they can't win the South," they will follow the Washington script and "move to a settlement." Otherwise, despite the brilliant job our forces have been doing in Vietnam, the outlook is for a much larger, longer and bloodier war than Lyndon Johnson, Robert McNamara or anyone else allowed for.

Mr. President, I ask unanimous consent that this thoughtful and sobering piece by Mr. Alsop be printed at this point in the RECORD.

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

VIETNAM: GREAT MISCALCULATION?

(By Stewart Alsop)

Robert S. McNamara: "The essence of our military effort there must be to show the North Vietnamese and the Viet Cong that they can't win in the South. [Then] we presume that they will move to a settlement, either through negotiation or other action."

Lyndon B. Johnson: "Our diplomatic reports indicate that the opposing forces no longer really expect a military victory in South Vietnam."

Ho Chi Minh: "Johnson and his clique should realize this: . . . The war may last five, ten, twenty years or longer. Hanoi, Haiphong and other cities and enterprises may be destroyed, but the Vietnamese people will not be intimidated. . . . In the past, we defeated the Japanese fascists and the French colonialists in much more difficult junctures. . . . The Vietnamese people will win."

The McNamara thesis, that the Communist side in Vietnam "will move to a settlement," once they are convinced that "they can't win in the South," is the basic assumption of American strategy in Vietnam. In testimony on Capitol Hill, in private conversations and on-the-record interviews, McNamara and other Administration spokesmen have reiterated this basic assumption again and again.

"We're trying to show them they can't win the South," McNamara said some weeks ago in an interview with this reporter for the Post, "and that the longer they try to do so, the heavier will be the penalty they pay in the North. . . . They're paying a real penalty already."

The "penalty" has been increasing steadily ever since. And surely by this time Ho Chi Minh and his clique are sufficiently aware of the mountainous American military superiority so that they "no longer really expect a military victory in South Vietnam."

Did Ho Chi Minh therefore obey the script, as written in Washington, and "move to a settlement"? Not at all. Instead, a couple of weeks after the President's triumphant press-conference announcement, quoted above, he went on Hanoi radio and made the speech which is also quoted above, and which breathes defiance in every line. And at least as this is written, there is no evidence whatever that the Communists are getting ready to "move to settlement" in Vietnam.

Thus it is surely about time to face up to the fact that the McNamara thesis, the basic American assumption about the war in Vietnam, may be dead wrong. It is a perfectly logical thesis. Since he clearly "can't win in the South," the sensible thing for Ho Chi Minh to do is to cut his losses. But maybe Ho Chi Minh isn't "sensible." Maybe he means just what he says.

"You mean you think Ho is an Asian Churchill?" a high official asked with a derisive laugh when this possibility was suggested to him. "You mean 'We'll fight on the beaches'—all that sort of thing?"

Ho may not be an Asian Churchill, but Churchill's decision to fight on in 1940 was by sensible standards an illogical decision—he simply did not have the means to defeat Hitler, and Hitler had offered rather tempting peace terms. Again and again in history, for reasons irrational and even dishonorable, men have fought on when their cause seemed hopeless. Even a rat, when cornered, displays a terrible courage.

Moreover, all men—including Ho Chi Minh and his aging lieutenants—are products of their past. As Ho said in his radio speech, he and his Viet Minh guerrillas "defeated the Japanese fascists and the French colonialists" even when the Viet Minh controlled no oil depots, no factories and no town in Indochina bigger than a big village. When the Italian professor Giorgio La Pira visited Ho last autumn, Ho remarked to him that, even if the Americans bombed North Vietnam "back to the stone age," he and his men would be no worse off than they were before Dienbienphu.

Obviously the possibility that the McNamara thesis may turn out to be wrong has occurred to the Administration policy makers, including Secretary McNamara. This accounts for the warnings, much repeated in recent weeks, that the war may be long and hard. But how long and how hard?

One well-informed official believes ("but don't quote me") that the Communist side cannot continue the fight for more than two years at the most—i.e., the war will end before the next presidential election. "The V.C. and the North Vietnamese," this official points out, "are taking more than one thousand fatal casualties a week—that's more than fifty thousand dead a year, not counting wounded and defections. They just *can't* go on taking that kind of punishment indefinitely."

A thousand dead men is a lot of dead men, week after week. But there are 16 million people in North Vietnam, and many millions more under Communist control in South Vietnam. American judgments of what the Vietnamese Communists can or cannot "go on taking" have been wrong in the past. No informed official denies that the war could last more than another two years—perhaps a lot more.

In that case, one thing is absolutely predictable. The pressure to follow the prescription of Sen. RICHARD RUSSELL—"go in and win or get out"—will mount and mount. Studies have of course been made within the Administration of the "feasibility of extrication" as proposed to escalation. The conclusion has always been the same. There is no presently visible way to "get out"—short of national dishonor. To accept national dishonor as the chief distinguishing mark of the Johnson Administration is simply not in the character of Lyndon Johnson.

That leaves "go in and win." As a very high military man remarked unhappily to this reporter not long ago: "This isn't our kind of war—we were always taught that the purpose of war was to subjugate the enemy and occupy his territory." The only way to "go in and win," short of using nuclear weapons to turn North Vietnam into a wilderness, is to attempt to "subjugate the enemy and occupy his territory," the most obvious first move being an amphibious landing to cut the Northern regime off from the South.

This may seem totally improbable. But a couple of years ago it seems totally improbable that the United States would send upwards of 400,000 men to fight in South Vietnam.

If the war drags on and on, the pressure to fight "our kind of war," and to "occupy his territory"—or at least some of it—will mount inexorably. The bombing of the demilitarized zone is already a step in that direction. W...s have a terrible logic of their own, which is quite unlike the logic of intelligent and reasonable men, examining charts in air-conditioned offices.

In short, if the McNamara thesis turns out to be a great miscalculation, the United States could find itself involved, all unwittingly, in a military occupation of a large hostile population. The United States could also find itself involved, all unwittingly, in a very much larger and very much uglier war.

Surely all sensible men must hope, and also pray, that the McNamara thesis will prove correct, and that now that we have indeed shown the Communists that "they can't win the South," they will follow the Washington script and "move to a settlement." Otherwise, despite the brilliant job our forces have been doing in Vietnam, the outlook is for a much larger, longer and bloodier war than Lyndon Johnson, Robert McNamara or anyone else allowed for.

PRESIDENT JOHNSON'S REMARKS AT BURLINGTON, VT.

Mr. JACKSON. Mr. President, when the President of the United States spoke at Burlington, Vt., on August 20, he gave us some good news—he said we are winning the battle of conservation.

There is no doubt that Lyndon B. Johnson will go down in history as one of our greatest conservation Presidents. His address at Burlington illuminates his determination to save our priceless natural heritage.

Because the address is a fine summation of his stewardship of these resources, I ask unanimous consent that it appear at this point in the RECORD.

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

REMARKS OF THE PRESIDENT AT BURLINGTON, VT.

I have been reading in the magazines and seeing on television lately some of the problems at Yosemite Park, three thousand miles from your Green Mountain National Forest. But if you will ask the Forest Rangers here, they will tell you that they face some of the same problems.

The problem—as it was explained in those reports—is summed up in one word: Crowds. So many people are swarming to Yosemite—and to the Green Mountain National Forest which was visited last year by 800,000 Americans—and to all our other national parks and national forests—that when they arrive, what they have come to see and experience is obscured by crowds. We are told they simply move the city with them.

And this, as it has been reported, is due to a host of 20th century maladies: a population explosion, a rootless streak in our national character, and an urge to pave the whole country with concrete.

Let me tell you here today that the reality of what's happening in outdoor America is just not quite that simple, or quite that dreadful.

Let me note first, that crowds at Yosemite and crowds at the Green Mountain National Forest are not primarily a symptom of either a malignant population explosion or of some kind of spreading urban madness.

These crowds show that more Americans are out enjoying themselves than ever before; they have cars, and vacations, and fine roads to follow. That's a good way to spend part of a summer, and I think that most of

the people at Yosemite and at the Green Mountain National Forest feel the same way.

When I was a boy, the 50-mile trip from Johnson City to the State capitol at Austin was considered a long journey. My father used to give a nickel to the first youngster who could see the capitol dome on the horizon in Austin. That was his way of keeping us awake. Today, people travel hundreds and thousands of miles just to see the beauty and the grandeur of the American countryside.

Thirty years ago, when I first came to Congress, we started to build an America where men and women and children could earn enough to own a car and to enjoy a vacation and to travel where they pleased. I do not think we should apologize here today for the fact that many Americans are enjoying precisely that kind of a vacation this summer. We do not need to apologize that the number of campers and boaters and travelers are soaring. For this is good news to those of us who have worked to help build this kind of America.

So I did not come here to be a crisis-monger and to decry the fact that crowds of Americans on this August day are out enjoying themselves. Something in that speaks of America.

But now that we have noted what is in fact happening, and noted why it is happening, we must also realize that as our ability to enjoy nature and leisure is increasing sharply, we have to work hard toward conservation if we are to pass along our heritage of national beauty to our children. We also need to improve upon this heritage where we have allowed it to tarnish.

As I look out over Lake Champlain, I cannot help recalling that only yesterday I visited another lake that aroused an entirely different emotion in me. That emotion was discouragement. For Lake Erie is polluted. It has become a casualty of heedless progress.

Some already say that Lake Erie can never be reclaimed. I do not accept that view. But I do know that it can be reclaimed only by one of the most massive efforts in the history of this country.

And Lake Erie is not alone. As I flew to New England yesterday, I saw other areas that have been stained. I saw smog hanging over cities, rivers abandoned by man and fish alike, rusting skeletons of discarded automobiles littering our countryside. I saw cities that housed within their limits the slums of filth and neglect.

Much of America is still a beautiful land, but we have already foolishly sacrificed too much of our treasure through indifference. I want to tell you here today that we can be indifferent no longer.

Just as I am no crisis-monger, neither am I a stand-patter. This is not the best of all possible worlds—far from it—and we are out to make it a better place to live and a better place to enjoy.

That is why we have to ask ourselves today the hard questions about tomorrow. Where will Americans swim? Where will Americans camp? Where will we experience the joys of nature as God really created it? Where will we fish the good streams and where will we relax away from the noise of factories and automobiles?

These are some of the questions that must be answered and answered now.

Each year in America about one million acres of virgin land turns beneath the blade of the bulldozer. Highways, shopping centers, housing developments and airports replace trees and streams and woods where young boys once dreamed dreams.

These are man-made projects to build a better life for Americans, but too often they spread ugliness and blight farther and farther across our land.

Accordingly, we must be ever vigilant to see that we not only use land but that we save land as well.

When I assumed this office I said I was going to be a conservation President. Thanks to Mrs. Johnson—and to the imagination and efforts of leaders like your own Governor Hoff—I have become a beautification President as well.

I have had help; a lot of it. I have had the help of two of the great Congresses in the history of this Nation. Working together, we have given the American people 48 major conservation bills in the more than 2½ years that I have been President.

We have set aside 145 miles of warm, sandy seashore for Americans to enjoy.

We have set aside 550,000 more acres for our national park system.

We have passed the most far-reaching anti-water- and air-pollution measures of all time.

We have constructed dams to protect our citizens from the ravages of floods—and behind those dams we have built lakes and recreation areas for boating and camping and fishing and swimming.

We have established a Land and Water Conservation Fund to help states and counties and towns acquire their own recreation areas.

We have promised our motorists that their major highways will be free of unsightly billboards and will be screened from ugly junkyards.

We have passed a Wilderness Act that in the years to come will set aside nine million acres of land to be maintained in their primeval condition.

We have inaugurated a new beauty program which has attracted the support of thousands of civic-minded American citizens.

Because of these efforts, it is my pleasure to make an important announcement that has been long overdue. For the first time, America is winning the battle of conservation. Every year now, we are saving more land than we are losing.

The bulldozer still claims its million acres every year, but in fiscal year 1965 Americans gained 1,150,000 acres for recreational use. That is land which can never be taken away from our people.

Last year we did even better. A million acres still went to new expanding urban developments, but we saved almost a million and a quarter acres of land. And this year, as another million acres go to urban development, we will be setting aside over 1,700,000 acres in local, state and public areas.

A few generations ago, when the public was getting interested in conservation, Uncle Joe Cannon, the Speaker of the House of Representatives, issued one of his many ultimatums. He said: "Not one cent for scenery." And he meant it.

This generation has repealed Cannon's law. And we've just begun to fight.

We have many programs underway to maintain and restore and enhance the natural beauty of their area. We're supporting legislation now before the Congress to establish a vast Connecticut River National Recreational Area in Vermont, Connecticut, Massachusetts, and New Hampshire. Our hope is for a clean, bright, sparkling river dedicated to the use and enjoyment of all.

We have underway a survey of the economic impact of vacation homes in Vermont, New Hampshire, and Maine. We have awarded over $600,000 in recreation grants from the land and water conservation fund to Vermont and your political subdivisions here. You have matched these grants dollar for dollar. Over $150,000 of this is being used to expand camping facilities in twelve of your State parks.

You have a number of other natural and beauty recreational projects underway. Other State and Federal recreation and highway officials are watching with interest your program of developing scenic corridors along your fine roads.

These are memorable years in conservation, and they are important to every area of the Nation.

They may indeed bear a greater importance to the Nation than even the resounding triumphs of the pioneer conservationists. The great accomplishments of Theodore Roosevelt and Gifford Pinchot centered on the West, and for many years Americans thought of conservation as a Western program.

No longer is that the case. Our foremost achievements today are in the densely populated Northeast and Pacific and Southwestern sections of our nation. In the Northeast, cities, counties and the State will acquire nearly 350,000 acres of public recreation land this year. They will acquire about 140,000 acres in the Pacific Southwest.

We are winning our fight for conservation and we are winning it where it counts most—where it is most accessible to our people.

As I look out across Lake Champlain from this inspiring "Battery Park" height, I have no trouble imagining what Rudyard Kipling felt when he called the sunset view here one of the two finest on earth. I have always held, and I am sure you have, too, a deep respect and reverence for the truly inspiring beauty of this land of ours.

People are sailing and fishing and enjoying themselves even now on that lake. Many of you will picnic somewhere in the natural splendor of this beautiful State today before you go home. All this is as it should be, and I wish I could join you. This comes naturally to many Americans, for we are a people whose national character was forged in the out-of-doors among just this kind of God-given splendor.

I want to pledge to you today that we will retain that splendor in America.

REALITIES OF EDUCATION, POLITICS, AND GOVERNMENT

Mr. PELL. Mr. President, the "knowledge explosion" has drawn much attention to its size and impact. We have, in our impatience, spent too little time on the question of the substance of education, what we are educating for, and the special role which education plays not only in our economy, but in guiding the whole direction of our society.

For this reason I would like to call attention to a challenging address made by Maurice Rosenblatt at the American Management Association Conference on Educational Realities, in New York on August 12. It was entitled "Realities of Education, Politics, and Government."

Among his many pursuits, Mr. Rosenblatt is a consultant on educational policies for several large enterprises. He is equally knowledgeable in the political action field, and is recognized as one of the most penetrating political analysts and strategists. He is particularly expert in the field of congressional elections and the legislative process. He is one of the founders of the National Committee for an Effective Congress, and has made a unique contribution in winning many congressional reforms.

I think that his address revives some of the most significant and most often forgotten purposes of our educational endeavor. Education for what? The question of values, of educational goals in our secular society, the meaning of education is his topic. Mr. Rosenblatt makes the point that it is the managers of capitalism who must ultimately bear a major responsibility for the strength

and relevance of our educational system. For this reason the American Management Association should be complimented for having invited a challenge which is so direct and cogent.

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

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

REALITIES OF EDUCATION, POLITICS, AND GOVERNMENT

(By Maurice Rosenblatt)

The story of man is the story of his successes and failures in educating himself. Our present chapter starts some 400 years ago, when Anglo-Saxon teaching was done chiefly by the church. In England and in the colonies the schools and early colleges were supported by religious sects. The curriculum was heavily grounded on theology, and teaching methods were suited to the transmission of the Word—truth as revealed.

Today, education in the Protestant world is secular. The school is cut off from the church, and is now taken over by another social institution, the State. We Americans cry out that Russia and China have made teaching political. During the war we decried "the indoctrination" of youth of Italy, Germany and Japan. Yet, in our world, the same thing is taking place and we have responded with similar action so that, with few exceptions, education in the U.S. is politically controlled with Anglo-Saxon efficiency. Teaching has been torn loose from its church roots and has broken the connection with the religious beliefs out of which it has grown.

The typical Protestant continues to accept the Bible as the guide for his own living, but has wished to exclude it from his child's classroom. The teacher in the modern classroom is responsible for many subjects, but he is forbidden to teach the "faith" upon which the community, for which he teaches, has built its character and its intelligence. The moral doctrine, the well ordered values that were defined in the Church-school are no longer fostered. A void has been left and our schools do not fill it. By implication do they indoctrinate that our scheme is "right," because it works so well. Without a rationale, we take refuge in a pliable creed: success sanctifies itself—what works is right.

As a result our Anglo-Saxon education is involved in crisis, our youth troubled and bewildered. A few are able to take refuge by hiding in specialized and isolated areas, where the lab or library give sanctuary. We trace our dilemma back to the 17th century when men searched for a substitute, for some new design to replace the Church scheme.

The problems of what to teach and what methods to use did not start with the founding of the U.S. Office of Education in 1867. By the 17th century the study of educational theory and practice had reached one of its highest levels. And one of its most illustrious lights was John Amos Comenius, a Czech Bishop of the Moravians, disciple of John Huss. In 1641 the good Bishop traveled to London by invitation of the Long Parliament. It was the sort of trip some of you have experienced in your visits to Washington. Comenius had been invited to devise a new system for British schools, text books, training programs, curriculum. He was enthusiastically received, and there were Parliamentary proposals to provide funds for the New Learning. Buildings were to be assigned and an educational pilot operation started. But Parliament was busy with other projects. Like the American Congress during the 100 years prior to 1965, it did not turn the educators down. Parliament simply failed to act and the Bishop left England a disappointed man.

What was his thesis? It was based on the unity of knowledge, the unity of man. The society of mankind is not an idle phrase but the fundamental fact upon which education rests. All humans are members of a simple family, whatever their race, status or sex, and all teaching must be for the purposes of that family. The unity which Comenius found binding together all fields of knowledge is seen in his principle that the content of study is the same from the lowest grade to the top university grade. The pupil, as he advances, does not encounter a succession of separate subjects. He is pursuing, on even higher levels, the same subject. The unity of knowledge means for Comenius the unity of the whole scheme of study. How horrified he would be with a modern university catalogue offering hundreds of courses, an educational department store.

The school, as Comenius planned is provided for by four successive levels. The first learning begins at the mother's knee. From the Mother's school through the University the subjects remain the same, from astronomy through grammar, music, economics, politics, with a change in the level of the instruction as the pupil studies the constant topics.

For Comenius the purpose of education was to perfect the individual as a socially responsible citizen. And you cannot have different educational purposes for the rich and the poor. You are not educating in order to develop a better tool, but a better man. The understanding human being was his goal.

We now come to the man who was not rejected, John Locke. He did influence the course of Anglo-Saxon education, and many of our present problems and perils derive from his theories.

For Comenius the school had three goals—learning, virtue and piety. For Locke there are four, in this order—virtue, wisdom, breeding and learning. For Locke learning is last. Both men worshiped the same God, read the same Bible, but Comenius was single-minded, Locke was double-minded, or if you will, muddle-minded.

For Locke, mankind falls apart into groups, classes, sects, factions. For Comenius thinking is a single inquiry. For Locke it is a miscellaneous collection of separate studies which have meaning only as each serves some useful purpose. Locke had two systems of education. For the gentlemen he proposed a tutor who will concentrate on "good breeding, knowledge of the world, virtue, industry and a love of reputation." "The studies," writes Locke, "which he sets him upon are, as it were, the exercises of his faculties. . . . to keep him from sauntering and idleness. For who expects that under a tutor a young gentleman would be an accomplished critic, orator or logician." (Locke may have invented the survey course.) Though something of everything is to be taught the young gentleman "it is only to open a door that he may look in, and as it were, begin an acquaintance, but not dwell there." In other words, "don't let the young gentleman take his studies too seriously."

And what does this pious Puritan philosopher and public servant say about education for the poor? Fortunately we have his memorandum of 1697, which suggests the setting up in every parish a "working school" for children of laboring people. Loche proposes that from the ages of 3 to 14 the children shall be trained in spinning, weaving or whatever the local industry. That will be their complete course of study. He plans all this at a profit, from the sale of the children's product. He tells us "the children will be kept in much better order, be better provided for, and from infancy be inured to work, which is of no small consequence to making them sober and industrious all their lives after." The pupils will be given each day a "bellyful of bread" . . . to this may be added without any trouble, in cold weather, if it be thought needful, a little warm water-gruel; for the same fire that warms the room may be made use of to boil a pot of it." On Sunday the child is to be further improved by being taken to Church. This was a century and a half before Dickens wrote about schooling in industrial England.

AMERICAN EDUCATION—PRAGMATIC CONFUSION

In the English colonies the education strove for emancipation, but this does not mean that we clarified things and took the road of Comenius. North Americans are inventive, so we made our own dilemmas and created a system which provides the best with the worst, fluid as it is in transition and lacking in confidence.

By 1800 the local community, the state and the Federal Government were providing funds, land, assistance to the schools. The political body, the state, was clearly involved with education. But it was not until 1821 that the first high school, as we know it, was opened in Boston. In 1862 Congress created the Land Grant College.

With the expansion of the country the educational system was financially tied to the local community and it was locally controlled. Money came from local property taxes. And the local customs and prejudices prevailed, in such matters as treatment of Negro pupils.

But the educational needs far exceeded the capacity of the local resources. We begin to see numerous federal programs develop. But with one proviso. None of them were specifically for education, but were presented in the name of some other special requirement, be it defense, or health, rehabilitation or economic impact. Federal aid to education was per se taboo, and hundreds of millions from the Federal Treasury were filtered to education, always through special channels.

With the annual national school cost now going to $40 billion, fiscal slight of hand had to come to an end. When the Johnson Administration passed the billion dollar Elementary and Secondary Education Act it dropped the pretense that slums and farms can finance an adequate school system. The Federal commitment has been nailed down under the Johnson Administration. In 1963 the Office of Education Budget was $700 million; in 1966 it is about $3.3 billion. These funds are not instead of the local and state contribution, but in addition, on the theory that relatively small amounts, judiciously applied, can make the difference between day and night in the opportunity and quality of education.

EDUCATION—SOURCE OF CAPITAL

We now come to the contemporary phase. Education has itself undergone a revolution which has had a greater impact on our lives and economy than Hiroshima. I quote Clark Kerr, President of the University of California:

"The production, distribution, and consumption of 'knowledge' in all its forms is said to account for 29% of the gross national product. And 'knowledge production' is growing at about twice the rate of the rest of the economy. Knowledge has certainly never in history been so central to the conduct of an entire society. What the railroads did for the second half of the 19th century and the automobile for the first half of this century, the knowledge industry may do for the second half of this century: that is, to serve as the focal point for national growth."

This is not just a question of size, but of content and quality. The knowledge explosion has changed the nature of value. We are familiar with the two 19th Century explanations of what creates value in our

economy. Karl Marx traced all value, be it a ton of coal, a machine, a bar of gold, or an invention, to the labor intrinsic in its production. Henry George contended that value was ultimately traced to land, and advanced a single tax to be geared to real property.

But today we see value created without human sweat as man's physical toil is replaced by automated machinery, and the land has lost its preferred economic role. When I went to school our geography taught that a city had to be located near the confluence of navigable rivers, in a temperate climate, adjacent to raw materials and power, etc. Today you don't look for mines, water and timber, but for a covy of Nobel Prize winners. The community which has the Research and Development gets the contracts. Today we have the Education Theory of value. Education, the investment in human capital, is the most important income producing resource in our society. For example: contrast Brazil, with extensive resources but limited educational development, with Denmark, devoid of land resources but high in education. Annual income, Brazil $230, Denmark $750. The comparable figures for Mexico and Switzerland are $220 and $1,010.

Dr. Schultz, the University of Chicago economist, a member of Gen. Lucius Clay's reconstruction team in Germany, describes the debate over what to expect of West German growth in terms of capital. "We all missed it badly. What we did not anticipate was that the capital that went into German or other European countries seemed to produce at a rate of return of very high dimensions, 30% to 40% a year. It was the great imbalance brought about when a little physical capital implemented all these skills that caused such a tremendous explosion in output. It is just the opposite in countries without an educational background. We are getting much smaller results than we anticipated and the reason is simple. We are underestimating the lack of human capital skills that are required to do modern things, whether in agriculture or in industry."

ENTER THE BUSINESSMEN

The businessman has rediscovered the school. It is the source of his number one raw material, human capital, the most productive investment, with the highest profit, in our economy. It is also a market.

The sophisticated businessman knows that education is not just a market, a place to sell hardware, text books, supplies and building materials. He realizes that the end product, the best trained personnel, is essential for his production and distribution complex. The vice-president in charge of recruiting is combing the campuses today for talent that is better, and he appreciates the prize graduate who has mastered a specialized field competently and is ready to give the company a competitive edge. Companies used to buy athletes—now we buy endentured brains.

As education becomes central, not only to our intellectual and cultural life, but as the core of our economic existence, the American business community's attitude has to be transformed. Today, education is no longer a peripheral activity to be entrusted to spinster ladies from New England. The practical man, the business man "of vision" has started to think about education because the school is no longer apart from the main stream of the economy. Mr. Chipps may no longer be the ideal school teacher to meet his needs.

But the fact that American industry has discovered that knowledge can make it rich, does not represent a sudden conversion to the cause of education. Here we come back to our original theme, the divergence between Comenius and Locke. The educational system which is devoted to developing the whole man, concerned and connected with the total human experience, is frequently scorned by the talent scout who is out looking for that special purpose man—the sharp instrument which is efficient and useful.

Regrettably we must fault the business community for its cavalier and insensitive attitude toward our schools, until the present when the business man discovers a new Klondike in education. Business is off on a feverish frenzy of acquisition, of research foundations, or buying libraries, publishing ventures, thinking machines, and high voltage scientists. Where was American industry when the schools were impoverished, by dwindling revenues from real estate while the number of pupils multiplied and classes were bursting to double capacity? The great corporations were making no contribution to the educational base, to the roots, as they harvested Phi Betas off the top. The fittest survived and reached the top, but the drop out, the delinquent, the permanent unemployable is the price of this callous neglect.

We are all familiar with the handsome grants made by corporations and individual executives for physical research, to technical schools, and for scholarships given to the poor but promising lad. But educational philanthropy by the business community in no way absolves it of zealous avoidance of its prime responsibility to education. What was the business community doing for the seed-bed, the general system, while it reaped the rich harvest?

It is a dismal story. The individual business man may have played his personal part in his capacity as a father and possibly as a fanatic alumnus. But the weight of the business community has been directed against, rather than toward, finding a solution to the plight of the schools. A whole mythology was promoted to justify the evasion. I will not dwell on the fancy protective leagues, the crusade in the name of "local autonomy," that schools must be paid for by real estate taxes only. The realty tax, the local school tax, are among the most regressive and overburdened in our affluent society.

The problem of training specialized skills, the development of technicians, should be reexamined. Is this not really part of the cost of doing business, rather than an obligation of the community? Should not the company, or at least the industry, provide more vocational training leaving schools and colleges free to concentrate on the development of the child's education. As a taxpayer I do not feel it incumbent on me to subsidize the training of specialized personnel to fit the table of organization of any company or organization. Yet we do know that the trade schools are pressured to provide just that kind of exclusive training.

My talk may sound, to some, like an anti-capitalist, or at least anti-corporation, diatribe. What we are saying is that capitalism and its corporate entities are the beneficiaries of the educational process. A strong and universal educational system is the ineluctable factor in capitalism. This means that business must act with special responsibility and awareness in the educational area. It can no longer collect golden eggs and starve the goose. We are already paying the economic price with our urban slums, drop-outs, crime and delinquency and above all in the loss of potential productivity of millions of citizens whose educational neglect makes them dead weight as well as a social hazard.

We again paraphrase that refrain: the question is not what education can do for American business, but what American business will do for education. I trust American capitalism to give us the right answer. But only if the issue is clearly understood, only if education is appreciated in its full meaning, as the basic process from which we derive not only our gross national product but our meaning and spirit as well.

First, business must recognize that the realty tax as the major source for financing our most vital public function must be changed. Much more must come from individual and corporate income. The lines are beginning to emerge under the growing commitment of the Johnson Administration, where Federal funds are provided for general education, and are not justified in the name of some extraneous, and often irrelevant purpose, for defense, for economic relief, for agricultural improvement, et cetera. Instead of resisting, business should initiate the shift of school financing from real estate to our real wealth.

Second, the individual businessman should not only be concerned with harvesting the specialized talent which is economically useful to his company. He must begin to replenish the school effort by his personal participation, whether through political activity in support of his home community's educational effort. Businessmen must not become alien to the mainstream of education: they should return to the campus, either as teachers or, as is encouraged by a few enlightened companies, by returning as students, a sort of reverse sabbatical.

Third, the businessman must make one of its most vital contributions by what he avoids doing by forebearance. The alumnus who ties strings to his contribution is far more dangerous than the fuzzy-minded professor whom he wants fired.

This is the question you managers of companies, essentially managers of capitalism, must face. Whether capitalism can identify its interests with the interests of education, without corrupting education. And when we say education we obviously mean the full process, and not just the fostering of that part of education which produces a useable skill, vocation, or profession. We are not interested in producing human neuters—just as a machine is neutral.

The responsibility not to impose, not to jimmy the educational system, is awesome. For in our democratic society to the extent that we have a Church, a giver of the word, it is inherent in the educational system. And now that we have become conscious that the school is central to our affluence, as well as being a substantial customer, the temptation to distort and exploit the educational process is real. The business manager must begin to treat the educational institution with the devotion once accorded the Church.

The temptation is to emphasize the practical, to further expand the technical research functions of our great universities, and relegate teaching to secondary place, performed by inexperienced juniors. The curriculum resembles a mail order catalogue: the immediate and useable can be purchased. The central theme, the development of the intelligent human capable of discriminating and making value judgment in a free society, is sacrificed. Teaching is not a collection of classroom tricks, but the communication of taste and intelligence from one generation to another.

By implication, the Congress and the President have come to recognize that the expansion of our technological effort might obliterate the intangible and fragile areas of enlightenment, arts and humanities. Perhaps the most unique and creative single act of all the legislation passed by this historic Congress was the establishment of the National Endowment for the Arts and Humanities. Here, the Federal Government has officially embarked on a program to stimulate, to act as a catalyst, and to preserve the traditions of our culture. We know what can be done for the arts, ballets, symphonies. But we should be particularly attentive to this humanities venture. Dr. Barnaby Keeney, one who acted to inspire the program, and is the chairman of the Humanities Endowment, states:

"The humanities are the study of that which is most human . . . One cannot speak

of history or culture apart from the humanities. They not only record our lives; our lives are the very substance they are made of. Their subject is every man. We propose, therefore, a program for all our people, a program to meet a need no less serious than that for national defense. We speak, in truth, for what is being defended—our beliefs, our ideals, our highest achievements."

Is not the Federal Government, in a sense, assuming the role once performed by the Church, the fostering and preservation of intangible values and qualities which are the meaning and spirit of the society? The secular society is trying to explain itself.

I may have disappointed many of you. I know that conferences of this kind are intended to further your know-how and come up with practical hints. Forgive me.

The purpose of education is education, for its own sake, and for no other. Like virtue, it is its own reward. Beware of education for profit. We now know that the alchemist can at last turn knowledge into gold. Don't forget the price Doctor Faustus paid.

APPLYING THE MONEY SQUEEZE TOO TIGHTLY

Mr. HARTKE. Mr. President, two distinguished financial experts and former holders of top Government posts in that area have just spoken out on the fiscal and monetary problems which so sharply beset us. The two are former Under Secretary of the Treasury Robert V. Roosa and former Council of Economic Advisers Chairman Walter W. Heller. Their views appear in today's New York Times under a joint headline, "Two Warnings Sounded on U.S. Economy."

While I do not agree with Mr. Heller on the need for a tax increase, I am heartily in agreement with the views expressed by Mr. Roosa, dealing with the Federal Reserve and the present tight money policy.

There are only two ways of combating inflation, and the application of one or the other should depend on the circumstances causing the inflation. One way is to reduce the amount of spendable money and thus reduce purchases. With a drop in consumption, the market should then begin to have more goods available than purchasers, and the competition for sales will bring the prices down. The other way is to encourage the increase of production, thus putting more goods on the market, where again competition will tend to lower prices and check inflation.

The application of the first method is doubtless desirable in a war economy such as we had 20 years ago, when there is an acute shortage of goods driving the prices up for those which are available. Then controls on wages, to prevent their also being bid up in the labor market, and controls on prices, to check their normal market reaction in the presence of scarcity, are suitable means for anti-inflation action.

But this is not the case today. The economy is not in a straightened position so far as production is concerned. Steel, for example, is operating at only 76.6 of capacity. Other industries, aside from those directly engaged in war production, are not producing such a low volume of goods as to cause a consumer scramble to obtain them at any price. Therefore, to reduce the spendable income of individuals by new taxes as a means of battling inflation is to assign a wrong policy to accomplishing the tax. Rather, to encourage greater production—which in my view means to continue the 7-percent investment tax credit—is a preferable means to the end. This, of course, does not pass judgment on a tax increase if it is needed for the purpose of bringing more money to the Treasury. But even so, the abolition of the tax credit is not the best and most proper means of doing so.

I note that Mr. Heller's estimates of the next few months in the economy, which were contained in a paper written for the National City Bank of Minneapolis, include an assumption that defense spending will continue to rise by about $2 billion a quarter. Certainly Vietnam is one of the strongest complicating factors in our economic picture. Personally, I believe that although this is the recent claimed rate of rise in defense costs, this is an underestimate of what we will see in the months ahead. We are still unable to secure a candid and open view from the administration on precisely what they foresee in this area, a lack of candor about which I spoke yesterday in my remarks on credibility.

But my concern is really more for the views which Mr. Roosa sets forth, and which I consider very sound views, as to the operations of the Federal Reserve. As the interview by Mr. Erich Heinemann relates, methods of "crude brutality" in the fight against inflation must give way to "delicate and sensitive" money management. Otherwise there is grave danger of provoking still further, under harsh tight money policies, a competition for cash that "could bring the whole financial mechanism grinding to a halt."

These are strong words, but they are justified. There has not in these past months been much evidence of "delicate and sensitive" action, but rather of "crude brutality" on the part of the Federal Reserve.

There is now in the works, Mr. Roosa notes, a Federal Reserve Board plan "hinted at in public by the Board and made explicit in private conversation" which will make use of the Fed's discount window for selective credit control as a means to force a slowdown, or if possible a halt, in the expansion of loans to business. Mr. Roosa contends, and I agree with him, that the proposed method of using the discount window rather than its use in another way is a method which can be a dangerous "overkill" under the circumstances. He offers an alternative which could be much more truly "delicate and sensitive" rather than "crude brutality." Mr. Roosa's proposal would achieve the same result; namely, a substantial expansion of borrowing at the Fed's discount window, but it would leave to the banks—that is, to the marketplace—decisions on how to repay the Fed rather than requiring them to do so by reducing business lending.

The Roosa plan, in accord with the views I have just expressed on the need for increasing rather than reducing production, would not put the same pressures on selected individual businesses through the banks, as the Fed's plan would do.

Because what is involved is rather technical, perhaps it deserves a little explication. Since the root of our monetary problem is the scarcity of money, so that interest rates have been driven up by competition, to help cool off the interest rate problem requires the supplying of more money, which the Fed can do in either of two ways, but which certainly needs to be done by "delicate and sensitive" means. One of these is by release of reserves to the banks through purchase of securities in the open market to provide those reserves. The disadvantage of this method at present is that the Fed has no control over where the money goes once it gets into the banking stream.

The discount window provides a selective distribution of reserves, since their provision is directly to the bank which makes application. Normally, private commercial banks, applying to the 12 regional Federal Reserve banks, borrow typically for very short periods, such as 15 days. The Reserve Board's contemplated plan is to offer special accommodations to such banks, in particular by granting longer periods of time for repayment. But this they would condition upon the bank's cooperation in cutting back their business lending. It is expected that many banks will be forced to turn to the discount window to replace deposit losses expected in the next few weeks as negotiable time deposit certificates running out find these funds withdrawn, and thus the bank's reserves reduced, in order that the money may be placed to better advantage, since the certificates of deposit are no longer so attractive as they were at the time the deposits were made.

Mr. Roosa says of this Fed proposal:

> You can't get all that precise in trying to engineer the allocation of funds. The market has to do that.

His reasoning is that by attempting to restrain bank lending to business, as an integral part of the Fed discount window policy, there will be a rush of borrowing by corporations in anticipation of refusals by the banks under the Fed's prodding. This could, in fact, touch off the still tighter money squeeze which must be avoided.

The basic difference between this and Mr. Roosa's proposal is in the effort to pressure the banks into denying business borrowing as a condition of the expanded discount window use. He would allow such a process, but without the strings. The banks could get their discount window service on a longer term repayment basis, but the distribution of their loan money would be at their own discretion.

Banks are already turning down loan applications from good borrowers. They are cutting down on the size of the loans they make. Even with a relaxed money policy such as the discount window would provide, they know that they will have to repay at least a portion of the reserves they get, and they will continue to be prudent and judicious, with greater freedom, in their own operations.

Mr. President, I hope the Fed will listen to the voice of experience and wis-

dom which Mr. Roosa has provided. I ask unanimous consent that the two articles from the New York Times may appear in the CONGRESSIONAL RECORD.

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

TWO WARNINGS SOUNDED ON U.S. ECONOMY—ROOSA BIDS RESERVE MOVE "DELICATELY" IN TIGHTENING CREDIT

(By H. Erich Heinemann)

Robert V. Roosa, former Under Secretary of the Treasury in the Kennedy and Johnson Administrations, warned the Federal Reserve Board yesterday against using methods of "crude brutality" in its fight against inflation.

Unless the money managers move in a "delicate and sensitive way" Mr. Roosa said yesterday in an interview, they risk provoking a scramble for cash that "could bring the whole financial mechanism grinding to a halt."

Mr. Roosa, who was a vice president of the Federal Reserve Bank of New York before he went to the Treasury and is now a partner in the private banking firm of Brown Brothers, Harriman & Co., spoke against the background of indications that the Federal Reserve Board intends to make its credit policy—already the tightest in 40 years—still tighter.

Furthermore, a top official at the Federal Reserve in Washington confirmed yesterday that the Board had approved the draft of a formal policy statement that would, if issued, underline this intention.

The Federal Reserve should keep the money market "taut," Mr. Roosa said, but it "must" supply enough additional reserves to the banking system to provide for a "normal" expansion of bank loans this fall.

If it fails to do so, Mr. Roosa asserted, the Federal Reserve risk "turning restraint into paralysis."

Mr. Roosa suggested that the Federal Reserve should recast its traditional attitude toward borrowing by private commercial banks from the 12 regional Federal Reserve Banks. Such borrowings from the "discount window" are typically only for short periods—say, 15 days.

This policy should be liberalized, Mr. Roosa said, to allow loans to be outstanding for longer periods of time.

In the period ahead, the initial release of reserves to the banking system, Mr. Roosa asserted, should be through the discount window—rather than through the purchase of securities in the open market—in order to pinpoint assistance to the banking system where it is needed, and yet not give the impression that the Reserve System had abandoned its policy of restraint.

When the Federal Reserve buys securities, it provides reserve funds for the banking system by drawing a check on itself, but it has no control over where the money goes.

When a member bank borrows from the discount window, on the other hand, reserves also are added to the banking system, but initially only to one bank.

Mr. Roosa was particularly critical of the Reserve Board's plans—hinted at in public by the board and made explicit in private conversation—to use the credit granting power of the discount window as a weapon of selective credit control to force a slowdown, or possibly even a halt, in the expansion of loans to business.

Under this plan, the Reserve would offer special accommodation at the discount window (principally, longer periods of time in which to repay their loans) to banks which "cooperate" with the authorities in cutting back their business lending.

The "bite" of this policy will come if as many bankers expect—there is a large runoff of large-denomination negotiable time certificates of deposit at major money market banks during September.

The banks suffering large deposit losses will almost certainly be forced to turn to the discount window in order to cover the outflows.

"You can't get all that precise in trying to engineer the allocation of funds," Mr. Roosa said. "The market has to do that."

By focusing the weight of monetary policy on trying to restrain bank lending to business, Mr. Roosa said, the Federal Reserve could provoke a rush of anticipatory borrowing by corporations trying to get money while it is still available.

This, Mr. Roosa said, might touch off the very money squeeze that the money managers are trying to avoid.

Trying to force a substantial curtailment of business credit expansion through selective administration of the discount window would qualify in Mr. Roosa's book as "crude brutality" in money management.

On the other hand, carefully supplying funds to the banking system through the discount window would allow the Federal Reserve to keep the "delicate and sensitive" rein on the money market that Mr. Roosa thinks is required.

Both the Reserve Board plan and the "Roosa plan" contemplate a substantial expansion of borrowing at the Federal Reserve discount window.

The difference is that the Reserve Board would tell banks how to repay their loans (by reducing business lending), while Mr. Roosa would leave it to the banks (in other words, the market place) to decide what to do.

URGES RELAXED ATTITUDE

Mr. Roosa believes that a slightly more relaxed attitude on the part of the Federal Reserve is justified at the present, because, from his reading, the "message of tight money" has gotten through to banking community.

Last winter and spring, Mr. Roosa said, bankers reacted to the initial stages of the Federal Reserve's restraint by simply ignoring it—by bidding more aggressively for time deposits at home and abroad, and by paring their own liquidity down to the bone.

In Mr. Roosa's view, this process has now run its course. Banks are learning how to live with real tight money, he said. They are turning down loan application from good borrowers, and they are cutting down the size of loans that they do make.

"We have to keep the banks on the string," he said, "with the knowledge that they have to repay at least a portion of the reserves they get. But we have to provide for some small expansion."

TWO WARNINGS SOUNDED ON U.S. ECONOMY—HELLER URGES A TAX RISE TO PREVENT "TOO MUCH BOOM"

(By Edwin L. Dale, Jr.)

WASHINGTON, August 31.—Walter W. Heller predicted today a continued, exuberant boom in the economy—too much boom in his view—for the rest of 1966 and the first half of 1967.

The former chief economic adviser to Presidents Kennedy and Johnson urged a temporary tax increase to cool off the situation.

"Fiscal policy," he said in a paper on the outlook, "indeed the 'new economics,' will not be doing its job unless steps are taken to maintain a budget surplus in the face of inflationary pressures."

Mr. Heller's paper was written for the National City Bank of Minneapolis, of which he is a director. It was made available here.

Mr. Heller estimated that the Federal Government's administrative budget for this fiscal year would show total expenditures of about $120-billion, a $7-billion increase above the original estimate made last January. Expenditures, he said "are in a steep climb."

After forecasting a gross national product of $740-billion for 1966 [$681.2-billion in 1965], Mr. Heller had this to say about 1967:

"Unless there is significant restraint from new fiscal measures, I would expect to see the following:

Gross national product will be moving strongly, at a rate of about $14-billion per quarter.

Unemployment will drop to about 3½ per cent.

Wages will rise more rapidly than at any time thus far in the expansion. Many new settlements will be coming in between 4 and 5 per cent. Straight-time hourly earnings in manufacturing, which are averaging about 3.2 per cent above a year ago, will probably advance at an average rate of around 4 per cent.

Prices will continue to rise briskly. Counting on some help from food costs, I would expect the G.N.P. deflator [a comprehensive price index] to rise at an annual rate of just over 3 per cent, though a somewhat faster rise would not surprise me."

DEFENSE SPENDING A FACTOR

One assumption behind Mr. Heller's forecast was that defense spending would continue to rise by about $2-billion a quarter, the same pace as the average quarterly rise from mid-1965 to mid-1966. He also predicted increases in other parts of the budget.

Speaking of the national income accounts budget, the most comprehensive measure of Federal spending, Mr. Heller said: "Expenditures are in a steep climb. They rose from an annual rate of of $120.5-billion in the second quarter of 1965 to $137-billion in the second quarter of 1966."

The economist added: "Continuing increases in Vietnam costs, plus a civilian budget that seems to grow bigger every day that Congress sits, are almost sure to push the national income accounts budget back into a deficit in the second half of 1966 and the first half of 1967—unless the President swings into action to change our fiscal course.

"The national income budget has no business being in deficit in an overheated economy at, or below, 4 per cent unemployment."

RECREATIONAL USE OF THE OCEANS—RESOLUTION BY POGGIE CLUB OF WASHINGTON

Mr. MAGNUSON. Mr. President, although the Senate, on June 20, passed S. 2218, to provide for a 12-mile fishery zone, I am still receiving many letters and resolutions of support from my State in particular. The bill is still pending in the House of Representatives.

Mr. President, most of the time when I have discussed this legislation on the floor of the Senate, I have referred to our commercial fishing interests and the damage to them I see in our failure to adopt such needed legislation in the current Congress.

But the growing recreational use of the oceans, particularly in sports fishing, is a social and economic value to be reckoned with as well. Sportsmen seem to have been a little slower to awaken to the necessity of this legislation, but with reports of Soviet trawlers competing for the grounds traditionally used by salmon charter boats off Westport, Wash., this matter is reaching a state of crisis.

This week I received a resolution from the Poggie Club of the State of Washington, a pioneer organization of salt-water sports fishermen in my State. Its officers and roster include many of the foremost recreational conservation leaders of the

Pacific Northwest. Before presenting the resolution, I should like to name the officers: Ben Randolph, president; Clarence Lamoureux, vice president; John Smart, secretary; Bill Morrill, recording secretary; Clarence Olsen, treasurer; Ed Fraser, game warden; and Don Johnson, honorary president.

The directors of the club are Fritz Sistig, Don Johnson, Gus Zarkades, Howard Gray, Norman DeMeyer, and Claude Elerding.

I ask unanimous consent that the resolution be printed in the RECORD.

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

THE POGGIE CLUB OF WASHINGTON,
Seattle, Wash., August 25, 1966.

Senator WARREN G. MAGNUSON: The members of the Seattle Poggie Club feel that the natural resources of our Alaska, Washington, and Oregon coasts are in jeopardy as a result of this ruthless Russian exploitation of our fisheries. History has shown that Russian conquests begin with their taking one slice at a time and not quitting until they have taken everything.

These fish are of vital importance economically to the citizens of Washington. They are indigenous to our shores and rightfully ours to be used in the betterment of our own fisheries.

Now therefore be it resolved, That the Seattle Poggie Club go on record endorsing legislation now pending in the House of Representatives establishing a 12 mile territorial limit for fishery purposes, and be it

Further resolved, We request the Federal Government to as soon as possible implement the 1958 Geneva Convention on fishing and conservation of the living resources of the high seas which will allow us to establish conservation zones for the protection of our fisheries, contiguous to the 12 mile limit.

Sincerely,

BEN RANDOLPH,
President.

FOREIGN TAX ASSISTANCE

Mr. MONTOYA. Mr. President, "John J. Stemple, Peru thanks you." These are the final words I read in a recent editorial of the Commercial Information Bulletin, a weekly published in Lima, Peru. These words are significant. They are significant because Mr. Stemple is the head of the AID-supported Internal Revenue Service's foreign tax assistance team in Peru.

Not only did Mr. Stemple win the editorial thanks of this Peruvian publication, but his smiling face was reproduced full size on its cover. I would like to read in part the editorial entitled "Honor for Merit," because it shows the appreciation of one Latin American country for what the United States is contributing as a partner in the Alliance for Progress.

It says:

This week our cover is honored with the friendly face of an American. John J. Stemple, who has dedicated his entire time in Peru as chief of the U.S. tax mission sent by AID (Alliance for Progress) to help our tax system to be—through the ordering process which it deserves—within reach of the understanding of the man on the street.

Working shoulder to shoulder with Peruvians, Stemple, besides winning the friendship of those around him, has set strict work guidelines for himself, often taking his free time and weekends together with his team of U.S.. experts to discuss matters which interested our nation, Peru.

The case I have mentioned could be repeated, I am sure, in many of the other 15 Latin American countries currently receiving assistance through tax teams, such as the one headed by Mr. Stemple. I believe the story is worthy of note for it points up several things. First, that the Agency for International Development within the Alliance for Progress is taking an active part in improving and modernizing Latin America tax systems, with resultant increases in national revenue. In addition, it shows that not only are these joint efforts bearing fruit, but that in the process our contributions are appreciated to the point that individual representatives of our country are singled out for their excellence of work and fostering international friendship.

High on the list of requirements for economic and social development at Punta del Este, Uruguay, when hemispheric leaders, under U.S. leadership created the Alliance for Progress on August 17, 1961, was "the more effective, rational and equitable mobilization and use of financial resources through the reform of tax structures, including fair and adequate taxation of large income and real estate."

Before the signing of the Charter of Punta del Este, the nations of Latin America had given only sporadic consideration to tax reform. The Charter defined it as one of the 12 principal goals of the Alliance program, and set in motion a general effort to achieve it.

Progress in the major areas of development—agriculture, health, housing, education, industry, and transportation—is dependent on heavy financial contributions by the less developed Alliance nations. As we know, the Alliance originally called for a program costing $100 billion of which Latin American countries would contribute 80 percent from diverse resources. That their record in this sense has been good can be attributed in large part to improved fiscal policies and increased tax revenues. Self-help of this nature is a vital ingredient in the development process.

Our neighbors to the south realize this, and are well aware that, as President Johnson said:

Those who do not fulfill their commitments to help themselves cannot expect help from us.

A statement by President Eduardo Frei Montalva, of Chile, sums up this concept of self-help:

The principal aim of the Alliance for Progress, as it was conceived in Punta del Este, is to assist in the economic development of Latin American countries. But to do this, it is necessary that Latin American countries themselves make basic changes in their economic and social orders.

The Alliance for Progress can demonstrate positive achievement both in the physical sphere and in changing attitudes. We have seen that a major objective—a 2.5-percent growth in gross national product—has been achieved in Latin America as a whole for 1964 and 1965. In these same years, working on foundations laid in the first years of the Alliance, countless other accomplishments can be cited. Permit me to remind you of just a few: 7,000 miles of road have been improved; 130,000 dwelling units have been built; 1 million students are occupying new classrooms; 450 new health facilities have been constructed; 450,000 farmers have received agricultural credits totaling $250 million; and 530,000 kilowatts of electrical power have been added. Statistics tend to be cold and boring, and, as we know, often do not tell the whole story. Furthermore, I do not wish to imply by these figures that the basic problems which gave birth to our Alliance have been solved. Far from it.

But we have made a remarkable start, and as an editorialist in San Salvador's La Prensa Grafica recently pointed out:

What would have happened if 5 years ago the Charter of Punta del Este had not been signed?

One of the brightest spots in our efforts to assist Latin American development through the alliance is the jointly sponsored AID–IRS foreign tax assistance program. Through the counsel of some 50 specially recruited U.S. tax experts working with their Latin counterparts, significant strides have been made toward modernizing and strengthening tax administration—examination of tax returns, collections of taxes, taxpayer education and assistance, training, organization, and enforcement. Unlike former programs, these aim at institutionalizing tax reforms and improvements, so that when our experts leave in a few years the organizations they have helped to develop will endure as a continuing way of life for both tax officials and the taxpayer community.

In the less than 2 years that the tax assistance program has been underway in Latin America, advisers have helped officials solve a host of problems.

In general, taxpayers in Latin America have not had an easy time. All filing of returns is done in person, and must be verified prior to acceptance. This has often meant standing in interminable lines for verification, payment, and final filing. Numerous copies of returns had to be filed.

Solutions to these and many other problems inherent in oftentimes archaic systems are being sparked by the American tax teams. For example, public facilities, such as banks and schools are now being used for the first time to help distribute tax forms. The number of locations for filing has been increased and filing and collection places have been centralized. Furthermore, systematic information programs have been developed using press, radio, TV, and posters. Formerly there had been no practical method for informing taxpayers of their obligations and how to comply with them.

A major part of these programs is dedicated to promoting attitudes which will lead to mutual confidence and generate rising levels of equitable administration and enforcement of tax laws by officials, and voluntary compliance by taxpayers.

As a minimum, all tax programs include concentrated attention on returns filing and tax collection procedures and

programs dealing with the audit of tax returns. In addition tax modernization may include taxpayer assistance and education; training tax managers and technicians; system and organizational analyses; internal audit and security; real property tax administration; and automatic data processing.

The foreign tax assistance program is a two-sided coin. On the one side we have on-site advice and assistance in the host country, while on the other we find training and orientation of host country tax officials in the United States.

On-site assistance is accomplished by the team of advisers who live and work in the foreign country. Training takes two forms: special courses on basic tax administration offered to groups of officials in the United States; and courses designed for individual tax officials with special interests. A new approach is through mobile audit training teams who provide on-site intensive training to revenue agents. To date more than 100 South and Central American tax officials have received training in the United States.

Recently tax directors from 15 Alliance countries had the opportunity to consult extensively with AID and State Department officials and U.S. tax specialists in Washington, San Francisco, and Atlanta. They saw our tax system in full operation in all its major aspects. Hopefully, they will apply much of their newly acquired knowledge to the development of more efficient systems of taxation in their own countries.

The accomplishments to date of these various programs have been most heartening. Although lack of data has traditionally been a basic problem in evaluating effectiveness, the institution of new reporting systems is proving a boon for collecting evidence of progress.

There has been an increase in tax collections directly traceable to tax reform. For example, in Costa Rica total tax revenue collections jumped from $50.5 million in 1963 to $65.2 million in 1965. During the same period the following gains were noted for these countries: El Salvador: $66.2 million to $84.9 million; Nicaragua: $19 to $32.9 million; Panama: $55 million to $70 million; Paraguay: $30 million to $42.2 million; Ecuador: $132.9 million to $191.3 million. I cite these examples merely to indicate the general trend of increased revenues.

In specific areas of improvement, Panama increased collections of delinquent taxes by 130 percent in 1965. Panama also reports that of the almost $10.5 million increase in revenue in 1965, over $6 million was attributable directly to tax reform and improved tax administration.

Through widespread publicity and taxpayer assistance programs, Ecuador boosted the number of income tax returns filed during 1965 to 60,000 from 27,000 in the preceding year.

Chile, one of the first Latin American nations to institute comprehensive tax reform, boasts an outstanding record. Examinations and investigations of tax returns increased assessments from 37 million escudos in 1962 to more than 225 million in 1965. Two taxpayers are serving sentences for tax fraud, and prosecution is being developed in the cases of 27 other taxpayers charged with willful evasion of tax. Chile has trained more than 2,300 technical and supervisory employees and higher level officials. She has offered training aid to her neighbors in keeping with the new emphasis within the Alliance on mutual assistance.

In Peru, a pilot delinquent return program started in 1965 has already produced more than 1,400 delinquent tax returns involving nearly half a million dollars. This astounding accomplishment has been the result of the work of just six employees.

In Uruguay assets of three businessmen have been seized by local tax officials to satisfy long overdue tax obligations. Resultant publicly is helping stimulate widespread overdue payments by other delinquent taxpayers.

Colombia is successfully utilizing electronic computer equipment in tax administration. A master file is now on magnetic tape and registers of accurate taxpayer accounts, disclosing assessments, credits, and balances have already been issued.

This progress can be traced in large part to the realization on the part of Latin tax officials that reform is essential to development. In a recent statement, Dr. Antonio Lopez Aguado, Director General of the Argentine General Tax Bureau said:

> The most equitable way for a nation to raise public funds for economic and social development is through the income tax.

Dr. Lopez studied the U.S. tax system during a recent tour of our country.

The office headed by Dr. Lopez is receiving technical assistance from a U.S. IRS tax team. In 1965 his office collected 80 percent more in taxes than in the previous year. According to a recent study of the Inter-American Development Bank income taxes, which generally make distribution of the tax burden more equitable, now supply more than 36 percent of total collections of Latin American governments.

These are just a few examples of progress to date. We can safely assume that by the end of 1966 such tangible indicators of progress will have been multiplied many times.

The challenge which our advisers face in their everyday efforts to assist their counterparts is tremendous and calls for unusual maturity, resourcefulness, imagination, and ability to work with others while adjusting in a developing country environment. The basic task is extremely difficult because it involves change—a change which is at once deep and widespread and which directly affects individuals in all walks of life and in all social stations.

It would be less than fair if I were to leave you with the impression that tax reform in Latin America has no problems. There have been, and there continue to be major stumbling blocks.

Inertia, complicated by resistance from vested interests, both public and private, has constituted a major barrier. A serious shortage of trained managers and technicians is a second factor. The political climate and government employment practices are other limiting factors.

In the final analysis, the degree to which basic attitude changes can be accomplished depends on the will and determination of the developing countries to move. This will and determination does exist and becomes stronger with each passing day. A recent development demonstrates this growing interest in self-help tax reform measures.

An organization known as the Inter-American Association of Tax Collectors has been proposed, with the objective of encouraging the introduction of reforms and modernizing tax systems in the hemisphere. A special commission made up of representatives from Chile, the United States, Mexico, Panama, and Uruguay will meet this fall in Santiago, Chile, to plan the structure of such an association and draft its constitution.

The prime objective of the new organization is to establish a permanent center for the exchange of ideas and experiences concerned with the modernization of tax systems in line with the self-help principles of the Alliance for Progress.

I am sure that with such forward looking programs as I have mentioned today, and continued cooperative efforts based on development of human and physical resources the all important tax reform, inspired by the Alliance for Progress will, in time, produce a new form of social justice in Latin America. To refer again to that well-worn but none the less true refrain, I would say that it is not only our obligation but in this case a pleasure to do our best to "help those who help themselves."

Our Latin American partners in this hemispheric effort have made an auspicious start toward guaranteeing that the inevitable taxes fall more justly and equitably than before on those who have to pay them. I for one, firmly believe that these efforts and our technical advice in supporting them deserve congratulations and merit our full and continuing support.

SCHOOL MILK PROGRAM LEGISLATION SHOULD COME UP ON FLOOR OF HOUSE TODAY

Mr. PROXMIRE. Mr. President, this is a happy day for me as well as my many colleagues who have cosponsored my bill to make the school milk program permanent. A revised version of this legislation should be considered on the floor of the House today as one section of the Child Nutrition Act of 1966.

Action on this proposal before Congress adjourns is important to the continued operation of the school milk program, which otherwise will expire next June 30. After House passage the bill probably will go to conference where differences between the House and Senate versions will be ironed out. These differences are not substantial. I am hopeful that they can be quickly resolved.

When Congress gives its final approval, the program will be operative through fiscal 1970, with appropriations ceilings gradually increasing to a top of $120 million. This will help the Nation's schoolchildren, who will continue to receive a

Federal contribution toward the cost of the milk they purchase at school. It will help the farmer by removing milk that would otherwise be sold at surplus prices from the market. And it will do all this at little cost to the taxpayer, for milk purchased under the school milk program will not have to be purchased and stored at Government expense under the price support program.

LABOR DAY MASS AT SHRINE OF THE SACRED HEART

Mr. MONDALE. Mr. President, more than a decade of years ago, the Most Reverend Archbishop of Washington, Patrick A. O'Boyle, D.D., invited the leaders of labor, management, and government to join him in a solemn prayer to our Heavenly Father to ask His divine guidance on the Nation and its citizens and His blessing on all who shared a common goal. On September 5 of this year, Labor Day, the 14th annual observance will be held at the Shrine of the Sacred Heart Church, 16th Street and Park Road NW., at 10 o'clock in the morning. The Most Reverend Archbishop of Washington will preside at this mass; the Most Reverend Edward J. Herrmann, D.D., Auxiliary Bishop of Washington, will offer the Mass, and the Most Reverend Peter L. Gerety, D.D., Coadjutor Bishop of Portland, Maine, will deliver the sermon. Invitations have been extended by the Archbishop of Washington to all the leaders of government, to the distinguished Members of this body, to the leaders of labor who are centered in Washington, and to all who are prominent in the area of management.

Following the ceremony in the church, a wreath will be placed at the statue of His Eminence James Cardinal Gibbons, late Cardinal Archbishop of Baltimore, which stands in a small park immediately adjacent to Sacred Heart Church. This wreath will be placed by Mr. J. C. Turner, president of the Central Labor Council of the Greater Metropolitan Area, who will then address the audience in the name of organized labor.

It is most fitting that this tribute be paid to the late Cardinal Gibbons. In the latter part of the 19th and the early part of the 20th century, the laboring men of this country were struggling to organize themselves into associations and unions which would further their interests and provide them with some bargaining rights. Because of the hostility at that time of some of the employers, these newly established labor organizations, such as Knights of Labor, were secret in character and, as such, caused some suspicion on the part of various churchmen. Events in a neighboring country led the leaders of the labor organizations to fear that the labor movement in the United States might be interdicted by the church. It was at this time that Archbishop Gibbons, later the Cardinal Archbishop of Baltimore, raised his voice in favor of the laboring man and his rights, counseled the leaders of the labor movement and made known to the authorities of the church in Rome his concern for both the men and the movement. It was his intervention, more than any other single factor, that gave the new labor movement status in this country. His Eminence of Baltimore established himself as a true friend of the laboring man, a great citizen, and an even greater churchman.

I am delighted on this occasion to bring this distinguished ceremony to the attention of the Senate. In the years that have passed, labor, management, and government have prospered in this country. The system of free enterprise has been tried and tested over and over again. Bargaining teams of management and labor have met on countless occasions and have come to decisions that were beneficial to all parties concerned. Nowhere else in the world has there been such progress, such freedom, such prosperity shared by all. It is fitting that we pause on Labor Day to give thanks to our Heavenly Father and to ask His guidance again for the years and the tasks that lie ahead. Certainly, one fine way to do this is to join the Archbishop of Washington by accepting his invitation to be present on the occasion of the 14th annual Labor Day mass on Monday, September 5.

Last year, the distinguished Chaplain of the U.S. Senate assisted at the celebration. Following the observance, he wrote an article that appeared in the public press and gives voice to his impressions of this splendid occasion.

I ask unanimous consent that the article by Dr. Frederick Brown Harris be printed at this point in the RECORD.

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

A LOFTY LABOR SPIRE

(By Dr. Frederick Brown Harris, Chaplain, U.S. Senate)

September's annual Labor Day, which was set up as an altar where the cause of the toiling millions of this free land could be sanctified and glorified, has largely degenerated into a mania for miles and speed where leisure-mad multitudes burn up the roads, invade the resorts, and end up with a hectic race home.

Any meaningful remembrance of the day set aside to emphasize the vital significance of honest labor in the pattern of the Republic's life might well bring to mind the childhood question, "Here are the people but where is the steeple?"

A spectacular yet devout reply to that query, in a fitting observance of Labor Day 1965, is glimpsed in an inspiring "steeple emphasis" in one of the Capital City's most magnificent edifices, The Shrine of the Sacred Heart, a dream of Byzantine loveliness! Here on Labor Day a secular holiday was transformed into a holy day, as there leaped to the sky a spiritual Spire tall enough to be a heavenly vision to all Americans who have eyes to see. On this occasion, brilliant with the impressive liturgy of Roman Catholicism, there was proclaimed a pertinent message freighted with deep concern for the vital questions that have to do with the complicated relationships of labor and management.

What a setting it all was for so solemn a witness! At the very portal of this imposing edifice stands one of the most exquisite statues in the Capitol of the Free World. It is the brooding figure of a great religious leader, a dedicated American, James Cardinal Gibbons, who was a prophet of the rightful place of the toilers in the expanding economy of this vital experiment in freedom. Following the church service, at the feet of this great servant of God and of man, on this day dedicated to St. Joseph, the workman, a reverent crowd gathered around the sculptured likeness of the beloved cardinal as if waiting for his benediction.

From the high pulpit of the sanctuary the sermon was brought by an outstanding theologian and a searching preacher, Reverend John C. Selner, of Catholic University. He spoke with all the riches of the past, and with a compelling sense of the relevance of Jesus Christ for the problems of this volcanic day. Frankly, he faced the charge so often made in the glare of the false lights of a materialistic day that on the stage of the second half of the 20th century, the Christian Church is no longer relevant. This unashamed apostle of the Carpenter of Nazareth forcefully presented the mission of the church in the surging light of today. He made it unequivocally plain that its objective is to train men and women to toil in these fields of time in the sense of the eternal. This proclaimer of the unchanging gospel made that great throng vividly aware that the Christ, exalted in the Sacramental Mass, and in the hearts of those who really heed his call—Follow Me—is the one hope of mankind and that the world is not through with Jesus Christ, it is through without Him!

The other prophetic voice from that high pulpit was that of the Most Reverend Patrick A. O'Boyle, archibishop of Washington, who presided. To that Labor Day throng he tied the relevance of the Christian message to the practical problems of wages, housing, and education for those now shut out of the plenty of our affluent society. He made clear that the essential relationship of what is labeled management, and what is referred to as labor, is becoming more and more as it should be, a cooperative partnership of all who toil, whether the worker directs from an office or lifts bricks for rising walls.

And now for a moment let us listen to the Undersecretary of Labor for the United States, Honorable John F. Henning, a devoted church layman, as he addressed the large group surrounding the statue of Cardinal Gibbons. We can capture but a few sentences from a message rich in its discernment of union labor's attitude to today's global struggle between Christ and anti-Christ: "Democracy and dictatorship struggle to the death in today's world. Labor unionism and slavery share no common hopes, no common values, no common destiny. American labor struck at slavery when it gave instant endorsement to the action of President Johnson in the Dominican Republic and Viet Nam. The program of labor in Latin America and Africa in an age of change offers the enduring values of social democracy and political freedom. Here at home American labor is today sharing, in the most dramatic era of social advance in the nation's history. American labor acts on the conviction that humanity deserves a society of economic abundance, social equality, and political liberty."

In this high hour all that was uttered inside The Shrine, and outside, can well be summed up in Henry Van Dyke's lines:

"This is the gospel of labor;
Ring it, ye bells of the kirk—
The Lord of love left his home above
To dwell with the men who work."

ROGER STEVENS AND THE NATIONAL ARTS ENDOWMENT

Mr. PELL. Mr. President, Roger Stevens and the whole National Arts Endowment deserve to be congratulated on the excellent job they have done in the endowment's short life. In fact, they have already gone beyond the expecta-

tions of those of us in the Congress who worked on the legislation setting up the National Arts Endowment.

The most telling compliment to their work is that prior to 1965, when the enabling legislation was passed, there were only 17 State arts agencies. Today there is an arts agency in every State plus the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

I ask unanimous consent that an article by Howard Taubman in today's New York Times attesting to their good work be inserted in the RECORD.

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

ADVENTURESOME COURSE—ARTS ENDOWMENT'S BOLD, NEW GRANTS SHOW A WILLINGNESS TO TAKE CHANCES

(By Howard Taubman)

It is too early to assess the ultimate value of all the grants that have been made by the National Arts Endowment, but it is not a bit too soon to commend its chairman, Roger L. Stevens, and his advisers, the members of the National Arts Council, for their energy and breadth of vision. The endowment is confounding the Cassandras who glumly prophesied that public funds would be spent on cautious principles and unadventurous programs. The reverse has been true. The endowment has taken chances, brought quick help to worthwhile institutions in mortal danger, been hospitable to new ideas and to fresh approaches and has been alert to the needs of the creators as well as to the performing artists.

Seldom has a new government program, especially one so beset with possible booby traps, been implemented with so much imagination and dispatch.

The arts endowment has elected to support a multiplicity of ventures in all the arts since it was approved less than 12 months ago by an act of Congress and received its initial appropriation. Some of these ventures no doubt will misfire or sputter like wet squids. But even the great foundations like the Ford and the Rockefeller, with all their preparatory staff work, have backed some egregious lemons.

What is particularly notable about the latest grants announced this week, in addition to their wide range of interests, is how speedily and shrewdly Mr. Stevens and the Arts Council had adapted themselves to the problems of administering a government program in the arts.

A PRACTICAL MANEUVER

They clearly learned something from the way in which Congress last spring handled their budget requests and also from the methods of their sister group, the National Humanities Endowment. In both cases, bequests were reduced because substantial sums of the previous year's appropriation had not yet been disbursed or allocated. The Humanities Endowment was cut to $2-million because it had an undistributed $2.5-million. It availed not to argue that plans for the use of the unspent $2.5-million were well advanced.

Obviously, the arts endowment intends to avoid such mistakes. Some months ago it earmarked up to $500,000 for the establishment of laboratory theaters in three cities in cooperation with the Office of Education. But there has been time to set up only two—Providence and in New Orleans. About $165,000 remained unallocated.

Instead of waiting for a third project to come to fruition, which might take another year, Mr. Stevens and the Arts Council decided to help the New York Shakespeare Festival and the National Repertory Theater immediately. Both groups are deeply involved in educational activities and deserve support.

The Shakespeare Festival guided by the fiery Joseph Papp, who rightly thinks that nothing in the arts is too good for the humblest audience, will receive an emergency matching grant of $100,000. It will thus be able to carry out commitments throughout the city that it might have had to cancel or curtail.

The National Repertory Theater, which tours a number of plays of high quality across the land each season, will receive a matching grant of $75,000. As a result, it will be able to broaden its program for students, which includes half-price tickets for groups of 10 or more as well as afternoon seminars and specially prepared material for classroom use.

The accent in both grants is the potential educational value of the activities of the New York Shakespeare Festival and the National Repertory Theater. The truth is that both organizations need financial support if they are to carry on to the limits of their capacities. The arts endowment is wise to respond to the basic need.

There have been other examples, some widely publicized and some hardly noticed, of the endowment's flexibility in meeting crucial situations.

MEETING AN EMERGENCY

One such incident involved an ambitious production of Schoenberg's opera, "Moses and Aaron," which was being prepared last spring by the Boston Opera Company. The production ran into a financial crisis and Mr. Stevens was approached in desperation. He polled the Arts Council by telephone and within a few hours was able to offer a matching grant. The production of the opera, through postponed to the fall, was thus assured.

To judge by the scope of the latest grants, which cover educational television, opera, theater, creative writing, chamber music and the visual arts, there is no lack of projects for the arts endowment to espouse. Early fears were expressed that the Government, seemingly in competition with the foundations, would run out of worthy programs and activities to support.

These fears turn out be illusory. There are vast areas in this country and huge publics with only the most rudimentary experience in the arts. As they learn to know the enchantment and the power of the arts they will ask for more and better things, and there will be unlimited room for the Government, the foundations and private enterprise to make salient contributions.

THE U.N. AND GUAM

Mr. JACKSON. Mr. President, I ask unanimous consent that an editorial appearing in Guam's the Pacific Journal of August 19, 1966, entitled "The U.N. and Guam," be printed at this point in the RECORD.

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

THE U.N. AND GUAM

It is becoming a habit for loquacious representatives in the United Nations to discuss the future political status of Guam, as if the territory is some sort of colonial outpost in the western Pacific.

Guam is neither a colony nor a proper subject for discussion in the U.N. Guam is an American community which happens to be situated 5,000 miles west of the continental United States.

Squabbling over Guam is like squabbling over Santa Monica or Oahu. The United Nations simply has no business discussing the political or social well-being of an American community.

Since when did the United Nations acquire jurisdiction over Guam? Under what authority does the world body exercise control over American citizens?

It seems odd that our spokesmen in the United Nations would take the trouble to defend the use of Guam as a military base. The U.S. Government has every right to utilize Guam in any way it deems proper in the conduct of war. Guam, after all, is part of the United States, and whatever is good for the country must necessarily be good for Guam.

It is true that Guam does not possess political autonomy as states of the union have, but whatever political deficiencies there are, they are the problems that must be resolved by the U.S. Government and no one else.

If Guam were a protectorate, then we can see the U.S. assuming the role of overseer. But the territory has been under American ownership since 1898 and its residents have been U.S. citizens since 1950.

It is perhaps all right for delegates to the United Nations to discuss Guam—they have discussed everything else under the sun, it seems—but only where it relates to nonpolitical matters. The relationship between Guam and the United States is an internal matter, and the United Nations is not the forum within which to discuss the territory.

We can see the United Nations delegates debating on the eventual political status of the Pacific Trust Territory and other mandated territories. They legally fall under the jurisdiction of the U.N.

But to include Guam in such debates is an assumption of authority that does not exist.

The United Nations ought to devote more time in trying to solve the Vietnam dilemma rather than spend precious time discussing Guam, a political jurisdiction over which it has absolutely no authority.

Guam's future must be determined by the people of the United States, including Guam, and no one else.

ARMY CORPS PLEADS BUDGET LIMITATIONS AND WILL CONTINUE DUMPING IN LAKE MICHIGAN

Mr. HARTKE. Mr. President, on August 23 the Army Corps of Engineers replied to my numerous pleas to stop dumping nutrient laden pollution breeding filth into Lake Michigan. I ask unanimous consent to include the letter in the RECORD at this point in my remarks.

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

AUGUST 23, 1966.

Hon. VANCE HARTKE,
U.S. Senate.

DEAR SENATOR HARTKE: This replies to your recent letter and telegram concerning the disposal of dredge material in Lake Michigan.

The Corps of Engineers has not ceased dredging the North Branch of the Chicago River, nor ceased dumping the dredged material into Lake Michigan. However, this particular project is due to be completed in less than 10 days, after which dredging will not be required in the Chicago River for 2 or more years.

The Corps of Engineers is responsible for the continued navigability of rivers and harbors on the Great Lakes, which is vital to the economic well being of the entire region. Alternate means and locations for dumping dredged spoil are being intensively studied. No quick and easy solutions are readily apparent from an economic or from a pollution standpoint.

In addition to the foregoing information, a summary of the pollution problem in the Great Lakes in connection with the Corps of Engineers dredging activities is enclosed.

The Corps of Engineers joins with other Federal, State and local agencies in concern of pollution problems such as in the Great Lakes and will continue to seek every means at its disposal to preserve our water resources.

Sincerely yours,

W. P. LEBER,
Brigadier General, USA, Director of Civil Works.

Mr. HARTKE. Mr. President, you will note that the Corps, unable to find alternate points on land for the disposal of the material collected from dredging the north branch of the Chicago River, will continue dumping—further polluting Lake Michigan—as a matter of economy.

Mr. President, it seems incredible to me that the Corps will continue causing damage and seriously augment the pollution of Lake Michigan, which will in the long run cost the Congress and certainly the Great Lakes States millions of dollars to rectify, as a matter of economy.

The Army Corps of Engineers is certainly an arm of the Federal Government and the Pollution Control Agency another arm. Yet, one arm will do the evil and another arm, at a later date, will be called upon to save the soul. The Corps says "budget problems" and will not stop dumping. Although they may not have to dredge the north branch again for 2 more years, we of the Great Lakes States are faced with: the possibility of a usable water shortage in the future; threats to the health and welfare of our Midwest population; and the closing of our beaches. We will have to ask the Federal Government to help undue what the Federal Government has done.

The city of Chicago and its sanitary officials should be embarrassed that they cannot come up with an alternative site for dumping their own city's filth.

At this time we cannot determine just how much it will cost to reclaim that 70,000-acre area of Lake Michigan into which as much as 160,000 cubic yards of filth is being dumped. We cannot figure the cost because we cannot estimate just how rapidly this nutrient laden dredge material will explode in the lake and just how damaging the pollution cycle it triggers will be.

The Army Corps of Engineers in addenda to my letter promised in the future to include the consideration of pollution abatement in other projects which they submit to the Bureau of the Budget. What the Corps is saying is "now that the horse is stolen, we will look at a lock for the barn door."

The distinguished chairman of the Senate Public Works Committee, Senator RANDOLPH, discussed the addenda in remarks earlier this afternoon. I appreciate his help for the Midwest and know of his continuing interest in pollution abatement and water reclamation.

The junior Senator from Wisconsin, Senator NELSON, is quite concerned with this matter and yesterday sent a strong letter to the Army Corps urging serious rethinking on the basic issue of economics on dredge material disposal. I ask unanimous consent to include his letter in the RECORD.

Even though the Corps has promised to study their activities this promise does not remove the filth that the Corps should not have dumped into the lake in the first place.

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

AUGUST 30, 1966.

HON. STANLEY R. RESOR,
Secretary of the Army, Department of the Army, Pentagon, Washington, D.C.

DEAR SECRETARY RESOR: I have been concerned for some time with the mounting pollution of our lakes and rivers. One particular concern to me has been the pollution of the Great Lakes, resulting in the deterioration and the serious degradation of the southern and western areas of Lake Michigan. I feel strongly that unless agencies at all levels of government and people throughout the country work together in a massive effort to meet and solve our pollution problem, we will be confronted with a national pollution catastrophe in the not-too-distant future.

It has come to my attention that the Army Corps of Engineers is dumping polluted material dredged from the Chicago river into spoils disposal areas in Lake Michigan, and that it intends to pursue a similar practice in a dredging project to be undertaken in Green Bay, Wisconsin. I also understand that this method of spoils disposal has been followed by the Corps in the past when the circumstances were appropriate.

The dredging policy of the Corps was of special concern to the Environmental Pollution Panel of the President's Science Advisory Committee. In its report, "Restoring the Quality of Our Environment," released last November, the Panel noted that the Corps' concern with the navigation effects of dredging and spoils disposal often resulted in substantial adverse effects on other resources. It recommended that decisions concerning dredging and other operations anticipate their impact on all resources and not just navigation, and that resource agencies of all levels of government be consulted by the Corps in making these decisions.

As you know, the most effective solution for our water pollution problem lies in treating wastes fully before they are discharged. Of course, it will be some time before we are able to achieve this solution and the buildup of wastes in our water will continue in the meantime. Even when we have achieved this final solution, however, it will have no effect on the great quantities of polluting matter which will have accumulated in our waters. It is these accumulated wastes which are responsible for any polluting impact of the Corps dredging and spoils disposal practices.

I do not think that polluted material should be returned to a lake or river once it has been removed, even if the disposal location is remote from water intakes. I feel that we must take a broad, long-range view of the pollutional consequences of all of our activities and utilize every opportunity to reduce the load of waste matter in our lakes and rivers. I understand that the Corps is now reviewing its dredging and spoils disposal practices, and I hope that it will be possible for the polluting impact of these practices to be significantly reduced or completely eliminated.

I have discussed the Green Bay dredging project with representatives of the Corps, and they have indicated that a substantial part of the dredged material will be dumped in off-shore spoils disposal areas despite the fact that land disposal areas are available on the waterfront at Green Bay. This practice can only add to the worsening pollution of the waters of Lake Michigan. I hope that the Corps will revise its spoils disposal policy and utilize the land disposal areas which could be made available to it.

Sincerely yours,

GAYLORD NELSON,
U.S. Senator.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

Mr. JACKSON. Mr. President, I ask unanimous consent to proceed out of order on another matter.

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

U.S. FORCES IN EUROPE

Mr. JACKSON. Mr. President, a resolution has been submitted by the majority policy committee proposing that it be the sense of the Senate that a substantial reduction of U.S. forces stationed in Europe can be made without adversely affecting either our resolve or ability to meet our commitment under the North Atlantic Treaty. This resolution refers to the reduction of "U.S. forces permanently stationed in Europe," and makes no distinction as to what kinds of forces are to be reduced. Obviously, there are important differences between combat forces and logistic or support elements. What does this resolution really mean?

Mr. President, it may be possible to make some adjustments in U.S. logistic and support elements in Europe as we accommodate our arrangements to the French withdrawal, and as we are able to streamline certain operations. But any suggestion for a unilateral cut of American combat forces in Europe, with no quid pro quo from the Communist side, constitutes foolish advice to the President of the United States, and it is not worthy of the U.S. Senate. Such a recommendation at this time would confirm the European skeptics in their claims of American unreliability. It plays right into the hands of General de Gaulle. It would confound our 13 loyal partners who are working with us to surmount the crisis precipitated by De Gaulle's eviction notice. Beyond this, we would simply be throwing away, by unilateral act, our bargaining position vis-a-vis the Soviets that we have worked long and hard to build up.

It looks to me as though the sponsors of this resolution lack confidence in the wisdom of their own proposal. They are trying to ram this resolution through—a resolution which has the greatest implications for the future of this Republic and of individual liberty—without following the long-established procedures of this body and obtaining the considered judgment of the substantive Senate committees having jurisdiction on these issues.

Mr. President, the hopes of the world for peace with freedom continue to depend chiefly on a strong and confident Atlantic community. The struggle in Vietnam is important. But the North Atlantic area is still the decisive area

and the requirements of the NATO deterrent deserve a very high priority.

This resolution of the majority policy committee ignores the basic reasons for the continued commitment of major U.S. combat forces in Western Europe. My concern today is to state what I believe are the key considerations.

No one of course wants to keep more combat divisions over in Europe than are needed. On purely economic grounds, it would be very nice to cut back. Also, all Members of the Senate, I think, would hope that in the not too distant future some of our allies would see their way clear to share more of the military burden in the Alliance. But this is no time for "a substantial reduction" of U.S. combat elements in Europe—and for two basic reasons.

First. The main purpose of the U.S. troop commitment in Europe is to leave the Russians in no doubt that the United States would be involved if they attacked Western Europe—making it clear to the Russians that they would meet enough U.S. troops to make it a Soviet-American crisis, not just a European crisis.

For 16 years the United States has as a matter of unquestioned policy kept a real combat force in Europe. The function of these American troops, together with European troops, has been, and continues to be, to meet a local crisis as effectively as they can, posing the continual threat that, if the crisis continues and enlarges, the danger of intercontinental nuclear war continues and enlarges with it. That policy is as valid today as it ever has been. It has also been effective. It has closed the door to Soviet westward expansion. No armed attack has been made on Western Europe or North America. Moreover, what justifiable hope there is of a genuine European settlement rests, I believe, on the constancy of this policy.

Second. The important unfinished business of the Atlantic Alliance is to reach a genuine, stable European settlement with the Soviet Union—to create conditions in which people can speak meaningfully of Europe instead of Western Europe or Eastern Europe, and to build a Europe which will strengthen the prospects for world peace and contribute to peaceful progress in Asia, Africa, and Latin America.

Today, in the central region of Europe, Warsaw Pact ground forces number some 800,000. These include about 300,000 Soviet troops and about 500,000 satellite troops. Our NATO ground forces number some 835,000, which include about 210,000 U.S. ground forces and 625,000 allied troops. As things stand this is an approximate standoff.

With a 30-day mobilization period, both sides could substantially increase deployment of men into the central region—again the estimates suggest an approximate numerical standoff.

Among other things, a genuine, stable European settlement will have to involve a reduction of the Soviet forces in Eastern Europe and their return to the Soviet Union. It is evident to me that the Kremlin is more likely to consider favorably such a move if NATO maintains the level of its combat forces than if we cut them back unilaterally.

There is the issue—and it is one on which we in the U.S. Senate need to be clear. Over the years many proposals have been made to reduce American and allied forces, by unilateral cutbacks, or one form or another of unilateral disengagement. It would now be folly for the United States—or our allies—to cut unilaterally our combat capability in Europe.

Mr. President, we and our allies should not cut our combat forces in Europe without corresponding concessions from the Soviet Union, without a quid pro quo—especially so when the concessions we ask are but contributions to a peaceful future for all of Europe, East and West. We could look safely forward to the reduction and redeployment of United States and allied NATO combat forces if the Soviets and the other Warsaw Pact countries make effective military and political arrangements for an equivalent reduction and redeployment of their forces.

What I do not understand, Mr. President, is how the United States can improve its basic bargaining position vis-a-vis the Soviet Union by weakening it—unilaterally.

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

Mr. JACKSON. Mr. President, I yield to the distinguished Senator from California.

Mr. KUCHEL. Mr. President, as a citizen and as a Senator, I am very glad to listen to the words of the distinguished Senator from Washington.

The Senator serves on the Armed Services Committee, and, on a number of occasions, he has been an American delegate at the NATO Parliamentarians' Conferences in Europe. He has participated in debate on problems of American defense and general foreign policy. He has presided over a responsible series of hearings on basic questions of American defense needs.

The resolution which was submitted yesterday is of tremendous importance. Many Senators are not equipped to make an immediate decision upon a matter of such far-reaching concern.

The able Senator from Washington has presented to the Senate today telling points and irrefutable arguments why this resolution ought to go to a Senate committee and there, under appropriate examination of men from the armed services serving here and abroad, and of men in the executive branch and elsewhere. A record should be built making it possible for Members of the Senate to pass judgment on the resolution introduced yesterday.

I congratulate my able friend, the Senator from Washington. That is easy for me to say. I think the service that the Senator has rendered in the comments he has made consists in pointing up the need for the Senate to follow its usual procedures and to have a substantive committee of the Senate sit in judgment on this resolution before it is taken up in the Chamber.

I rose yesterday with the intention of having this resolution referred to a substantive committee for hearings.

Mr. JACKSON. Mr. President, due to a committee commitment I was unable to be present in the Senate Chamber at the time the resolution was presented, when the able Senator from California made certain remarks regarding the resolution. The distinguished Senator from California went to the heart of this issue in his comments yesterday.

I certainly feel, as he does—and as he pointed out most effectively yesterday—the importance of having one of the substantive committees of the Senate have an opportunity to call witnesses and obtain the kind of testimony that we should have so that the Senate will have a record of testimony to consider before it votes on the resolution.

Mr. President, it concerns me that the resolution, as now worded, is in the form of an open-ended disarmament program in Western Europe. There is no distinction made between a reduction in purely supply or support forces and real combat forces. I think the timing of the resolution is bad. I think the wording of the resolution is most unfortunate in every respect.

Mr. KUCHEL. The Senator makes an irrefutable point. That is the very kind of intelligence that ought to be available to Senators in connection with their decision on a resolution of this type.

Mr. JACKSON. I think, too, it is tragic, after all this talk about trying to get the Soviets to cut back on their forces in Central Europe, that we are apparently going to talk—by resolution—about unilateral disarmament, while the Soviets continue to maintain their large and key strategic forces in Central Europe. The Soviets have several hundred intermediate-range ballistic missiles in Europe—far in excess of any such missile capability on the Western side.

I cite that as one element in the problem in addition to the manpower situation.

Mr. KUCHEL. The Senator has made a powerful argument in support of a full committee hearing, including an inquiry into classified data, which obviously would be unavailable in an open debate in the Senate.

I have a few questions that I want to ask the Senator; but if the Senator would permit me, I should like first to speak for 2 or 3 minutes on this subject.

Mr. JACKSON. I am happy to yield.

Mr. THURMOND. Mr. President, will the Senator from California yield to me for a moment?

Mr. KUCHEL. I yield.

Mr. THURMOND. Mr. President, will the Senator from Washington yield?

Mr. JACKSON. I yield.

Mr. THURMOND. I want to commend the able Senator from Washington on the position he has taken in this matter.

I am convinced that this resolution is an important one. It is one that is vital to the freedom of the people of the free world.

I sincerely hope that this resolution will be sent to a committee, where testimony can be taken, the pros and the

cons can be provided, a full hearing can be had, and a committee report can be rendered, so that the Senate will have some document of official value upon which it can act.

In my judgment, it would be a great mistake for the Senate to attempt to act on this matter without a full hearing.

I wish to commend the able Senator from California for taking the position he took yesterday, and has again taken today, on this matter.

I am convinced that this is the only sound procedure that ought to be followed. I have frequently said that important matters should go to committee, a hearing should be held, a report should be made, and the Senate should have the benefit of the opinions of the people who deal with these problems day after day, week after week, month after month, year after year. The Senate should not be called upon to act hastily on such a vital question as this, which concerns the freedom of our people and of the free world.

Mr. JACKSON. I thank the Senator for his very helpful remarks.

I yield to the Senator from California.

Mr. KUCHEL. First, I wish to thank my able friend, the distinguished Senator from South Carolina, for his comments.

Mr. President, these random thoughts go through my mind.

One of the moving sentences from the pen of the late gifted Englishman, Sir Winston Churchill, was that by which he described the theme of the last volume of "The Second World War." That volume is entitled "Triumph and Tragedy." Sir Winston set down the theme as follows:

> How the great democracies finally emerged in triumph, and so were able to resume the follies which had so nearly cost them their life.

I sometimes fear, Mr. President, that in this worldwide convulsion through which humanity is now passing, there is a tendency to draw back and to seek to avoid involvement in the troubles of the rest of the globe outside cne's own national back yard.

Mr. President, earlier this year at a commencement at San Jose State College I said:

> In most of our national life, we were concerned almost exclusively with our own development. America did not play a prominent role in world affairs until called upon by continuing crises which had inflamed the Old World, and which had begun to sear the New. In the aftermath of the First World War, our people were in an almost continuous ferment as to what our country's role in the world should be. Fear and a kind of idealism were competing with one another. President Wilson went to Europe in 1919 speaking of "open covenants openly arrived at" and urging a League of Nations to settle disputes without war. Motivated by a desire for continued isolation, the United States Senate violently disagreed. Later, the United States led the way in world disarmament. In 1928, by the Kellogg-Briand peace pact with France, the United States agreed to outlaw war as an instrument of national policy. We were searching for a better world, and we were beginning to show an interest in our planet. But it took a second bloody global conflict to demonstrate that the world was not going to stop turning, and that we could not get off.
>
> In 1948, another milestone was reached in the development of our role in the world when the late Arthur Vandenberg, speaking in the United States Senate, slammed the door on American isolationism, renouncing the idea that we could live alone in good conscience or, indeed, in self-preservation. His resolution, approved in the Senate, affirmed that United States would seek "international peace and security through the United Nations." It paved the way towards our participation in the Atlantic Alliance, together with Canada and our free friends in Europe. It courageously placed our country on record for providing the United Nations with armed strength and for the regulation and reduction of armament.

Nevertheless, there is no forceful or fully effective peacekeeping machinery in the United Nations.

As the distinguished Senator from Washington has tellingly pointed out, this resolution raises the question: "How the United States can improve its basic bargaining position vis-a-vis the Soviet Union by weakening it unilaterally."

I wish to ask the Senator this: First of all, the resolution speaks about a "substantial reduction of forces." That phrase is susceptible to varying interpretations. I do not know, without comments of a committee which would hear the matter, whether they are talking about a 10-percent reduction, a 20-percent reduction, a 50-percent reduction, or otherwise. Is that not true?

Mr. JACKSON. I think the Senator is correct.

One of the evils of the resolution lies in its open-ended nature. It does create great uncertainty. One can conjecture in many different directions as to what is intended.

Mr. KUCHEL. I shall ask the Senator, based on his own experience with the NATO organization, if he will describe in general terms what diplomatic effects a unilateral withdrawal of American troops would have on the policies of our NATO allies, including particularly Great Britain and West Germany.

Mr. JACKSON. First of all, of course, the way they are proposing to go about this ignores the need to consult with our NATO partners.

We are not engaged in Western Europe on an individual basis alone. We are there as a part of a defense entity, made up currently of 13 active participants plus ourselves, the French being the 15th, now in an uncertain area of participation.

Consultation is crucial to the good working relationship within NATO, and, of course, it applies generally in all relationships between our partners and allies around the world. I think that that fundamental rule has been violated by the introduction of this resolution, which is predicated entirely on a unilateral American move.

Mr. KUCHEL. I agree.

Mr. JACKSON. Secondly, I should observe that the effect of this proposal will make it very difficult to try to work out some lessening of tensions in Western Europe by an effective cutback or rollback of Soviet forces in Central Europe. The opportunity to negotiate that kind of agreement, of course, will be diminished substantially.

Probably more important than the first two points, I should say to my distinguished friend, is the instability in Western Europe that can flow from this kind of move. The temptation to the Soviets to become more adventuresome will be increased. We should remember that the Soviets not too long ago—in fact, as late as 1961—started the Berlin crisis. The Soviets stirred up trouble. When they found that they faced superior forces, when they found that our will was firm, and our intention was to defend Berlin at all costs, they made adjustments. I think the danger in the proposed approach lies in the fact that it is going to create a more unstable Europe. The temptation to the Soviets to fish in the troubled waters will be great. We could look forward to crises of unpredictable proportions.

The statement was made on the floor of the Senate in support of the resolution that things have changed in Europe; that we now have a different situation than we had back in 1951 and 1949. I agree that it is different. The real question is: Why is it different?

I submit, Mr. President, that one of the reasons why things have changed in Western Europe, the reason why the Soviets appear at times to be more moderate, the reason why the satellites are making some real progress toward less dependence on Moscow, stem from the allied strength that exists in the Western community. Anything that tends to lessen that strength, that tends to cut down that posture, that indicates a diminution of will, creates new temptations for adventurism by the Warsaw Pact countries, and especially the Soviets.

Mr. KUCHEL. I agree with the Senator.

Mr. President, will the Senator yield further?

Mr. JACKSON. I am happy to yield further.

Mr. KUCHEL. The point which the Senator has just made in a very excellent fashion is reflected in one of the statements made in a splendid editorial in the Washington Post entitled "Americans in Europe." The editorial states:

> And if a troop reduction is to have a constructive effect upon abating the cold war and promoting a European settlement, surely it ought to come after, not before, serious talks with the Soviet Union.

Mr. President, I ask unanimous consent that there be printed in the RECORD the entire text of the editorial which appeared in today's Washington Post.

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

AMERICANS IN EUROPE

No one with a respect for reality would contend that a fixed specific number of American troops in Europe was necessary indefinitely in order to deter Communist aggression. In that sense it probably would not be catastrophic if the Administration were to follow the advice of the Senate Democratic Policy Committee and bring about a "substantial reduction" in the size of American forces. This would in no way constitute an abandonment of Europe. Nevertheless, both in method and in timing, the effect of

the Democratic resolution could be extremely damaging.

The most immediate effect will of course be felt in Germany. Coming on top of the withdrawal of French troops from NATO (although two rudimentary divisions remain in Germany) and the likelihood that a British division will be pulled back, the removal of one or more of the six American divisions would emphasize dramatically that Germany is much more on her own.

This would not necessarily be all bad. It is time that the Germans faced more of the facts of international life—and, indeed, they have begun to do so with a more flexible diplomacy. But the catapulting of Germany again into the ranks of major military powers already has had some unfortunate side effects, as in the technological lag evident in the Starfighter crisis. Perhaps the Germans would prefer a reduction in the number of American troops to more Pentagon pressure to meet support costs or to buy American weapons they do not really need so as to help this country's balance of payments. Even so, the prospect of troop withdrawals could only further undermine the already shaky political position of Chancellor Erhard on the eve of his visit to Washington.

Beyond this, there is the influence of such a unilateral move upon NATO and Western strategy. The United States has pressed its allies to do more for the common defense, and undoubtedly they could afford to do so. It has been embarrassed by criticisms that Washington officials tend to act unilaterally instead of consulting with the alliance. Yet here is a completely unilateral proposal, made with no attempt to consult the Allies on how it would affect them. More than this, the inevitable effect of sizable withdrawals would be to sink an additional spike into Secretary McNamara's "pause" doctrine—whereby enough troops would be available with conventional weapons to delay an enemy and permit a deliberate decision on whether to employ nuclear weapons. A prompt resort to nuclear weapons would become more likely.

It is quite true that the international climate has changed since the tense days of 1951 when a Senate resolution urged the stationing of six American divisions in Europe. But the lessening of tensions, strictly speaking, arises from a reinterpretation of Soviet intentions, not from a diminution of Soviet capabilities. There has been no reported reduction in the 20 Soviet divisions stationed in East Germany, let alone those in Poland and Hungary. Why, if we are to contemplate a troop reduction, did we not make it a matter for negotiation with Moscow so as to obtain a possible *quid pro quo* instead of throwing away a bargaining card?

Finally, there is the matter of the psychological effect of a unilateral withdrawal upon Western Europe. This area is now subjected to currents of isolationism and given to doubts about American policy in Vietnam. If it is true that the United States cannot ignore its interests in Asia because of Europe, the opposite is equally true. What this sort of legislative pressure may do is persuade many Europeans that their suspicions are justified—that isolationism is returning to America and that the United States does not have the will to stay the course. If there is to be a troop reduction, surely this ought to be a deliberate decision of NATO policy. And if a troop reduction is to have a constructive effect upon abating the cold war and promoting a European settlement, surely it ought to come after, not before, serious talks with the Soviet Union.

Mr. KUCHEL. The Senator makes this point also. It may be possible to make some adjustments in U.S. logistic and support elements, as we accommodate our arrangements to the French withdrawal, and as we streamline certain operations.

As the Washington Post editorial said, in complete agreement with the position of the Senator:

> No one with a respect for reality would contend that a fixed specific number of American troops in Europe was necessary indefinitely in order to deter Communist aggression.

The Senator goes on to indicate that there could obviously be a decision made to alter the precise strength level there. But again, if the Senate is to enter into what essentially is a decision of the Executive, surely the Senate should be guided by the kind of hearings which the Senator from Washington [Mr. JACKSON] held this year as chairman of the Subcommittee on National Security and International Operations of the Government Operations Committee.

Mr. JACKSON. I heartily concur with the comments of the Senator.

Again, referring to the resolution, the resolution makes no distinction between a cutback in combat forces and a cutback in logistics or supporting forces.

The key question for the Senate, of course, is to determine whether it is wise to make a substantial cutback in combat forces. I can say that we could probably cut back—and this is what the hearing could usefully determine—perhaps several thousand logistic and supporting troops. In my own mind, there is no question about that. The real issue is: What would a so-called substantial reduction in combat forces do to our posture as it relates to the Soviet threat which, in turn, will have a real bearing on Soviet intentions. This is a crucial issue.

It is unfortunate that an imprecise, open-ended resolution is introduced to deal with a highly intricate and terribly involved problem of the disposition of military forces in the NATO community.

Mr. KUCHEL. Is it not true that in dealing with this kind of a resolution it is vital that the views of the Secretary of Defense, the Secretary of State, the service Secretaries, and the members of the Joint Chiefs of Staff be spread upon the record; and, indeed, are not the views of the Commander in Chief important?

Mr. JACKSON. I could not agree more. It is true that some of the individuals to whom the Senator has referred have commented from time to time, but we have not had a hearing dealing with this specific question and questions that are raised by the resolution which was introduced yesterday.

I believe that it would be especially helpful to have the views of the Joint Chiefs of Staff. We have had comments in open hearings by the Secretary of State and the Secretary of Defense opposing at this time any cutback in combat forces. But to my knowledge we have not had, and the American people have not had, knowledge of the views of our top professional soldiers. I think we should have a well-documented record in this regard before the Senate can intelligently vote on a resolution of such far-reaching consequences.

Mr. KUCHEL. I agree completely with the Senator in that regard. Traditionally the United States has given major emphasis to the Atlantic Alliance. I think that it still should.

Is there not implicit in the introduction of the resolution the possibility that it will be interpreted abroad as an abandonment of that position, either because of America's potentially growing isolationism or because of America's involvements in southeast Asia?

Mr. JACKSON. I do not know if it will have that exact effect, but it would have, it seems to me, the effect of aiding and abetting those elements in Europe who question the reliability of the United States to be there if the conflict should start. I think that this is the question that will be raised, especially by General de Gaulle and those who follow his views.

I would hate to see action by this body that would tend to corroborate the views of these people who question our credibility, who question our reliability, and who say that we, in time, will revert to the isolationism of post-World War I.

Mr. KUCHEL. There is another point which the editorial makes, and I wish to call it to the attention of the Senator:

> Yet here is a completely unilateral proposal, made with no attempt to consult the Allies on how it would affect them. More than this, the inevitable effect of sizable withdrawals would be to sink an additional spike into Secretary McNamara's "pause" doctrine—whereby enough troops would be available with conventional weapons to delay an enemy and permit a deliberate decision on whether to employ nuclear weapons. A prompt resort to nuclear weapons would become more likely.

Is it not true that the Armed Services Committee, for example, and perhaps the Foreign Relations Committee as well, should sit in judgment on this kind of question and develop a record for the rest of us?

Mr. JACKSON. Certainly. It raises, of course, the question as to what kind of options we would have available in the event of aggression in a given area within the NATO community. The point is that we should have the ability to resist aggression in a manner and in a way which will meet force with appropriate force; but, certainly, if a situation arises at the outset which does not require the use of nuclear weapons, we should not use them. It is somewhat similar to the doctrine in common law that, in defense of our person, we have the right to use such force as will repel an assailant. But there is no need to get into a situation where we have to engage in wholesale slaughter in order to properly and effectively resist aggression. By cutting back conventional forces we reduce the options available to the President of the United States and to the responsible heads of the NATO community.

I thought that this was one of the objectives that both administrations sought to maintain in dealing with the problems of this troubled world. The conflicts we have been involved in since the end of World War II have been short of the use of our awesome nuclear power. I think

it is vital that we keep our military flexibility. It points up once again the need to have the views of our professional military people in this situation.

Mr. KUCHEL. I repeat my congratulations to the Senator from Washington. I want an opportunity to cast my vote to have the resolution referred to committee. The record the Senator has made here today has given abundant reason why that procedure is in the best interests of the people of the United States.

Mr. JACKSON. I merely want to say what I said earlier, that I commend most highly the senior Senator from California, and able minority whip, for the way in which he ventured into this problem yesterday with the questions which he raised on the floor of the Senate. They went to the heart of the problem. His comments today are very helpful in putting this whole question in its proper perspective. I commend him again.

Mr. KUCHEL. I thank the Senator from Washington.

Mr. COTTON. Mr. President, will the Senator from Washington yield?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Washington yield to the Senator from New Hampshire?

Mr. JACKSON. I am happy to yield to the Senator from New Hampshire.

Mr. COTTON. Let me say to the Senator from Washington that I do not want to take any of his time, knowing how busy he is, but I do want to join in commending him for making another one of his typical and characteristic approaches—reasoned, careful, logical, and very vital—to this problem. I thoroughly associate myself with everything he has said.

Mr. JACKSON. I thank the Senator from New Hampshire.

Mr. COTTON. At the end of the colloquy that the Senator had with the Senator from California, the Senator from Washington touched on a matter which I have been waiting to mention this morning.

It is this: Certain hidden dangers are lurking in the situation which makes it doubly imperative—even though the pending resolution bears the signatures of some of the most thoughtful, careful, and well informed Senators—that the Senate should not take any action which could even remotely be characterized as headlong or hasty.

I would remind the Senator from Washington that on April 30 of this year, the Washington Post published an article written from London by Don Cook of the Los Angeles Times, reporting on a conference of NATO leaders in London. In that article it was stated—and the article is practically my sole authority—that at the suggestion of some of the NATO allies, a committee was formed, of which the distinguished Secretary of Defense of the United States was named as chairman, to explore the possibility of filling the gap left by the virtual withdrawal of France, and making it less necessary to furnish conventional weapons and ground troops by a planned nuclear defense of NATO and of Western Europe.

The article further stated that this defense plan would consist of three categories. The first category would be the prepositioning of nuclear demolition charges or landmines which would be used to block strategic invasion points if NATO territory were to be invaded.

The second category would be the use of nuclear antiaircraft weapons in the event of an air attack against NATO territory.

The third category would be nuclear antisubmarine weapons in the event of attack against naval forces, ports, or harbors.

The proposal seemed to me to be exceedingly dangerous because even though contending that nuclear weapons would be carefully selected and used only to resist aggression, and further contending that the threat may be a deterrent, it serves notice of the touching off of automatic nuclear conflict in the event of certain aggression by our opponents.

There is no partisanship on my part involved in this discussion. Frankly, I was one who shuddered when President Eisenhower and Secretary Dulles announced their program of massive retaliation. I commended the late President John F. Kennedy for his "pause theory" mentioned in this article, which is based on the fact that no nuclear weapons would ever be used even to resist aggression by NATO until the President of the United States himself determined it to be necessary.

It seemed to me that this nuclear concept was extremely dangerous. It was remarkable that the substance of the article written by Don Cook—mentioned briefly, I believe, in Time magazine—suddenly disappeared into a cavernous silence. So far as I have been able to determine, not one word has been said about it publicly since.

A short time ago, Secretary of Defense McNamara, it was stated, departed for Europe for a conference concerning the defense of NATO, but not one word was mentioned about the projected idea that he was supposed to be the chairman of a committee working upon the idea mentioned in the article.

I am sure that there is no purpose but good on the part of the proponents of the resolution, but for the Senate to voluntarily step into this picture and discuss withdrawing troops from Europe at this time is likely to help lay the foundation for a step which will put the United States of America in the position of being the nation to proclaim definitely its intention to resort to nuclear weapons—which, in my opinion, would be a supreme disaster.

Mr. JACKSON. Mr. President, certainly substantial cutbacks in conventional forces would tend to create a situation in which our response would have to be nuclear, whereas with the kind of conventional forces that could and should be maintained, we would have the options that could avoid such a possibility. I should say further that the Senator from New Hampshire has properly raised thoughtful questions that should be gone into in a committee hearing on these questions. I believe the questions are vital and important and, in my judgment, should be responsibly answered.

Mr. COTTON. That is the feeling of the Senator from New Hampshire. I am glad to have it corroborated.

The only thing I would add is that I understand some of this information may later become classified, but this much has been in the press. I hope the Senator would not object if I asked unanimous consent—and I do ask unanimous consent—to have inserted in the RECORD at the end of the colloquy the article which appeared in the Washington Post on April 30, 1966, a short analysis in the Washington Post of April 30, 1966, by Chalmers M. Roberts, and brief mention which appeared in the magazine Time for May 6, 1966.

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

(See exhibit 1.)

Mr. COTTON. I thank the Senator and again commend him.

EXHIBIT 1

[From the Washington Post, Apr. 30, 1966]

AUTOMATIC A-RESPONSE PROPOSED—MCNAMARA OFFERS NEW POLICY IN TALKS WITH FOUR NATIONS

(By Don Cook, Los Angeles Times)

LONDON, April 29.—The United States has quietly dropped its doctrine of "nuclear pause" in defense planning for Europe, and is now proposing to its Allies a new policy based on an automatic but limited and controlled nuclear response to attacks on NATO territory.

This fundamental shift in American nuclear doctrine has emerged in two days of secret talks among five key NATO defense ministers—from the United States, Britain, Italy, West Germany and Turkey—meeting under the chairmanship of Secretary of Defense Robert S. McNamara.

Also taking part in the discussions were NATO Secretary General Manlio Brosio and the two NATO supreme commanders, Gen. Lyman L. Lemnitzer from SHAPE near Paris and Adm. Thomas H. Moorer from Atlantic Command in Norfolk, Va.

TIME FOR REFLECTION

Under the "pause theory," it was laid down that there would be no automatic nuclear response to any attack—that the President of the United States would make the decision under the circumstances of an attack.

The idea was to give time for reflection before allowing an attack to develop into nuclear war. The "pause" might last 20 minutes or 48 hours or even a matter of days.

In place of the "pause theory," which was instituted by President Kennedy in 1961 to the particular irritation of the French, the United States is now moving back to the idea of limited but automatic nuclear response to any attack against NATO.

The Americans are proposing that plans be drawn up for use of nuclear weapons in three carefully controlled categories.

UNDER SECRETARY BALL SEES PERIL TO EUROPE IN DE GAULLE "GRAND DESIGN"

The first category would be the pre-positioning of nuclear demolition charges or land mines, which would be used to block strategic invasion points if NATO territory were to be invaded.

The second would be the use of nuclear antiaircraft weapons in the event of an air attack against national territory.

The third category would be nuclear antisubmarine weapons in the event of an attack against naval forces or ports or harbors.

In all cases, this nuclear response would be purely defensive, limited to tactical weapons that would go off either on the territory of the invaded rather than the invader, or at sea.

Any decision to escalate and retaliate with tactical air strikes against the territory or cities of the attacker would remain an entirely different question. But the new American proposals would end the present uncertainty in NATO as to whether, and when, nuclear weapons would be used in European defense.

The pause theory has meant that nobody in Europe knew when the President of the United States might give the word, and it has enabled the French in particular to harp on the doubts and uncertainties as to the American nuclear commitment for European defense.

French Premier Georges Pompidou, in defending President de Gaulle's anti-NATO policies before the French National Assembly last week, pointed to the fact that the pause theory was instituted by President Kennedy and the Pentagon without the slightest consultation with the rest of the alliance.

McNamara's new proposals, put forward in two days of meetings at the British ministry of defense, will go a long way toward restoring a balance, and putting nuclear weapons back into the NATO war plans. At the same time, by limiting this automatic use of nuclear warheads to purely defensive response to attack, the new plan avoids risks of instant escalation.

This "nuclear planning working group," which first met in Washington in February, will meet again in July, possibly in Paris despite (or to spite) de Gaulle.

The ministers then plan what they expect to be a final meeting in Rome in the autumn, and after that they expect to recommend that this planning group be made permanent with a permanent staff as part of the general result of the ouster of the alliance from France.

In effect, this would become a "nuclear standing group."

[The three-point McNamara program also was reported Friday by William H. Stoneman of the Chicago Daily News Foreign Service.

[Stoneman said the points involved in preplaced demolition charges would be west of the Iron Curtain and thus nuclear explosions could not be used by the Russians as a provocation for using intercontinental missiles against the United States or intermediate missiles against Western Europe.

[Stoneman also noted that the idea of nuclear demolition charges had been mentioned at a NATO Council meeting in December, 1964.]

NEWS AGENCIES REPORT

The communique marking the end of the London meetings said the Defense Ministers agreed to plans for a chain of new commands across Europe to control the 6000 nuclear weapons at the disposal of NATO.

No details were given, but sources said the plans would call for regional groupings within NATO. The United States would be a member of each of the regional groups. Probably there will be three—one for southeastern Europe, another for southern Europe and a third for nothern Europe.

The communique said the Defense Ministers would take up the problem of nuclear participation for non-nuclear nations at their July meeting.

It said they would consider "possible modifications in organization and procedure to permit a greater degree of participation in nuclear planning and to make possible appropriate consultation in the event their use is considered."

KARL E. MEYER, OF THE WASHINGTON POST, REPORTED FROM LONDON

Five NATO Defense Ministers took the first step Friday night in forming what may become a nuclear standing group amid reports that the United States has proposed a basic change in nuclear defense strategy.

But none of this was spelled out in the short formal communique released after the two-day meeting of the nuclear planning working group comprising defense ministers of the United States, Germany, Italy, Britain and Turkey.

Nor were there any loud echoes of the controversy in Washington as to whether the United States has shelved proposals for a "hardware" solution to the problem of nuclear sharing in the alliance.

There is an evident effort here, however, to take an affirmative view of the "consultative" approach, whereby NATO Allies—most notably West Germany—can have a large voice in planning nuclear policy without necessarily possessing hardware.

German sources said they were satisfied with the presentations but no specific response could be elicited on the implications of dropping the "pause" strategy.

The problem of the "pause" came up in the context of detailed discussions of tactical nuclear warfare planning. There are more than 500 tactical weapons now in Germany.

In institutional terms, the working group is preparing recommendations for arrangements that would give permanent basis to a nuclear standing group, though this term is still avoided. The working group—known as the "McNamara Committee"—will meet again in July with Paris as the likely place.

[From the Washington Post, Apr. 30, 1966]

"McNamara" Plan May Stir New Row

(By Chalmers M. Roberts, Washington Post staff writer)

The new plan for nuclear defense of Western Europe ascribed to Defense Secretary Robert S. McNamara would have major repercussions in the Atlantic Alliance if it actually came to pass.

The plan, an abandonment of President Kennedy's "pause" theory, reportedly calls for prepositioning nuclear charges or land miners to block a Soviet ground attack, the use of nuclear antiaircraft weapons against air attack and use of nuclear submarine weapons to protect against naval attack.

American officials said last night that such a plan has yet to be approved by the Johnson Administration in any formal sense.

However, they said it was entirely possible that McNamara had suggested it to the NATO defense ministers as a means of resolving some of the alliance's problems. While it is a military proposal, the plan would have important diplomatic meaning.

The three points of the plan are not themselves new. The first two points were advocated in a Foreign Affairs magazine article by German Defense Minister Kai-Uwe von Hassel in December, 1964. The first point, the land mine idea, was taken up at the NATO Council meeting in early 1965.

Von Hassel's proposal, which came after talks at the Pentagon, was designed to prevent the Soviet Union from believing that it "could seize pawns for future negotiations," as he put it; that is, seize part of West German territory without any Western nuclear response

The three weapons systems McNamara is said to have described are what are known as defense and denial weapons to protect the territory of the nation on which they are stationed. The land-mine system, designed to deter or frustrate a Soviet ground attack, is still under formal Administration consideration in Washington.

However, the idea here is not to pre-position such mines but to keep them in storage for security and other reasons until a certain stage of diplomatic alert had been reached. Only then, with war likely, would they be emplaced.

When the von Hassel proposal became public in 1964 there was a furore in Europe and the defense minister made a public denial that Germany planned to lay mines along its frontier with East Germany in times of peace.

The new McNamara move is likely to recreate the storm, especially since some factions in West Germany are moving to improve relations with Communist East Germany and since the Soviet Union always objects to any West German move involving nuclear weapons.

While the McNamara scheme would make nuclear response to a Soviet attack more likely than the Kennedy "pause" theory, it is still a fact that only the American President, by law, can order the firing of nuclear weapons.

By allaying West German fears of being partially overrun before a "pause" for negotiations, however, it might be possible for the United States to reduce its troop commitment in Europe. There long has been talk here, although no decision, of reducing these forces.

However, the central NATO nuclear issue has to do with what share, if any, the West Germans should have in nuclear management. Here not only the Russians but most NATO nations, excepting the United States, oppose anything approaching a "German finger on the trigger."

The McNamara formula conceivably could be used by these opponents to argue that it met the legitimate German demands. But the West Germans are not likely to agree. They want some role in the control of strategic nuclear weapons capable of striking the Soviet Union in reprisal for an attack on Germany of any sort.

In short, as some officials here see it, there is no real link between the "pause" issue and the nuclear-sharing problem.

McNamara has a penchant for tossing out new ideas not fully appraised in Washington or in advance consultation with the allies. French Premier Georges Pompidou recently taunted him for unilaterally altering NATO strategy in 1962 when he introduced the doctrine of "flexible response." The Secretary also created the so-called McNamara Committee, the group that has just met in London, without touching all bases first in Washington.

It appeared last night that McNamara once again has put forward an idea before it was fully approved by the Administration of which he is a key member.

[From Time magazine, May 6, 1966]

NATO: A Step Toward Sharing

One of Charles de Gaulle's chief criticisms of the North Atlantic Treaty Organization is that the U.S. might not respond with its full nuclear power if a Communist aggressor attacked Europe. In London last week, the U.S. and four key NATO partners agreed to a new plan that seemed aimed at refuting the French objection. It calls for a chain of commands across Europe to give Washington's remaining 13 NATO partners a joint voice in the target selection and firing of 6,000 tactical nuclear warheads, which the U.S. has placed in Europe for NATO defense. U.S. Defense Secretary Robert McNamara and his West German, Italian, and Turkish counterparts also endorsed a British proposal that the Atlantic Alliance must be prepared to "escalate its nuclear response rather than accept defeat in a European war."

FEARS OF A GAP

Still unsolved was another problem of the NATO crisis: the fate of the two French army divisions and two air wings now stationed in West Germany. When De Gaulle withdraws his forces from NATO on July 1, will his soldiers stay across the Rhine or go home? Understandably, the Germans are loathe to see the French forces pull out and leave a gap in the NATO armor. De Gaulle, of course, would like to leave French forces in Germany under the old occupation status. To gain leverage on the Germans, Paris has hinted that if French troops withdraw from West Germany, they might also withdraw from Berlin.

Chancellor Ludwig Erhard refuses to be bullied. "There can be no throwback to occupation status," he declared in Berlin last week. "Nor will we abandon our position that French troops [in West Germany] must have a definite task within defense planning." A tripartite group of British, West German and U.S. diplomats last week produced a paper that said much the same thing; it will serve as Bonn's bargaining position in next month's talks with the French. Erhard hopes that the 27,000 French troops in Germany will remain on station, linked unilaterally with the West Germans in the present NATO chain of command.

UNDER THE UMBRELLA

Such a plan would have advantages for the French. For one thing, it would give them continued access to the American tactical nuclear warheads in West Germany, which France now shares under the NATO "two-key" system. For another, it would enable France to keep troops in Germany, which, in French minds at least, serves to dampen the resurgence of their old enemy's aggressive spirit.

Whether De Gaulle will be impressed by those considerations remains to be seen. Despite his vocal "suspicion" of American intentions in Europe, he is nonetheless counting on the U.S. to shield France from aggression no matter how much mischief he stirs up. He admitted as much in a recent meeting with Erhard. When the Chancellor protested that "we cannot live without the protection of the U.S.," De Gaulle replied blandly: "Neither can we."

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

Mr. JACKSON. I am happy to yield to the Senator from Colorado.

Mr. DOMINICK. I have been listening with great interest to this discussion because I think it is of tremendous importance to our country and the whole system of security we have built up; but I wonder if it is not true that we may be straining at gnats, because the resolution is, first of all, only a sense-of-the-Senate resolution. Second, it states that the action can be taken, in our opinion, without adversely affecting our resolve or ability to meet our commitments under the North Atlantic Treaty Organization.

It seems to me that we are simply saying that, on the basis of the evidence we have, it seems as though this action would be possible, and that if it is possible, it would be advantageous to us, but that "It is up to you downtown" to determine whether it is possible.

If that is so, then the question of whether or not we should have much more evidence or whether we should have the opinion of the Defense Department really will not contribute very much, because what we are saying in principle is that we think we can do it, and, if we can, "Please do."

Mr. JACKSON. I should like to make a couple of observations about the remarks of the distinguished Senator from Colorado. One relates to the interpretation of the resolution both within the NATO community and the satellite community, as well as in the Soviet Union. I think it tends to create a great deal of uncertainty. The resolution does not urge merely a reduction. I believe there can be a reduction in certain elements of American manpower in Europe, especially in the logistics and support area. But the resolution refers not merely to a "reduction," but to a "substantial reduction." That is the first point.

The second point is that if the resolution is to be based on a solid set of facts, how can the Senate make the decision stated in the resolution except on the basis of a solid set of facts, unless it finds, for example, from the Joint Chiefs, that it makes military sense, as far as their being able to carry out the military commitments of our Government? How can we act on the floor of the Senate without having before us a record that at least is in some accord, that at least corroborates in some fashion, the words of the resolution?

Mr. DOMINICK. With all due respect to the Senator from Washington, I doubt whether Senators such as the Senator from Georgia [Mr. RUSSELL] or the Senator from Missouri [Mr. SYMINGTON], or many others, would support this type of resolution unless they had had before them for a period of time the historic development of our abliity to meet our commitments with reduced forces. I think this is what they are saying.

Mr. JACKSON. I have the highest regard for every member of the policy committee, especially those members who have followed closely our military requirements; but again I point this out.

Perhaps it is a fact—I do not know—but I would like to know whether the policy committee had the benefit of the views of the Joint Chiefs of Staff. Would not the Senator from Colorado, as a Senator, want to have the benefit of those views?

Mr. DOMINICK. Listening to the colloquies yesterday, and reading them again today in the RECORD, it seems to me evident that Senators PASTORE, SYMINGTON, and RUSSELL of Georgia, have talked over and over again in their committees the problems of the possibility of withdrawing without affecting our interests or free Europe's interests.

Mr. JACKSON. Let me put it this way: To the best of my knowledge, I do not know of anyone from the State Department, from the Secretary of State on down, or from the Department of Defense, from the Secretary on down—that is, military and civilian defense—who has made this recommendation, and I am a member of the Committee on Armed Services.

Mr. DOMINICK. That I well know.

Mr. JACKSON. Also, I am chairman of a subcommittee of the Committee on Government Operations, which has made a study of NATO, and we have had the Secretary of Defense and the Secretary of State before us. We have not had the Joint Chiefs before us. But I cannot recall any testimony in the record, either of the Defense Appropriations Subcommittee, of which I am an ex officio member, or of the Armed Services Committee, in which it was testified that we could make a "substantial reduction"—and this is what I am trying to point out; a "substantial reduction"—in our military forces in Western Europe.

Mr. DOMINICK. Without adversely affecting our commitment.

Mr. JACKSON. That is correct. I know of no testimony in the record of any of the hearings of the Armed Services Committee or the Appropriations Committee, supporting such a position.

Mr. COTTON. Mr. President, will the Senator yield for one more brief observation?

Mr. JACKSON. Yes.

Mr. COTTON. Will the Senator agree with this? While it is the duty of the Congress and its committees to study carefully—and these distinguished Senators whose names have been mentioned are certainly well informed—our overall efficiency militarily and diplomatically, fundamentally it is not the duty of the Congress, nor is it very practicable for the Congress, to take part in the deployment of troops. Does the Senator agree with that statement?

Mr. JACKSON. I certainly agree with that.

Mr. COTTON. It is in the hands of the Commander in Chief and the military authorities. No matter how many people these distinguished Senators have discussed this with, and no matter how sound may be their position, the Senator from New Hampshire would agree 100 percent with the Senator from Washington that before the Senate says what we, officially and formally, as the Senate of the United States say, every Senator has the right to know what the facts are; and the only way we can know what they are is by exploration and consideration of the facts in hearings by a proper committee.

Mr. JACKSON. I repeat what I said earlier, that the resolution is vague and open-ended. I repeat that no distinction is made, in the resolution, between the reduction of combat forces and of logistics or support forces. The resolution could, of course, be clarified, and when it comes up, should be and can be appropriately amended.

I would not be so concerned about the problem were it not for the fact that the means by which we have been able to avoid a thermonuclear war is the cooperative, mutual arrangement between North America and Western Europe expressed in the North Atlantic Treaty Organization. That is the vital center of world peace and security. We have some 40-odd alliances around the world. They are important; but I think it is equally important to have a sense of priorities. The center of freedom, for better or worse, exists in this grand alliance between North America and Western Europe.

I do not need to cite statistics and figures, but considering only one or two factors, I think Senators should be very cautious and very careful as to how they

proceed in trying to deal with this vital area of the world.

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

Mr. JACKSON. I will appreciate the opportunity to finish.

In the North Atlantic Community, the combined gross national product is over a trillion dollars. The gross national product of the Soviet Union is less than $300 billion. When you put all of the satellites and the Communist nations together, they have a combined gross national product of around $500 billion. When you look at the population figures, we have more people in the NATO community than there are in the satellite and Soviet community. NATO is, in effect, the industrial heartbeat of the world. It is the means, in my judgment, by which we have avoided, up to now, a catastrophic thermonuclear conflict. I think we should be wary. I think we should be careful. I think we should be cautious in doing anything that might weaken or upset this grand alliance.

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

Mr. JACKSON. Yes; I am happy to yield.

Mr. DOMINICK. Because I think the colloquy yesterday and today on this subject is of great importance, I have asked the Senator to yield for a few observations.

First, I agree with him completely that the center of the safety and freedom of the world is involved in the free world nations, with the great industrial and economic strength that exists in Europe, backing our position and backing the positions of some of the free Asian countries.

Second, I agree that NATO has been of extreme importance in preventing aggressive acts—or acts, at least, that might have produced very troublesome problems—by the Soviet Union.

Third, I say to the Senator that I also agree that as far as I personally am concerned, I do not feel that there is any less danger from the Soviet Union at the present time than there was a few years ago. Consequently, I think we have to keep our guard up throughout.

What the resolution says is not that we can rely on the Soviet Union, not that we can simply pull out and leave NATO to fend for itself, but that there is room, with the economic development and improved conditions in the European theater, to get our allies there up to their NATO strength, and that we can still support NATO by reducing our forces, and still be able to meet our commitments. That is specifically what the resolution says. I would not wish any colloquy here to give the impression that we are withdrawing from our commitment to NATO, because that is not what the resolution says.

Mr. JACKSON. I have no quarrel with the Senator from Colorado regarding the need to get our allies to do more. I have no quarrel with the possibility of some cutback in certain categories of American manpower in Western Europe—for example, in U.S. logistic and support elements. But I wonder whether this is the wise way, the prudent way, to go about the problem, at a time when NATO is going through some difficult times. I question the wisdom of this approach. I question the timing of the approach.

Certainly the resolution that is before the Senate is ambiguous. It talks about a substantial reduction in American forces. That immediately raises in the diplomatic community and the NATO community all sorts of questions and uncertainty. It certainly would encourage the Soviets to say, "One thing about dealing with the Americans in the area of disarmament or arms control; if we wait long enough, we will not have to make any concessions or cutbacks here and there, because the Americans will do it unilaterally."

I think one of the great mistakes in the resolution is that it ignores completely the opportunity to use a cutback as a diplomatic bargaining device.

Mr. DOMINICK. With all due respect to the Senator from Washington, there is nothing about disarmament in this resolution. Not a thing.

Mr. JACKSON. Of course not.

Mr. DOMINICK. It says we can withdraw them from Europe. We are already engaged in a war in Asia.

Mr. JACKSON. I understand our problems in Asia. But let me reiterate what I said in my opening remarks, that one of the reasons why the Senate, on a bipartisan basis under the leadership of that great and distinguished Senator from Michigan, the late Arthur Vandenberg, initiated the policy we have followed, was to have a real American military presence in Europe, which would make any showdown not a Soviet-European crisis but a Soviet-American crisis. That is the key to the deterrent to the Soviets. That is the means by which we have avoided, in my judgment, the possibility of a thermonuclear war.

Mr. DOMINICK. I agree with the Senator completely.

Mr. JACKSON. But I say to my distinguished friend, does he not think it is going a long way to come in with a sense-of-the-Senate resolution and talk, now, all of a sudden, about not just a reduction but a substantial reduction of American military might in Western Europe? That is the question I am raising, among other things.

I think that is all the more reason, Mr. President, why there should be a thoughtful and carefully directed hearing by an appropriate committee or committees of Congress. We have time to act on the matter. There is not that much rush. The problem has been with us a long time.

I would only hope that after all the discussion about the need for a great debate in the Senate, that great debate could take place, and that it would be predicated upon following the usual processes of the Senate. If hearings were held, wherein varying points were raised, we would have at least some authoritative background to support specific positions that obviously will be taken by various Senators.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMINICK. Mr. President, what is the pending business?

The PRESIDING OFFICER. Debate is not in order. A quorum call is in progress.

The rollcall was continued.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

AMENDMENT OF SECTION 4 OF THE DISTRICT OF COLUMBIA INCOME AND FRANCHISE TAX ACT OF 1947

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1521, H.R. 8058.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 8058) to amend section 4 of the District of Columbia Income and Franchise Tax Act of 1947.

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

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the District of Columbia, with an amendment, on page 2, line 12, after the word "Act.", to strike out "and with respect to taxable years ending with or within the seven year period ending on the day before the date of enactment of this Act. Notwithstanding any law or rule of law, refund or credit of any overpayment attributable to the application of the amendment made by the first section of this Act shall be made or allowed if claim therefor is filed before the sixtieth day after the date of enactment of this Act. No interest shall be allowed or paid upon any overpayment of tax—

"(1) with respect to any taxable year ending before the date of the enactment of this Act, and

"(2) arising by reason of the enactment of this Act, for any period before the expiration of the fifteenth day of the fourth month following the month in which this Act is enacted."

The amendment was agreed to.

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

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1558), explaining the purposes of the bill.

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

PURPOSE OF THE BILL

The purpose of H.R. 8058 is to restate, by amendment, certain provisions of the Income and Franchise Tax Act of the District of Columbia (act of July 16, 1947; 61 Stat. 328) as amended by the act of May 3, 1948 (62 Stat. 206) relating to corporations which have a place of business; an officer, or representative located in the District of Columbia

for the sole purpose of doing business with the United States.

The bill is directed solely to clarifying, in the case of a corporation or unincorporated business making sales of personal property and maintaining a place of business or officer, agent or representative in the District, the activities which such a corporation or unincorporated business may carry on in the District without such activities constituting a "trade or business," as those words are defined in existing law.

The Subcommittee on Fiscal Affairs held a hearing on H.R. 8058 on September 10, 1965.

BACKGROUND: THE FRANCHISE TAX

Under the District of Columbia Income and Franchise Tax Act a franchise tax is imposed upon corporations and unincorporated businesses for the privilege of carrying on or engaging in any trade or business within the District and of receiving such other income as is derived from sources within the District. In the case of corporations and unincorporated businesses taxable income for the District franchise tax purposes means the amount of net income derived from sources within the District within the meaning of the act. Thus, where a corporation maintains an office, warehouse, or other place of business in the District or an officer, agent, or representative having an office or other place of business in the District and the corporation makes sales of personal property to District customers, the income from such sales is income from District of Columbia sources and taxable in the manner provided in the act.

As presently provided by the act a corporation is not considered to be engaged in trade or business, in respect to sales of personal property to District customers, and thus not liable to tax on income from such sales (with the exception of certain sales to the Federal Government as hereinafter described) if—

(*a*) It does not physically have or maintain an office, warehouse, or other place of business in the District, and has no officer, agent, or representative having an office or other place of business in the District during the taxable year; or

(*b*) It does not maintain an office or other place of business in the District and has no officer, agent, or representative in the District except for the sole purpose of doing business with the United States.

For the purposes of the exclusion of the statute provides that an independent broker engaged independently in regularly soliciting orders in the District for sellers and who holds himself out as such is not to be included within the meaning of the words "agent" or "representative." As to sales of personnel property to the Federal Government, however, the statute specifically provides that the income from such sales constitutes taxable income from District sources, whether or not the corporation or unincorporated business making the sales has a place of business or agents or representatives located in the District, unless the seller has its principal place of business located outside the District and the property sold is delivered from a place outside the district for use outside the District. As contained in this bill, the restatement of a portion of section 4(h) of title I will not in any way affect the taxability of income from those sales to the Federal Government which as stated, is presently subject to tax.

NEED FOR THE LEGISLATION

When originally enacted the definition of the words "trade or business", as contained in section 4 of the District of Columbia Income and Franchise Tax Act of 1947, was as follows:

(h) The words "trade or business" include the engaging in or carrying on of any trade, business, profession, vocation or calling or commercial activity in the District of Columbia; and include the performance of the functions of a public office * * *.

By the act of May 3, 1948 (62 Stat. 206, ch. 246) this definition of "trade or business" was amended by the addition of the presently existing proviso which excludes from the meaning of the words "trade or business";

"(1) Sales of tangible personal property whereby title to such property passes within or without the District, by a corporation or unincorporated business which does not physically have or maintain an office, warehouse, or other place of business in the District, and which has no officer, agent, or representative having an office or other place of business in the District, during the taxable year; or

"(2) Sales of tangible personal property by a corporation or unincorporated business which does not maintain an office or other place of business in the District and which has no office agent, or representative in the District except for the sole purpose of doing business with the United States, but such corporations and unincorporated businesses shall be subject to the licensing provisions in the title XIV of this article."

As stated in House Report No. 1792, 80th Congress, 2d session, accompanying S. 2409 which became the act of May 3, 1948:

"The purpose of the bill, as amended, is to clarify the language and intent in the District of Columbia Income and Franchise Tax Act of 1947, in order that the tax so provided be not imposed on corporations and unincorporated businesses which do not maintain places of business or representatives in the District of Columbia, or on such concerns which maintain places of business or representatives in the District for the sole purpose of doing business with the United States, *in respect to sales of tangible personal property* delivered outside the District for use outside the District." [Italic supplied.]

In the Senate report which accompanied the bill (S. Rept. 1042, 80th Cong., 2d sess.), the report stated:

"The purpose of the bill is to clarify and *limit the imposition of a tax upon the income of corporations or businesses which is 'derived from sources within the District of Columbia.'* Due to the language appearing in the existing District of Columbia income tax law, the imposition or assessment of the income tax was heretofore made against concerns casually engaged in business within the borders of the District of Columbia by such means as telephone, mail orders, traveling salesmen, and other nonconsistent means of solicitation. This bill will correct such situation, and limit the imposition of an income tax to those concerns casually engaged in business on their own account or through representatives or agents within the District of Columbia. [Italics supplied.]

In 1953, the District of Columbia was upheld by the U.S. Court of Appeals for the District of Columbia Circuit in imposing the franchise tax on a corporation which maintained an office in the District that "kept in contact with all kinds of developments either in the legislative or executive departments of the Federal Government which might affect [the] business in any way at all" but which sold its products in the District through salesmen who operated from offices in other cities. *Owen-Illinois Glass Company* v. *District of Columbia*, 92 U.S. App. D.C. 15, 204 F. 2d 29 (1953).

Little more than a year after the *Owens* decision, the Office of the Corporation Counsel for the District of Columbia issued on September 23, 1964, an opinion dealing with the "sole purpose" provision in the District of Columbia Income and Franchise Tax Act. This opinion recited in detail the activities within the District of one corporation other than matters relating to the sale of tangible personal property to the United States and construed the word "sole" to exclude such activties from the purview of the proviso. The opinion of the Corporation Counsel states:

"While the report, and the statute itself, do not explicitly indicate the meaning of the phrase 'doing business with the United States', it is clear that the primary concern was with sales of tangible personal property. The language plainly implies commercial intercourse between a corporation or unincorporated business on the one hand and the United States on the other."

Relying in part on the *Owens* decision and the opinion of the Corporation Counsel, the District of Columbia has levied franchise taxes against companies that claimed to be maintaining a sole purpose office in the District when representatives of the company in addition to engaging in activities clearly within the sole purpose concept also dealt with Federal agencies on matters relating to promotion and sales of the company products in foreign countries, for example.

The District would presumably interpret as being outside the permitted activities of a sole purpose office activities in the nature of communicating with, dealing with and attempting to present company views to instrumentalities of the U.S. Government activities concerned with problems of foreign subsidiaries and sales and exports abroad, activities involving the following of legislation affecting the company, and in various other ways, company interests.

This bill is designed to make it clear that such activities on the part of a corporation or unincorporated business are permitted as constituting activities, the "sole purpose" of which is "doing business with the United States" as provided in this restatement. Likewise, the definition of "trade or business" shall not apply to dealing with the District of Columbia or persons in the District for noncommercial purposes.

APPLICATION OF H.R. 8058

The pending bill, H.R. 8058, as recommended by your committee, is designed to clarify and provide greater specificity concerning the types of activities that may be performed by a "sole purpose" office located within the District of Columbia. The substance and purpose of section 1 of the bill remains the same as the similar provisions of the existing law.

Section 1 would change the existing language of paragraph (2) so as to exclude from the meaning of the words "trade or business"—

"(2) Sales of tangible personal property by a corporation or unincorporated business which (A) has or maintains an office, warehouse, or other place of business in the District; or (B) has an officer, agent, or representative having an office or other place of business in the District, during the taxable year for the sole purpose of dealing with the United States for commercial or noncommercial purposes or of dealing with the District or persons for noncommercial purposes; but each such corporation and unincorporated business which does business in the District with the United States shall be subject to the licensing provisions in title XIV of this article."

PROSPECTIVE EFFECT

As passed by the House, section 2 of this bill provides that the clarification of "sole purpose" as contained in section 1, should apply to the taxable years ending on or after the date of enactment and retroactively for the preceding 7 taxable years.

It is your committee's judgment that statutory relief retroactively for a 7-year period in cases such as this is inappropriate for two reasons. First, it is not desirable legislative practice, and second, the monetary impact on the District of Columbia government as to tax repayments is not readily or accurately ascertainable.

It is your committee's judgment that the statutory changes in the applicability of the

franchise tax be applied prospectively only. Because the committee's intent is clear as to the tax liability of a "sole purpose" office, it is directed that the District government not proceed administratively to enforce its interpretation of liability against other potential corporate taxpayers for the preceding years.

Therefore, the committee recommends amending of the House bill to remove the retroactive applicability and striking from section 2 the requirement for the refund or credit for payment or assessments relating to prior years.

CONCLUSION

Your committee believes that the amendment proposed in section 1 of the bill preserves the right granted to every person, including corporate bodies, for the opportunity to deal with their Government from and within the District of Columbia and particularly so when such persons or organizations find themselves present in the District solely because the District is the seat of the National Government. The assessing of taxes on an activity by a corporation, which activity is otherwise exempt, because such corporation engages in activities which are not themselves subject to tax, places the District of Columbia government in the position of taxing persons attending their own National Capital on matters which call them to the seat of the Government.

Your committee is of the opinion that this proposed legislation will clarify the tax position of business organizations regarding offices and representatives maintained in the District of Columbia for commercial and consultative purposes with the United States, and recommends that the bill as amended be approved.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that measures on the calendar be called in sequence commencing with Calendar No. 1524.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

VERNON M. NICHOLS

The bill (H.R. 14514) for the relief of Vernon M. Nichols was considered, ordered to a third reading, read the third time, and passed.

ROBERT DEAN WARD

The bill (H.R. 2349) for the relief of Robert Dean Ward was considered, ordered to a third reading, read the third time, and passed.

JOSEPHINE ANN BELLIZIA

The bill (H.R. 3671) for the relief of Josephine Ann Bellizia was considered, ordered to a third reading, read the third time, and passed.

JOHN F. REAGAN, JR.

The bill (H.R. 4075) for the relief of John F. Reagan, Jr., was considered, ordered to a third reading, read the third time, and passed.

LESSEES OF A CERTAIN TRACT OF LAND IN LOGTOWN, MISS.

The bill (H.R. 6305) for the relief of lessees of a certain tract of land in Logtown, Miss., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1566), explaining the purposes of the bill.

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

PURPOSE

The purpose of the proposed legislation is to authorize and direct the Administrator of the National Aeronautics and Space Administration, or his designee, to pay supplemental financial benefits to certain lessees affected by the National Aeronautics and Space Administration's land acquisition program at the Mississippi test facility.

STATEMENT

The facts and circumstances giving rise to these claims are set forth in the report of the National Aeronautics and Space Administration, wherein it states:

"The National Aeronautics and Space Administration, utilizing the U.S. Army Engineers as its agent, has been acquiring land in and near Hancock County, Miss., upon which to construct and operate the Mississippi test facility (MTF) for experimental work on the large rockets, rocket engines, and space vehicles needed for extended space flights and the launching of heavy spacecraft. The potential danger to individuals and structures anticipated in the prospective activities at MTF made it necessary to establish a buffer zone around the facility which would be clear of human habitation. Accordingly, the land acquisition program there has been a large one, and its impact on the community substantial. The facility itself required the acquisition of 162 separate tracts of land totaling 13,428 acres; the buffer zone consisted of 3,225 tracts totaling 125,442 acres. The lessees covered by S. 1509 feel that they are entitled to certain amounts not now allowable under present statutes governing payments for Federal land acquisitions. The peculiar circumstances involved, as reflected in NASA's files, are set forth below.

"The Army Engineers approached all landowners in the buffer zone and gave each the choice of selling the United States an easement prohibiting human habitation of the land, or, in the alternative, of selling the fee interest. One such tract was owned by Roy Baxter, Jr., and Margot Gack; it has been variously referred to as the 'Baxter Tract, Logtown Marina, and Pearl River Acres.' It lies at the western end of Main Street in Logtown, Miss. For some years the owners have leased some 30 parcels, comprising the major portion of this tract, to 30 groups of lessees for fishing camp sites. The lessees were permitted to construct cottages and other improvements, and most lessees did so. The value of the improvements ranged from a few hundred, to several thousand dollars. However, the leases, which vary somewhat from year to year and tenant to tenant, were on a year-to-year basis. In each case the lessor retained the right to terminate the lease at any time by giving 15 days' notice and refunding any unearned rental. In such contingencies the lessees were to have 30 days from the notice of termination to remove the buildings or other improvements they had placed on the land. There was no provision for the lessor to pay the lessees for improvements abandoned in place.

"It is understood that the termination provisions were included in each lease to permit the lessor to expel undesirable tenants on short notice but each tenant was assured that unless he proved undesirable he would be permitted to retain possession for as long as he wanted to remain. Lessees were thereby encouraged to improve the property by the erection of habitable structures.

"When Mr. Baxter and Miss Gack were given the choice of selling an easement or the fee, they elected to sell only an easement. The Engineers then attempted to negotiate with Mr. Baxter and Miss Gack for the property interests for all parties affected by the Baxter tract transaction, including various lessees. However, the lessors declined to combine negotiations for their interests with those for the interests of the lesses. Consequently, the Baxter-Gack owned improvements and the easement rights to the entire tract of land were appraised as one unit. The lessees' improvements were each separately appraised but no value was assigned to them because the 15-day termination provision effectively negated any value the otherwise remaining lease term may have had. The easement, which was eventually purchased from Mr. Baxter and Miss Gack, gave the Government rights to exclude any structure capable of human habitation from the tract and made the Government successor in interest to the landowner's rights and responsibilities under the leases. In efforts to develop a basis for compensating the lessees for the value of their properties, conferences were held between the Engineers, NASA, and the Department of Justice. It was concluded that there was no legal authority for compensating the lessees for their losses. Neither the Corps of Engineers nor NASA had authority to compensate them for the improvements which they would either have to abandon in place or remove, with resulting diminution of market value, upon the termination or expiration of their leases. That conclusion is largely attributable to the peculiar terms of the leases and is in part attributable to the landowner's disinclination to negotiate for such property interests as the lessees may have had.

"NASA has had throughout the period of time in question, and now, has funds which would be avaliable to compensate the lessees, if adequate legal authority were also available. This legislation would provide the necessary authority to compensate the stated lessees for (1) the fair market value, as determined by NASA, of existing improvements, which have been abandoned in place upon vacation of the leaseholds because of the acquisition of the easement by NASA, provided that the lessees quitclaim all their right, title, and interest to such improvements to the United States; or (2) the fair market value less salvage value, as determined by NASA, for improvements which have been removed or sold upon vacation of the leaseholds because of the acquisition of the easement."

The NASA report concluded as follows:

"The bill is similar in form to legislation which from time to time is proposed for the relief of individuals whose land or interests in land are affected by other land acquisition programs of the Corps of Engineers.

"Clearly, the lessees have suffered financial losses through the loss of the improvements for which they had paid. If they had chosen to remove their improvements they probably would not have recovered their investments and would have had to bear the additional costs and inconvenience of salvage. They are in fact out-of-pocket in the amount of their investments."

The National Aeronautics and Space Administration has "no objection" to the enactment of this legislation.

The committee has carefully considered the facts and circumstances involved in these claims, as well as the equitable considerations related thereto, and on the basis thereof finds that the proposed legislative relief is

justified. Accordingly, the committee recommends that the bill, H.R. 6305, be considered favorably.

LI TSU (NAKO) CHEN

The bill (H.R. 6606) for the relief of Li Tsu (Nako) Chen was considered, ordered to a third reading, read the third time, and passed.

RONALD WHELAN

The bill (H.R. 7141) for the relief of Ronald Whelan was considered, ordered to a third reading, read the third time, and passed.

CERTAIN CIVILIAN EMPLOYEES AND FORMER CIVILIAN EMPLOYEES OF THE DEPARTMENT OF THE NAVY AT NORFOLK NAVAL SHIPYARD, VA.

The bill (H.R. 7446) for the relief of certain civilian employees and former civilian employees of the Department of the Navy at the Norfolk Naval Shipyard, Portsmouth, Va., was considered, ordered to a third reading, read the third time, and passed.

SOPHIA SOLIWODA

The bill (H.R. 7671) for the relief of Sophia Soliwoda was considered, ordered to a third reading, read the third time, and passed.

KIMBERLY ANN YANG

The bill (H.R. 10656) for the relief of Kimberly Ann Yang was considered, ordered to a third reading, read the third time, and passed.

MAJ. ALAN DE YOUNG, U.S. ARMY

The bill (H.R. 10990) for the relief of Maj. Alan DeYoung, U.S. Army, was considered, ordered to a third reading, read the third time, and passed.

MRS. EDNA S. BETTENDORF

The bill (H.R. 11038) for the relief of Mrs. Edna S. Bettendorf was considered, ordered to a third reading, read the third time, and passed.

HUBERT J. KUPPER

The bill (H.R. 11251) for the relief of Hubert J. Kupper was considered, ordered to a third reading, read the third time, and passed.

CERTAIN INDIVIDUALS EMPLOYED BY THE DEPARTMENT OF DEFENSE AT THE GRANITE CITY DEFENSE DEPOT, GRANITE CITY, ILL.

The bill (H.R. 11271) for the relief of certain individuals employed by the Department of Defense at the Granite City Defense Depot, Granite City, Ill., was considered, ordered to a third reading, read the third time, and passed.

MARIA ANNA PIOTROWSKI

The bill (H.R. 11347) for the relief of Maria Anna Piotrowski, formerly Czeslawa Marek, was considered, ordered to a third reading, read the third time, and passed.

MARIA GIUSEPPINA INNALFO FEOLE

The bill (H.R. 11844) for the relief of Maria Giuseppina Innalfo Feole was considered, ordered to a third reading, read the third time, and passed.

KAZIMIERZ (CASIMER) KRZYKOWSKI

The bill (H.R. 12950) for the relief of Kazimierz (Casimer) Krzykowski was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, that concludes the call of the calendar. I express my thanks to the minority side for allowing these measures to be passed on the last day before the Labor Day recess.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

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 ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

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

There being no objection, the Senate resumed the consideration of the bill.

Mr. DOMINICK. Mr. President, I had an opportunity yesterday to listen to the opening statement by my good friend and colleague, the Senator from Maryland [Mr. TYDINGS].

I do not want to go into this at any great length while so few Senators are present. However, I should think it would be pertinent to make a couple of comments on some of the things which the Senator from Maryland brought up yesterday.

The Senator, with his usual sense of the dramatic and with his fine ability, initiated his discussion by pointing out a number of incidents in which people had been severely injured in Washington by uninsured motorists.

One of the incidents that he mentioned involved an uninsured motorist who ran through a red light and struck a husband and wife who were traveling through the intersection in their automobile. Both victims are still out of work because of their injuries.

I could not be more sorry for this. I think this is an unfortunate situation. However, the fact of the matter is that if we pass the pending bill, these people will still have no method of getting anything from the uninsured motorist. If they had paid $40 into the fund they would have forfeited, as uninsured motorist, any right to collect from the fund. Only a very limited group of people can collect from the fund. They would only have collected by virtue of their having bought an insurance policy with an uninsured motorist rider. I would emphasize that this rider can be purchased now and could have been purchased by the couple prior to their accident. The money they presumably would have collected could only have come from their own insurance company.

The pending bill would protect pedestrians. It might protect—although there is some doubt on this—passengers in automobiles which are struck by uninsured motorists. The bill would not protect anybody driving in the District who is involved in an accident unless he is a resident of the District. Therefore, if one comes from Virginia or Maryland or Colorado or anywhere else and gets involved in an accident with an uninsured motorist, the pending bill would not do him the slightest bit of good whether he is a pedestrian or not.

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

Mr. DOMINICK. I yield.

Mr. TYDINGS. Mr. President, the cost of the bill will be borne entirely by the registrants of automobiles within the District of Columbia who pay the $40 fee as a penalty for not having automobile insurance. Is that not a fact?

Mr. DOMINICK. The Senator is correct.

Mr. TYDINGS. Does the Senator not think, since the administration of the program will not cost the taxpayers one penny—the bill being footed, so to speak, by the citizens of the District of Columbia—that the citizens of the District of Columbia are the ones who should receive the benefit from it?

Mr. DOMINICK. That is a good question. I could go off on a speech for a couple of hours on this matter. That is a point which I think needs to be debated. We should certainly debate the whole concept of reciprocity as it relates to this bill.

One thing that I do not think is a particularly good idea is the fact that anybody who comes to this great national city as a tourist would be an open target for the uninsured motorist. He would have no protection under the pending bill at all.

It seems to me that this is a unique type of situation that we are asked to pass on.

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

Mr. DOMINICK. I shall yield in a few minutes. I would say that perhaps the way this question was presented to me yesterday by the Senator from Georgia [Mr. TALMADGE] is an interesting observation.

He said:

This is a bill where those people who are behaving themselves and carrying their own insurance are paying for the torts of the person who has committed the wrong. Is this accurate?

I said:

I think that with perhaps some variation it is accurate.

Because what we are doing is not really setting up an insurance fund. We are simply setting up a judgment fund which is paid for by those who really should be getting insurance and are not getting insurance, and who probably will be paying a $40 fee, thinking that they are getting insurance.

Yesterday, the Senator from Maryland made a statement in the Senate that, if any member of my family had been injured in an accident in which an uninsured motorist was involved, I would probably feel differently. This is not the usual type of debate in which Senators engage. But since the Senator has brought it up, I think that, for the RECORD, I should say that my wife has been hit by an uninsured motorist in the past, she is still experiencing difficulties from the accident, and this I do not like any better than anybody else does. But simply because we have experienced one of these problems does not mean that a bad bill should be passed.

I feel the same way about other legislation. If we are going to pass legislation, let us examine it on the merits before we go rushing it through the Senate.

I want to make this point crystal clear for the RECORD: There has been a considerable amount of publicity on this bill, on the theory that anyone who is injured by an uninsured motorist will now have a method of getting compensation. Nothing could be farther from the truth. One gets no compensation from any portion of this bill if he is an uninsured motorist or a nonresident of the District. I have never heard whether a wife or child whose husband or father is an uninsured motorist can collect from the fund.

I was also interested in the statement of the Senator from Maryland yesterday, in the RECORD, that there were 27,000 motor vehicle accidents in the District last year, injuring 7,800 people. Twelve thousand of these accidents involved uninsured motorists. As a result, between 900 and 1,200 of the accident victims remained uncompensated for their injuries.

I have no quarrel with the figures of the Senator from Maryland. I do not have any record to indicate that they are 100-percent accurate, but I assume that they are. The feature that interests me is whether these people—these 900 to 1,200 accident victims—would have any remedy in the event that this bill is passed. It is not broken down as to whether these people were pedestrians, insured or uninsured.

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

Mr. DOMINICK. I yield.

Mr. TYDINGS. Is it not a fact that under H.R. 9918, every policy of liability insurance which is issued to an owner of an automobile registered in the District of Columbia would have to include a so-called uninsured motorist clause, which would cost the motorist an additional $4 to $8, but would protect that motorist and his family, or any passenger in his car, in the event that he or his car or his family were struck by an uninsured motorist in the District, or in any other jurisdiction?

Mr. DOMINICK. In answer to the Senator's question, the answer is "Yes," that is true. It is also true that they can get that coverage at the present time, without passage of any bill.

Mr. TYDINGS. As a matter of fact, as was brought out in our hearings, the majority of our drivers do not know that they have that opportunity. These 12 people about whom the Senator has spoken would have had to have such an uninsured motorist clause in their insurance to have been protected. The Senator, himself, had he had such a clause in his insurance policy, would have been protected in the very tragic occurrence he has related involving a member of his family, and the damages would have been paid.

Mr. DOMINICK. The Senator is correct. I did not have that coverage. But I can assure the Senator that I have been in touch with my insurance broker since then. And I would hope that this colloquy would result in many people who do not have that coverage having it put in their policy, at a very small expense. But it should be voluntary on the part of the person to do this or not to do it.

Whether a person is to have uninsured motorist coverage in his liability insurance or not, it seems to me, is a matter of personal prerogative of the individual, as opposed to a governmental edict that a person must purchase this added protection.

I was also interested in another statement that the Senator from Maryland made very frankly yesterday, which appears at page 21485 of the RECORD:

> The legislative fact is that we must pass the bill as the House passed it without amendments, if we are to have any type of decent financial responsibility legislation to protect the citizens of the District of Columbia, because if we were to amend it and send it back to the House, the conference committee would be controlled by Representatives who, without question, would see to it that the bill was killed.

I think that it is a curious situation, when a Member of the Senate rises and says that because the House has such overwhelming power, the Senate cannot amend legislation to make it good, bad, or otherwise. To say that even if the legislation is bad, we must take it the way the House says, because, otherwise, the whole bill might be killed, is in my judgment improper. I think that is the wrong way to legislate. I think we should consider what changes need be made in a bill, I think we should do it with reason and with judgment, and I think we should do it regardless of whether this will be favorably received by the House or whether it will not be favorably received by the House.

We have our own responsibilities in the Senate, and one of these, of course, just as in the House, is to attempt to act as responsible citizens with respect to the jurisdiction and the government of the District of Columbia, our Nation's Capital; and I see no reason why one body should be continually saying to the other body, "Either you pass it this way, or you get no bill at all."

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

Mr. DOMINICK. Proceeding with what the Senator from Maryland said:

> I can assure any Senator who has a meritorious amendment—and there may be some—a full hearing, and an opportunity to add such amendments to the financial responsibility law next year.

Not this year. Even if one has a meritorious amendment, do not put it on this year. Wait until next year.

I cannot legislate that way, Mr. President. I cannot go forward with that type of approach.

I could point out—and I would be happy to point out at some later date—some discrepancies in the bill, technical discrepancies, which should be cured at this time, whether one agrees with the bill or not.

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

Mr. DOMINICK. I yield.

(At this point, Mr. BYRD of Virginia assumed the chair.)

Mr. TYDINGS. Mr. President, I wish to make two points.

First. The bill, if enacted into law, would not go into effect insofar as the payments from the fund are concerned, until 1 year after the establishment of the fund, so we have time to amend the bill, if we wish to.

Second. I will go one step further. I will hold hearings on amendments to the bill beginning next week, provided we can get this bill passed and enacted into law. If there is a meritorious amendment, I shall do my best to report it this year before Congress adjourns.

Mr. DOMINICK. It would seem to me that the duplication of effort described by the Senator from Maryland is hardly necessary, with the expense to the taxpayers which is involved, and the problems that would arise from the passage of the bill immediately.

I am happy that the Senator pointed out the fact that the judgment fund will not go into effect for a year.

Would it go into effect a year from January? I have forgotten.

Mr. TYDINGS. It would be a year from the date it is set up.

Mr. DOMINICK. Whatever it is, it is a year off. This means, I assume, that the citizens walking down the street struck by an uninsured motorist have no method of collecting a judgment against the other person for a year in any event. It looks as if there will be open season for a year. I hope that I am wrong on that.

Mr. TYDINGS. The purpose of the 1-year provision is to build up within the fund sufficient assets to guarantee solvency of the fund to pay the claims. Some States which set up similar funds have waited as long as 5 years before starting to pay claims, in order to build up the fund.

Mr. DOMINICK. I understand particularly the difficulty that Maryland is having with its uninsured motorist fund. In fact, I understand it is almost bankrupt at the present time. That was the evidence that I heard in the hearings.

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

Mr. DOMINICK. I am happy to yield.

Mr. TYDINGS. As a matter of fact, to begin with, the Maryland fund is not bankrupt.

Mr. DOMINICK. I am happy to hear it.

Mr. TYDINGS. Nor is it in financial difficulty. In fact, at the conclusion of the last fiscal year in 1966 the fund had an excess of $515,000 in receipts over disbursements.

From time to time there have been criticisms of the so-called Maryland "paper deficit." This deficit occurs from the earmarking of dollars for claims in future years. This appears on the fund's books as a paper deficit, but it has nothing to do with the cash in the fund. It is merely a way of indicating possible claims against the fund. It appears on a balance sheet, similar to balance sheets that some insurance companies set up.

It is wrong to suggest that the fund will actually have to pay out all the amounts of money set up in the estimate, because fund experience has shown that the amount set aside in the reserve has always been substantially more than the amount actually paid out in claims.

Mr. DOMINICK. This is an interesting explanation. I have no reason to doubt it, other than the information we had, which I refer to at page 19 of the committee report, which states:

> We have recently been informed that New Jersey has a $12 million deficit while Maryland experiences a $4 million deficit.

All I can say is that these are two conflicting viewpoints as to which fund is or is not in trouble.

Mr. TYDINGS. The basic difference is that in creating the Maryland fund and the New Jersey fund the State legislatures did not have the good judgment to do as Virginia did and we have done in this bill and require that every motorist who has insurance pay $4 to $8 extra to purchase the uninsured motorist clause. That difference amounts to many millions of dollars less in claims against a fund.

This bill was drafted to make judicious use of the wisdom of the Virginia Legislature. We provided in the District fund law for the inclusion of the uninsured motorist clause in all insurance policies issued on cars registered in the District. Therefore, without question, the District fund will be far superior in solvency and fiscal management than the Maryland or New Jersey funds.

As a matter of fact, when we had the director of the Maryland fund before our subcommittee, and he was asked about this point, he said that, without question, if Maryland required an uninsured motorist clause as Virginia does, Maryland would have a tremendous surplus in its fund and would not have the problem of so-called paper deficits. The Maryland fund does have that basic difference with the District of Columbia fund.

Mr. DOMINICK. To protect the Senator from Maryland, I am considering that he was asking me a question instead of making another speech on the same subject, as he did yesterday. I shall consider that as a question instead of a speech.

We have been doing a little checking on the compulsory uninsured motorist proposal that is included in the proposed District of Columbia bill. There are only five States which have no right of rejection of the uninsured motorist clause. The States which have no right of rejection clause are New Hampshire, New York, Oregon, South Carolina, and Virginia. The others give the insured person the right of rejection, which is what I had asked the Senator from Maryland to include in the process of our consideration of this bill in committee. I was unable to get him to agree to this amendment and of course I shall offer the amendment on the floor of the Senate.

I think that we can also cite our experience in Colorado, although it is based on only a very short period of time. In Colorado we had a provision in the law which went into effect in July—and, therefore, I say it is a very short experience—which provided that a motorist does get uninsured motorist coverage when he buys insurance unless he exercises his right to reject it. It does give the insured person the right of choice.

I cannot for the life of me see any reason why the Government should take unto itself the responsibility of telling a person what type insurance he or she should buy. Once a person has acted responsibly by buying liability insurance to protect the public, he should be permitted to decide voluntarily what additional coverage he may desire.

That is the provision that I tried to provide for: To give the person the right of rejection on the uninsured motorist rider. I was going to provide the right of rejection in this law, and that was defeated in committee. Experience indicates that 1 to 2 percent of the people who have been offered uninsured motorist coverage have rejected it, so that the great volume of people who have been buying policies have been accepting this uninsured motorist clause.

I suspect, as this colloquy goes on, and the publicity goes out on the type of coverage that is available to motorists, more and more of them will purchase it. I can see no reason why they should not. There may be some people who do not.

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

Mr. DOMINICK. I am happy to yield for a question.

Mr. TYDINGS. With respect to the fact that we would require the uninsured motorist clause in all policies of automobile insurance issued in the District of Columbia, would the Senator agree that this requirement provides insurance which they would not otherwise have for those insured individuals in case they were struck by an uninsured motorist?

Mr. DOMINICK. Yes. certainly.

Mr. TYDINGS. Would the Senator agree that insofar as the solvency of the fund is concerned, according to the statistical and actuarial tables, and the other evidence given to us in the subcommittee, that the solvency of the fund is assured by the fact that all insured motorists have that additional protection?

Mr. DOMINICK. I do not know if I agree with that at all because it does not seem to me that we have any proof one way or another.

First of all, we do not have a fund set up as yet. Second, it would seem to me that if this were going to be the determining factor, as to whether a fund was going to be in balance or not in balance, Maryland itself would have passed this kind of provision—which it has not done, as I understand. Instead, it has gone to the General Assembly for appropriations. I do not know whether it obtained them, but it was there, anyhow.

In that connection, I hold in my hand an article published in the Washington Evening Star for January 30, 1965, written by James B. Rowland and entitled "Uninsured Car Fund Facing Bankruptcy."

It reads, in part:

> Maryland's Unsatisfied Claim and Judgment Fund, now faced with a $3.7 million deficit, will be bankrupt by next September unless it gets additional money from the General Assembly.
>
> The bleak fiscal picture for Maryland motorists was outlined yesterday by John H. Calhoun, manager of the fund, in testimony to the State Senate's Judicial Proceedings Committee.
>
> "We are processing more than 4,000 claims for which we eventually will have to pay about $5 million," Calhoun said.
>
> Created by the legislature in 1957, the fund collects $70 annually from car owners without adequate auto insurance. Firms writing auto insurance in Maryland contribute one-half of 1 percent of the premiums they write.

We do not have that in our present law, I might add—

> This money, in turn, is paid to motorists involved in accidents with uninsured drivers.

We do not have that, either.

I suspect that if the fund is going to be fiscally sound, it is because we will have restricted it to this very small group of people who can make any claim against the fund: It seems to me that we are not really in exactly the same liability position so far as that fund is concerned, as is Maryland.

This is the reason—among others—why I could not necessarily agree with the Senator from Maryland on the last question he asked.

Mr. President, I ask unanimous consent to have the article to which I have just referred printed in the RECORD.

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

[From the Washington (D.C.) Star, Jan. 30, 1965]

UNINSURED CAR FUND FACING BANKRUPTCY—MARYLAND UNIT REPORTS DEFICIT OF $3.7 MILLION

(By James B. Rowland)

ANNAPOLIS.—Maryland's Unsatisfied Claim and Judgment Fund, now faced with a $3.7 million deficit, will be bankrupt by next September unless it gets additional money from the General Assembly.

The bleak fiscal picture for Maryland motorists was outlined yesterday by John H. Calhoun, manager of the fund, in testimony to the State Senate's Judicial Proceedings Committee.

"We are processing more than 4,000 claims for which we eventually will have to pay about $5 million," Calhoun said.

Created by the legislature in 1957, the fund collects $70 annually from car owners without adequate auto insurance. Firms writing auto insurance in Maryland contribute one-half of 1 percent of the premiums they write. This money, in turn, is paid to motorists involved in accidents with uninsured drivers.

MORE FUNDS NEEDED

"By September we will not be able to pay any more claims unless there is some way to get more money into the fund," Calhoun said.

State Sen. Frederick C. Malkus Jr., D-Dorchester, and committee chairman, observed that "Insurance is the biggest problem facing the state today."

More than a dozen insurance bills have been introduced here during the first 10 days of this annual 70-day meeting of the legislature.

Calhoun said there were not enough teeth in a bill giving Marylanders the option of buying uninsured motorist coverage for protection within the state. Such policies can now be bought for protection outside Maryland. Calhoun said the bill should be amended to make the coverage mandatory with the state.

WOULD COST $4 TO $5

This added coverage would cost Marylanders an addition $4 or $5 a year, according to testimony. Accident claims against uninsured motorists would be filed with the insurance company rather than fund officials.

Uninsured motorist coverage is available in 14 states, and mandatory in five—Virginia, New Jersey, Louisiana, Oregon and New Hampshire.

"If it were mandatory in Maryland, it would relieve claims against UCJF by about 75 percent," Calhoun said.

James J. Doyle Jr., representing the National Association of Independent Insurers, said if the law were not mandatory, most car owners would take their chances on filing claims against the fund rather than paying another $4 or $5 on their auto insurance policies.

THE PROBLEMS OF OUR CITIES

Mr. JAVITS. Mr. President, I should like to discuss in the Senate, in a rather deliberate way, the subject of the problems of our cities since I am a member of the Subcommittee on Executive Reorganization of the Committee on Government Operations which, under the chairmanship of the Senator from Connecticut [Mr. RIBICOFF] has been considering the problems of the cities. The committee today concluded its first 3 weeks of hearings on this subject. It heard Cabinet officers, municipal officials, including mayors, and other experts in this field in the 3 weeks, in that order.

At the conclusion of the hearings today, the chairman of the committee, the Senator from Connecticut [Mr. RIBICOFF], made a statement in which he laid a great deal of responsibility for the inadequacy of aid moving into the cities upon the Bureau of the Budget.

Mr. President, I did not have an opportunity to attend the committee session, because of being heavily involved in the conference on minimum wages which is now going on and of which I am a conferee, as a ranking minority member on the Committee on Labor and Public Welfare and the Committee on Constitutional Rights which is considering the civil rights bill this morning; so that actually I was not in the committee session—I got there just a minute after it had adjourned.

But a statement which I proposed to make there I now make on the floor of the Senate because I believe that while we have been talking about the problems of the cities, we have failed to note the tremendous failure of Congress to back up even the laws which it has enacted which could help the cities.

I do not believe it is fair, just, or productive to lay the lash of criticism across the backs of the representatives of the administration, capped by an attack upon the Bureau of the Budget this morning, without saying a word about the responsibility of Congress.

We have heard a great deal of talk in terms of need—and received some extraordinary estimates on what the needs of the urban areas will be in 1970 or 1980 but I think some of our effort ought to be directed toward what we can do now—in 1966.

Therefore, Mr. President, it is my duty today to point out that while I associate myself with the certain deserved criticism of the administration and of some of the mayors, I do not avoid my eyes, or keep quiet about Congress which has a great responsibility, and on which it has fallen down in this matter. So that I should like to state what I think Congress can do and what I think Congress has not done in connection with our cities. In order to complete the record, I will also have this statement included in the hearings of the committee.

First. I would associate myself with the remarks of several of my colleagues in urging the establishment of a Congressional Committee on Urban Affairs. After all we have a Committee on Agriculture and Forestry which wields great power for the rural areas. The city dweller deserves at least an equal hearing.

Second. There are the critical programs which affect the cities.

Here are some of them together with Congress actions:

Rent supplements: The 1966 supplemental appropriation bill only gave $12 million, although the President requested $30 million. The 1967 appropriation is only for $20 million although $35 million was asked for.

Demonstration cities: Instead of $2.9 billion the Senate passed a $900 million bill and the House is likely to follow.

Neighborhood facilities: Although the budget estimate was for $25 million the Congress only appropriated $17 million for this program which would encourage many persons to come together to meet and discuss their problems rather than to roam the streets.

Teacher Corps: For fiscal 1967 the law authorizes over $64 million. The administration requested more than $31 million which contemplated 3,000 NTC teachers in the field and 750 in training by the end of the year. The House did not include any funds in the Labor-HEW appropriation which passed the House back on May 5—almost 4 months ago and which has still not been acted on in the Senate. The delay threatens to force most of the already trained teachers, 1,600, to find jobs elsewhere.

Elementary and Secondary Education Act: Covers not only programs for poverty-related children but also funds for school integration. Presently held up in the House and awaits full committee action in the Senate.

Hospital modernization: After 1 day of hearings last April, the administration's program was considered dead. Yet this is one of the critical needs of the cities. New York City alone needs $705 million for this purpose.

Congress has not yet this year enacted a single health bill. Other bills requested by the President not acted upon are: First, develop comprehensive health planning and services on the State and community level; second, training of allied health professions.

Poverty: The $1.5 billion appropriated last year—ignoring an additional $250 million which had been authorized—severely pinched a number of good community action and neighborhood youth corps projects undoubtedly contributing to the situation in many cities where rioting and disorders later occurred. This year there are no appropriations for fiscal year 1967 and many programs have been brought to a halt due to no assurance of funding even during this long, hot summer.

Narcotics: The House-passed bill calling for civil committment for narcotics addicts did not contain a cent for the building of any facilities for treatment. The Senate has failed to act at all.

Employment services: The Senate passed proposal for revamping the Federal-State employment service programs but the House is seemingly allowing the bill to die.

At the same time I think we have become aware of the importance of trying to figure out the best way to allocate the funds which we are presently spending. Agencies must make greater efforts to keep meaningful statistics and setting out where its funds are being expended and evaluating results. I have made an effort to disect some of the budgetary figures which are so often thrown at us to show what is being done and have found some rather revealing facts.

The budget figures for example for urban renewal for fiscal 1967 show the figure to be $725 million. Yet in looking behind the amount I find that certain new programs such as demolition grants, code enforcement are funded out of the urban renewal moneys. This was necessary, I am informed, in order to get the Congress to adopt these very important programs. When these various program commitments are subtracted only $574 million is available for urban renewal projects. Even more significant is the $50 million contained in the 1965 Housing Act for special exceptions for noncash credits for public facilities in individual cities which comes out of urban renewal moneys.

The 1966 housing bill in the Senate contains $190 million for various facilities not considered part of the traditional urban renewal programs. Yet it will come out of urban renewal money. It seems then that we cannot even afford to presume the validity of the figures which are printed on the budget pages.

Of the $725 million allocated to urban renewal perhaps only $450 million is actually available for projects.

A further look to find how much is spent on relocation which has long been the Achilles heel of urban renewal—ends up in a figure which is lumped together with expenditures for rehabilitation grants. How much of the total of $57.5 million is for which program is left to conjecture. Perhaps even worse is the fact that in some areas no figures at all are kept on the number of applications so as to better coordinate demand with supply.

There are certainly other aspects of the problems which I have not mentioned today—and which the subcommittee has not yet gone into. I am hopeful that we shall hear more in the future from the private sector, educators, and labor.

Mr. President, these are the facts, not theories, and they show the grave situation confronting Congress.

I think I have given enough facts today to show what I maintain, namely, that we cannot have a balanced understanding of what is happening to the cities and we cannot lay the lash of blame across the administration and municipal officials alone. They have their defects, shortcomings, and derelictions, but so do we in the Congress, as I have outlined; and if we really intend to help the cities, which I think we must do, and with which I think most of us agree, then we must act on measures which have not been acted on or which have not been acted on adequately.

Now, if the Senator from Colorado will yield for another subject, I would appreciate it. I am trying to do all this because I have been trying to do the business of the Senate, so much of which is done in conference.

Mr. DOMINICK. Of course. I know the Senator is trying to serve our interests in the minimum wage legislation at the present time.

JOINT ECONOMIC COMMITTEE REFUSES TO HOLD IMMEDIATE HEARINGS ON PRESENT STATE OF ECONOMY

Mr. JAVITS. Mr. President, the minority members of the Joint Economic Committee have been refused their request by the majority to hold hearings on the present economic situation of the country. We did not seek any publicity about this demand, which I consider to be extremely serious and important, because we did not wish in any way to prejudice the action of the majority with respect to the request of the minority.

I have before me a letter from Chairman WRIGHT PATMAN of the Joint Economic Committee, turning down our request for hearings.

I ask unanimous consent that a telegram sent to Chairman PATMAN on this subject by the committee's Republican members be printed in the RECORD, but first I should like to read from it briefly:

We also urge that the committee call upon the President to submit to the Congress a supplement to the 1966 Economic Report, as provided for under the Employment Act, including revised economic recommendations which he feels may be necessary or desirable at this time.

We proposed that the Joint Economic Committee hold immediate hearings on the state of the economy and the policies required to deal with it.

I ask unanimous consent that the telegram, together with Chairman PATMAN's letter, in which our request is turned down by the majority of the committee, be included in the RECORD at this point.

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

Hon. WRIGHT PATMAN,
Chairman, Joint Economic Committee,
House Office Building,
Washington, D.C.:

We propose that pursuant to its responsibilities under the Employment Act of 1946 the Joint Economic Committee hold immediate hearings on the state of the economy and the policies required to deal with it. We also urge that the committee call upon the President to submit to the Congress a supplement to the 1966 Economic Report, as provided for under the Employment Act, including revised economic recommendations which he feels may be necessary or desirable at this time.

The administration has tried and failed to walk a fine line between avoiding inflation and promoting high employment with the result that it may achieve neither. A new policy approach is clearly required. An inflationary psychology is rapidly spreading throughout the economy. It is reflected in the wage demands of organized labor, excessively high interest rates, rapidly rising prices and a confused and badly battered stock market. This inflation, if permitted to continue and gather momentum, could cause a serious recession which would greatly aggravate the already profound social unrest that confronts our society.

Continuing failure to act could cause a national economic and social crisis which would set back the advances made by our people over the past decades of progress. We deplore the reluctance of the administration and the Congress alike to face up to the issues and meet their responsibilities to the American public.

We would fully support objective and nonpartisan hearings with the purpose of providing guidance to the administration and the Congress and restoring the confidence of all segments of the American people in the administration's fiscal and monetary policies.

JACOB K. JAVITS,
Senator.
JACK MILLER,
Senator.
LEN B. JORDAN,
Senator.
THOMAS B. CURTIS,
Representative.
WILLIAM B. WIDNALL,
Representative.
ROBERT F. ELLSWORTH,
Representative.

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
August 31, 1966.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: After thorough study of the issues raised in your telegram of August 24, the Majority concludes that this is not the time for the Joint Economic Committee to be holding hearings on the state of the economy. This Committee held hearings and made recommendations to deal with the economic situation early in the year. At the present stage of the Congressional session, the problem is not one of investigation but of action. Hence, the matter should be and is before the legislative committees which can take action—obviously the Joint Economic Committee cannot draft and report bills.

We believe that the leadership and the appropriate committees of both Houses should take action to bring before the Congress proposed legislation to effectuate the recommendations made last March by this Committee in order that the objectives of the employment Act may be more fully achieved: maximum employment, rapid economic growth, and a stable general level of prices.

Under the circumstances, our energies should be directed to the work of the legislative committees, for hearings by the Joint Economic Committee would be more likely to delay rather than to expedite action at this late stage in the legislative session.

With best wishes,
Sincerely,

WRIGHT PATMAN,
Chairman.

Mr. JAVITS. Mr. President, the letter in part reads as follows:

We—

That is, the majority—

believe that the leadership and the appropriate committees of both Houses should take action to bring before the Congress proposed legislation to effectuate the recommendations made last March by this committee in order that the objectives of the Employment Act may be more fully achieved * * *.

Under the circumstances, our energies should be directed to the work of the legislative committees, for hearings by the Joint Economic Committee would be more likely to delay rather than to expedite action at this late stage in the legislative session.

We of the minority thoroughly disagree. We think the action of the majority members of the Joint Economic Committee in refusing to hold immediate hearings on the present state of the economy is one more example of how the administration and its majority forces in Congress are playing hide and seek with the inflation issue.

We wanted nonpartisan hearings for the purpose of guiding the administration and the Congress and restoring the confidence of all segments of the American people in the administration's fiscal and monetary policies.

It is all too plain that there is a certain amount of needling with respect to a tax increase to finance the Vietnam war. A temporary, across-the-board tax increase, of somewhere between $5 and $10 billion is necessary. It is absolutely essential to the economic health of this country and to finance the rising costs of the Vietnam war. We of the minority recommended in March 1966 that the current economic situation requires fiscal as well as monetary restraint. There is no substitute for it. There is a money panic as well as an interest-rate panic. It is appalling that the administration is not willing to face the music at the present time, but is willing to wait until even more drastic action is necessary.

Since the administration was only too willing to take full credit and responsibility for the beneficial effects of the tax cut in 1964, it must now understand that it must accept blame and responsibility

for any damage done to our economy by its policy of indecision and delay until after the elections.

This policy is all too plainly illustrated in the unofficial leaks, the unofficial comments of high Treasury officials and the trial balloons floated on the front pages of our newspapers almost daily—every day some new suggestion is made, some new scheme, apparently in the hope that public relations devices can somehow keep our economy afloat until the last poll closes on November 8.

In the reply to the Republican request for hearings received this morning, the majority says that this is not the time for study, but for action. I agree. But action on what? The administration has given Congress nothing to act on that would in any way effectively deal with the inflation that exists today.

The majority said that this action should take place in other committees, committees with legislative responsibility. This begs the question, because these committees do not have before them any administration-sponsored legislation that can effectively deal with the current situation.

The majority said that this is the time for the Congress to act on recommendations made by the Joint Economic Committee in March. But the remedies proposed by the committee in March are no longer sufficient to meet the current grave situation.

I am deeply regretful that the Joint Economic Committee refused the request of the minority. The intention was to hold those hearings in a nonpartisan way. I believe the country would be better served by holding those hearings.

With or without the hearings, inflation is the greatest domestic issue. The country is scared.

That issue ranks with the Vietnam war as the No. 1 issue. It is going to be the issue in this election. With all due respect, I think it would be better for the administration to face up to the issue rather than to avoid it. It is the view of the minority that it would improve the situation to have hearings.

Whether the Johnson administration or the committee's Democrats want to admit it or not, we are in the midst of a serious inflation which the administration must deal with now. Every day of delay only aggravates the situation and ultimately will require stronger fiscal remedies.

Under Secretary of the Treasury Joseph Barr's testimony before a House committee suggests that, after months of indecision and delay, the administration may be willing to admit what has been evident for months to many—that it cannot avoid a tax increase and continue to rely on monetary policy to contain inflation.

The administration has tried and failed to walk a fine line between avoiding inflation and promoting high employment, with the result that it may achieve neither. A new policy approach is clearly required. There is every evidence that an inflationary psychology is rapidly spreading through the economy, and, indeed, that our inflation is becoming as bad as that in Europe in its days of inflation.

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

Mr. JAVITS. I yield.

Mr. MORSE. I not only wish to associate myself with the remarks that the Senator from New York is making, but I wish to say that the administration cannot continue to permit runaway wages and runaway prices, and hope to stem the inflationary tornado.

Mr. JAVITS. I am very grateful to my friend the Senator from Oregon, who "fought and bled"—in that tremendous battle in respect to the airline wage negotiations and strike.

We see the inflationary psychology reflected in the wage demands of organized labor, in excessively high interest rates, in really rapidly rising prices, and in a confused and badly battered stock market. If permitted to continue and to gain momentum, this inflation will cause a serious recession, which can greatly damage the hard-won gains of all our people, including labor, and greatly aggravate the already profound social unrest that confronts our society.

The reluctance of the administration and Congress alike, as shown by this refusal to hold hearings, to face up to the inflation issue, and to meet our responsibility to the American people, is most deplorable. I have no doubt that the people are ready to take on new burdens, if they are assured that that would insure the continuance of economic expansion at stable prices.

I and others have offered proposals to deal with this dangerous situation. My proposals have included a temporary, across-the-board increase in corporate and individual taxes, a voluntary national credit restraint program, and deferral of certain nonessential government expenditures, such as certain selected government construction projects.

The Senator from Louisiana [Mr. LONG] has offered a suggestion with respect to the investment tax credit. It may have to be deferred for a time. I do not think it can have the immediate impact which is necessary, but nonetheless it deserves urgent consideration.

These proposals may not provide the full answer, Mr. President, but they certainly demand consideration and action in this session of Congress.

In this morning's papers, we were treated to another one of those "informed sources" reports that the President has almost made a final decision to ask for suspension of the 7 percent investment tax credit. If that is true, and it is not just another in the series of trial balloons floated on this issue in recent weeks, it would be like trying to put out a forest fire with a garden hose, because that suspension, Mr. President, would have no immediate impact on capital investment, since under the present law, the tax credit is given when new equipment is installed, and therefore would not affect machinery and equipment on order. As long as overall demand remains at the present high levels, suspension of this tax credit would have little or no effect on investment decisions. But it should be considered, even if I oppose it at this time.

The important thing, Mr. President, is to lay on the table the measures which any or all of us have suggested, which can possibly deal with the flaming and raging inflationary situation in this country. I think it is one of the great political mistakes of all time that the administration seems to think that if action is held off until November, it might do better in the elections. Mr. President, I predict it will do much worse, because the American people want answers and remedies, and do not want this runaway situation to continue.

So I urgently call upon the administration, in its own self-interest as well as in the interests of the Nation—whether it be in permitting hearings before the Joint Economic Committee, or in sending up a tax bill to us now, or in instituting a program for voluntary credit restraints such as we carried on in the Korean war—to act, and not just send up trial balloons and make indirect references, by people who come up here to testify, that it may do something. Action is required. The American people, I think, stand behind a reasonable struggle in Vietnam, and are willing to pay what it takes. They are unwilling to let the economy be eroded by not facing the music.

Mr. President, I have said this very strongly, and I hope very much that it will find a responsive ear in the administration, which I think is making a very great mistake.

NATIONAL MUSEUM OF THE SMITHSONIAN INSTITUTION

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1310) relating to the National Museum of the Smithsonian Institution which was to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Museum Act of 1965".

SEC. 2. The Director of the National Museum under the direction of the Secretary of the Smithsonian Institution shall—

(1) cooperate with museums and their professional organizations in a continuing study of museum problems and opportunities, both in the United States and abroad;

(2) prepare and carry out programs for training career employees in museum practices in cooperation with museums and their professional organizations, wheresoever these may best be conducted;

(3) prepare and distribute significant museum publications;

(4) perform research on, and otherwise contribute to, the development of museum techniques;

(5) cooperate with departments and agencies of the Government of the United States operating, assisting, or otherwise concerned with museums; and

(6) shall report annually to the Congress on progress in these activities.

SEC. 3. The first paragraph under the heading "National Museum" contained in the Act of July 7, 1884 (23 Stat. 214; 20 U.S.C. 65), is amended by deleting the following sentence: "And the Director of the National Museum is hereby directed to report annually

to the Congress the progress of the museum during the year and its present condition".

Mr. PELL. Mr. President, I move that the Senate insist on 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. PELL, Mr. BYRD of West Virginia, and Mr. COOPER as conferees on the part of the Senate.

THE INVESTMENT TAX CREDIT

Mr. SMATHERS. Mr. President, I should like to take this opportunity to commend my good friend, the majority whip, who is also the chairman of the Committee on Finance, the gentleman from Louisiana [Mr. LONG], for a speech he delivered on the Senate floor the day before yesterday—a provocative and interesting speech with respect to indefinitely postponing the 7-percent investment tax credit, in view of the present state of this Nation's economy. I generally support the tenor of his remarks, as do many others. I agree with others that our economy is now in a somewhat inflated condition, and that we will have to give consideration to what steps should be taken in order to protect the general public, and particularly the consumer.

I thought the speech of the Senator from Louisiana clearly demonstrated the vast knowledge which he has with respect to the fiscal and monetary policies of the Government. Consumers, business, and labor should indeed applaud his efforts to curb inflation and reduce high interest rates, both of which are having an adverse impact on our economy.

All of us here in Congress, as I am sure is true of the administration, are conscious of new pressures developing in the economy, resulting in a situation that is continually growing worse and should be the cause of real concern to Congress and the executive branch of the Government.

No one wants direct control of wages and prices, or even control of credit. Every effort should be exerted to solve the problem, which is adversely affecting our economy, without resorting to such controls.

In the past, only the severest inflationary impact on the economy, coupled with other grave factors, justified the imposition of wage and price controls. But it is possible that such conditions could come about, and at a time when Congress is out of session. I believe the time is approaching when we in Congress must begin to very seriously consider supporting legislation which would provide standby controls on wages, prices, and credit, which could be utilized by the President for a temporary period of time when Congress is not in session.

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

Mr. SMATHERS. I am happy to yield.

Mr. DOMINICK. Is that the Senator's suggestion, or that of Senator LONG of Louisiana? I did not understand.

Mr. SMATHERS. That particular suggestion is my suggestion. I said I think we should begin to consider it.

Mr. RANDOLPH. Mr. President, will the able Senator yield at that point?

Mr. SMATHERS. I am happy to yield.

Mr. RANDOLPH. I think, to complete the record, it might be of interest to state for those who will read it, if not for those in the galleries who may hear, that in 1946, there were approximately 150 Members of the House of Representatives who were not reelected because of the controls which had been placed on our economy.

We realize that the reaction of the American people in reference to price controls is something to be considered very carefully by the Members of Congress who desire to be responsive to the thinking of the American people. I simply wish to go back 20 years, as it were, and to express to the able Senator from Florida that that was the situation then. I wonder whether he would anticipate, if Congress so acted now, that there might be, again, a reaction against Members of Congress.

Mr. SMATHERS. I am certain that the distinguished Senator from West Virginia is more gratified by the fact that our country is strong and alive and producing. We have more people, we have more wealth, we are able to do more. Possibly one of the reasons for this happy situation is because we put on controls at that time, even though people did not like it and even though a few Senators and a few Representatives did not get reelected.

I believe it is better that the ultimate interests of the Nation and the people be served. After all, I am sure the Senator from West Virginia would agree with me that that must be the overriding consideration—not necessarily whether it is going to be easier or less easy for an individual to get reelected.

I agree. People generally do not like wage and price controls. I do not like them. As a matter of fact, they were a sort of monstrosity when we were living under them. Nevertheless, at the end of the war we had a difficult situation then existing which made them essential. There was a shortage of goods. There was an excess demand. Something had to be done.

We may be approaching that kind of situation again. I do not know. However, I do agree with what the Senator from New York said a moment ago that we must begin to think about these things and that the mere fact that they are tough and hard and somebody might find it more difficult to get reelected does not mean that we should ignore the situation.

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

Mr. DOMINICK. Mr. President, I have the floor.

Mr. RANDOLPH. Mr. President, will the Senator from Colorado yield one moment to me for a question?

Mr. DOMINICK. I yield for a question.

Mr. RANDOLPH. Mr. President, the Senator indicated that we might be approaching the time when we would have to think seriously in Congress in reference to wage and price controls. Could the Senator say that he would rather have the problems of this era of prosperity than the problems of the depression in the thirties or the recession of the fifties?

Mr. SMATHERS. I would much prefer to deal with this era of prosperity—than the problem of a depression such as we had in the early thirties and the type of recession which we have had intermittently since then.

It is only fair to point out that the recessions which we had in the early fifties, in 1958, and in the early sixties were actually recessions. They did not approach in any manner the magnitude of the depression which we had in the early thirties.

One of the solutions to the existing inflationary situation is that proposed by the distinguished chairman of the Finance Committee. While I agree with the objective which he seeks to obtain, I would hope that he would amend his proposal to provide that the suspension of the investment credit come to an end by January 1, 1968.

It may well be that conditions would change to such an extent at that time that we would again need the investment credit to spur the economy.

What I am trying to say is that we have recently adopted an economic formula to use tax reductions, and the investment credit for the purpose of stimulating the economy.

Our problem has been that after we passed a substantial tax reduction bill—and passed, at the same time, an investment credit of 7 percent under certain conditions for businesses—then, when the economy began to move very rapidly, we began to have a shortage of unemployment. We began to have a scarcity of goods.

Even though we were developing at greater productivity, at the same time we did not turn the coin over. We did not use the reverse part of that philosophy, which is to the effect that when our economy is producing greatly, that is the time to dampen the economy by, at that point, increasing taxes and temporarily removing the 7-percent investment credit.

Our economy moves so rapidly these days that by the time we get through debating the situation in the Senate, or by the time we have gone on a recess and returned, it is oftentimes almost too late to take a meaningful step toward remedying the economic condition which is developing at that particular moment.

I would hope that, if we do suspend the 7-percent investment credit, we would not do it forever and a day, but that we would suspend it only until January 1, 1968, at which time the Congress could then, if the country were in an inflated situation, vote to continue that suspension for another year or 18 months.

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

Mr. SMATHERS. I do not have the floor. The Senator from Colorado has the floor.

Mr. DOMINICK. Mr. President, I yield to the Senator from New York for a question.

Mr. JAVITS. Mr. President, the Senator, I gather from his statement, would be agreeable to a temporary suspension, realizing, of course, that it would not have a direct and immediate effect on the situation, although it might have a psychological effect.

Mr. SMATHERS. The Senator is correct.

Mr. JAVITS. Mr. President, does the Senator have any feeling concerning whether a tax across the board because of the Vietnamese situation would have an effect.

Mr. SMATHERS. I have personally been in favor of a temporary increase on corporate and personal taxes of a minimum nature in order to finance the Vietnamese war, and at the same time to take some of the steam out of an overheated economy.

Mr. JAVITS. Mr. President, I am very grateful to the Senator. I think that is the burgeoning opinion of the Senate.

Mr. SMATHERS. Mr. President, I heard the Senator say that he recommended this procedure last March. I am not on the Republican committee, fortunately for me. Nonetheless, I recommended this procedure, along with some other people, about that time.

Mr. JAVITS. Mr. President, I meant in connection with a report of the Joint Economic Committee.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I continue to hear rumors to the effect that the administration is going to drag out this session until it is too late to adjourn before the election and then have us recess and come back after the election, at which time we will get a request from the administration for a general tax increase.

Could the Senator enlighten us on this point? Will we get the recommendation from the President before the election?

Mr. SMATHERS. Mr. President, I am flattered that the Senator from Delaware thinks I have that kind of information. I am not in the White House. I am in the Senate.

While it is my good fortune to have an opportunity to visit there from time to time, I have not heard anything as to when, if ever, such program is to be presented to Congress.

I read and hear rumors, but, when I try to run them down, I never do obtain their source.

Like the Senator from Delaware, I do not know if we are going to have a tax increase.

I am happily not running this year and probably not ever again. So, it is easy for me to say that I hope the recommendation comes over next week. That would not require a great amount of courage on my part. However, even if I were running, I would vote for this kind of an increase. When I was running in the past, I did vote for this kind of an increase on occasion.

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

Mr. DOMINICK. Mr. President, I yield to the senior Senator from Oregon.

Mr. MORSE. Mr. President, in respect to the comment of the Senator from Delaware, I do not know what makes him think that a lot of lame-duck Members of Congress will want to come back after reelection.

Mr. SMATHERS. Mr. President, there is one point I would like to make, and that is that the President has from time to time urged both labor and management to use restraint to keep the economy in balance. I believe that Congress itself should share equally the responsibility along this line by not continuing to appropriate more funds than the President has asked for in his budget.

We have already exceeded the President's requests substantially. Some people say that we have exceeded the requests in the neighborhood of $7 billion. Some people say that it is in the neighborhood of $3 billion. However, in any event, the amount involved is substantial.

We cannot ask private enterprise to exercise restraint when Congress does not do so. By private enterprise, I mean labor and management and the consumers. We cannot ask them to exercise restraint when we in Congress fail to exercise equal restraint in connection with Government spending.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. WILLIAMS of Delaware. I agree with the Senator, that Government should exercise some restraint on its spending. The Senator is correct that Congress has increased many of the spending bills over and beyond even what the President recommended. I am well aware of that, because I find myself in a very small minority in opposing these increases.

But I am wondering whether the Senator could enlighten us as to why the President does not veto these spending bills if he does not like them. We sent him a veto pen as a special gift, on behalf of the Republican Party, and appealed to him to use that veto pen on any bill he thought too expensive. I am wondering if he is only giving lipservice to economy or whether he really means it. If he means it, why does he not veto some of the bills?

Mr. SMATHERS. I remember the record, and I think the Senator from Delaware has a very splendid record, as an individual, with respect to voting on these appropriations.

I am one of the Senators who in some instances have voted appropriations beyond that which the President requested.

I venture to say that if the President had said he would veto the $500 million bill that had to do with sending veterans back to school, I do not think that Congress would have sustained the President. I have a grave doubt that if the President had vetoed, for example, the bill which increased educational grants by some $500 million, Congress would have sustained his veto.

With respect to several other measures which have been increased beyond that which the President asked for, I do not believe Congress would have sustained a veto.

I do not want the Senator from Delaware to continue asking me about what the President thinks or does. I want the Senator to ask me about what I would do. I am qualified to answer that question, and I am not qualified to speak for the President.

Mr. WILLIAMS of Delaware. The Senator is correct.

I now ask the Senator, as one of the leaders of the Senate, as to what the Senate is going to do. Is the Senate planning to adjourn sine die before the election, or will there be a recess until after the election, after which under the guise that we are completing the program of the Senate, the President could easily send us his recommendations for a tax increase?

I shall now ask the Senator a question that is in his field, as one of the leading leaders on the majority side: Are we really going to adjourn sine die, or are we going to drag this session out, and then recess, and come back after the election for a tax increase?

Mr. SMATHERS. I say to my friend, the very able and distinguished Senator from Delaware, that I am complimented that he would call me one of the leading leaders on this side of the aisle. It does not speak very well for the actual leaders. In any event, I thank him for that compliment.

I can only tell the Senator what I know. I would hope that we would be able to adjourn sine die sometime early in October. That is what the indications are from the majority leader.

As the Senator knows, the Senate has a couple of controversial bills to take care of. I hope we do not have to come back. I hope that if the administration has in mind sending a tax bill to the Senate calling for an increase in taxes, it would come over rather shortly, so that we can get to it. But I do not know.

The President has all kinds of economic advisers—some Republican, some Democrat, some from every walk of life—and I am sure that he is receiving from them their best judgment as to what they think he ought to do. On the information which is supplied to him, am personally concerned, I hope that if he is going to make a judgment to increase taxes, it will be done soon, so that we can dispose of it well before the election, and not have to return late in November.

Mr. WILLIAMS of Delaware. I thank the Senator.

As the Senator has stated, the President does get advice from all quarters, and I would like to give him a little advice from this quarter.

If he is going to take 18 months to whip up his courage to ask for a tax increase, the administration can dispel any thought that they are going to stampede that proposal through as an emergency measure in just 18 days.

I think that any suggestion as important as a major change in our tax structure, up or down, is worthy of adequate

hearings and careful consideration by the Senate.

Certainly, the country, recognizing the size of the cost of this Great Society program, all of which bills the President has signed, has a right to know what is in the bill. If the President is planning to increase taxes, he ought to tell the American people before the election what he is going to do, and not wait until after the election, and then, with a great display of a national emergency, say that we have to increase taxes. Surely he knows now there is a war in Vietnam.

Mr. SMATHERS. I should like to respond to the Senator by saying this: It is my understanding and belief that if the Vietnam situation is not changed greatly and if Congress does not continue to add on larger sums of money to appropriation bills than that which the President has requested——

Mr. WILLIAMS of Delaware. And the President does not veto any of these bills.

Mr. SMATHERS. There would be no need for an increase in taxes, to finance an operation in Vietnam.

It is also my understanding that they have not received the final figures or estimates as to exactly what will be needed in Vietnam in the upcoming year, 1967.

As soon as a determination is made on that particular point, the President and his advisers can arrive at a conclusion as to whether or not they need a tax increase for the purpose of paying the increased cost of the Vietnam war.

What I am talking about is whether or not we need—and I have a suspicion that we do—a tax increase not for the purpose of financing the war, but for the purpose of actually taking out of the economy, say, $3, $4, or $5 billion in order to cool the economy, as an anti-inflationary measure.

This is a matter which has taken the President some time to determine. But I am certain that when he knows, that the situation in Vietnam is going to be escalated materially, that it is going to cost considerably more than it is now costing, there will be no delay in the message which he will send to the Congress that more money is going to be needed to finance the Vietnam war.

I think the President understands, as we all do, that in that particular instance—and if that is the purpose of the tax increase—there will be no delay in the Senate or in the House, and there will be no great criticism on the part of the American people, for a tax increase of that character. They do want to support our effort in Vietnam and our boys in Vietnam.

Mr. WILLIAMS of Delaware. There is no question that Congress and the American people want to and will support the boys in Vietnam, regardless of the cost. However, as the President and his advisers evaluate the question of how best to take $3 billion or $4 billion out of an overheated economy, there is one remedy they should not overlook; that is, that the same result may be achieved by stopping the pumping of extra billions into the economy through Government spending. If the administration would only cooperate and if the President would only veto some of the spending bills we could stop the excessive spending. Three billion dollars or four billion dollars of Government spending could be pulled out of the economy and get the same results.

Mr. SMATHERS. I am sure the Senator from Delaware knows that when the President submitted his budget to Congress, he thought that it would be balanced, roughly, within a range of $3 billion or $4 billion. I have understood that since that time that had Congress not continued to appropriate additional sums of money, and had the level of our economy and the war in Vietnam remained the same as it was at the time the budget was sent to Congress, expenditures would not have exceeded a range of $2.5 billion to $3 billion for the year. Actually, because of the excellent business climate, the flow of money into the Treasury has been much more than was anticipated.

The difficulty is that Congress has been appropriating even more money than the President asked for. That is one of the factors contributing to the inflationary condition in our economy today.

Mr. WILLIAMS of Delaware. That is true, but what discourages some of us who are trying to hold down expenditures is that the President, after Congress has substantially increased the amounts of appropriation bills, calls in the television cameras and, in a great display of generosity toward the American people, signs the bills, saying, "See what is coming to you from your benevolent Government in Washington." He ought to veto such bills.

Mr. SMATHERS. I am sure the Senator realizes that after Congress passes bills, the President ought to sign them.

Mr. WILLIAMS of Delaware. Surely, unless he does not want them to become law; then he should not sign them.

The President will have on his desk this week a bill to provide $1,750,000,000 more for FNMA than I understand the President said he wanted. Why does he not veto this bill?

I think Congress would sustain his action. At least we could determine just who is responsible.

Mr. SMATHERS. Why does not the Senator from Delaware get his Republican colleagues at one of their meetings to go on record and say that they will support a veto?

Mr. WILLIAMS of Delaware. We did. All that we need is a little help from the White House.

Mr. SMATHERS. I have not always seen the Senator from Delaware speaking for his party. He is speaking for himself.

Mr. WILLIAMS of Delaware. I think that the President would be surprised at the number of supporters he would have in a real economy effort. I repeat the President would be surprised at the supporters he has in Congress for a real cut in expenditures.

Mr. SMATHERS. We all would. The Senator spoke correctly. He would be surprised and amazed how few would say to him: We are going to vote to sustain a veto of the veterans education bill, or the GI insurance bill which we passed, or other programs that we have adopted where we have gone far beyond the President's budgetary request.

Mr. WILLIAMS of Delaware. If the President will try it, some of us who are his friends in that direction will try to save him from some of the spendthrifts on his side of the aisle, and on this side of the aisle. If he still cannot do it, we will join him at the elections by going out and replacing some of the spendthrifts.

Mr. SMATHERS. Before the Senator from Delaware really starts to tell the Democratic Party and the President what should be done, I think that the Senator from Delaware should work on his party to see if he cannot get them to support the views he expressed. If he can, then the Senator from Delaware can come in and justifiably criticize the rest of us.

I would say that members of the committee understand it and they get along fine. I guess that it would surprise both him and me how much we agree.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. SMATHERS. But not on that particular item.

Mr. President, there are many who feel that an across-the-board tax increase on both personal and corporate incomes is overdue. The administration thus far has not seen fit to choose this course of action, believing I would surmise, that such a tax increase could by next year constitute an over dose and precipitate a depression.

All of us are aware that interest rates are currently at the highest level in 36 years.

Let us reflect for a moment on the burden these high interest rates impose.

The able chairman of the Finance Committee pointed out that Americans in 1966 will pay over $47 billion more in interest charges because of the general rise in interest rates that has taken place since 1952.

It is the person who takes out a mortgage to buy a new home, or who secures a loan to buy an automobile, or other major item, that must bear the burden of higher interest rates on real estate mortgage and consumer restraint credit loans.

As taxpayers this same group also bears the burden of higher interest charges on Federal, State, and local debt issues.

Interest payments on the national debt alone climbed by 103 percent from fiscal year 1952 to fiscal year 1966 while the size of the debt increased by only 21 percent.

Moreover, in July of this year interest payments on the Federal debt were running at an annual rate of 107 percent above the rate in the fiscal year 1952.

The members of the general public also bear a sizable portion of the burden of increased interest rates on business loans since these charges are often passed along in the form of higher prices.

Finally, the present monetary situation has imposed still another heavy burden on the little man—the burden caused when an application for a loan to finance the purchase of a new home or a new car

is refused because of the shortage of loanable funds.

The recent sharp rise in interest rates has occurred because a brisk demand for loans has been combined with the application of credit restraint by the Federal Reserve Board. Interest rate pressures, will continue until either the demand for loans slackens or the Federal Reserve Board eases up on its policy of restraint.

The Federal Reserve Board is concerned about the possibility of inflation. While we may take issue with their policy, we cannot entirely disagree with their prognosis. High levels of consumer spending and, in particular, a boom in business investment in plant and equipment, coupled with the materiel requirements of the defense effort in Vietnam have begun to strain available capacity.

The upward movement of prices occasioned by the pressure on capacity has been aggravated by developments in the agricultural sector that have resulted in higher food prices. The result has been the most severe rise in prices since the mid-1950's.

Clearly steps must be taken to prevent the emergence of excessive inflationary forces. Equally as clear, however, is the fact that placing sole reliance on monetary restraint would be both inadequate and unfair. A balanced program including both monetary and fiscal policy is called for. I believe the able chairman of the Finance Committee has made a positive contribution to the eventual formulation of such a balanced program through his proposal for the suspension of the investment credit.

The 7 percent investment credit was proposed in 1961 by the incoming administration of the late President Kennedy in an effort to boost investment in new plant and equipment at a time when such investment was lagging. The credit succeeded in encouraging increased investment for modernization and expansion. Now, however, the incentive it provided for is no longer needed.

The present high level of demand provides sufficient incentive to maintain adequate levels of business investment.

In fact, there is some danger that the investment credit may encourage an unsustainably high rate of investment in new plant and equipment.

If current plans are realized, expenditures for new plant and equipment will be up this year by 17 percent over last year. Last year such spending was up by 16.7 percent over 1964. This performance can be contrasted with the 7-year period from 1956 to 1963 when expenditures for plant and equipment at the end of the period were only 11 percent above expenditures at the beginning of the period.

As the latest issue of Business Week points out, high interest rates have not deterred large corporate borrowers.

> Companies in general—and giant corporations in particular—are the favorite customers of the banks; they are the last to feel the effects of a credit pinch.

The magazine goes on to estimate that corporate borrowing has jumped from an annual rate of increase of 17.7 percent in the calendar year 1965 to an annual rate of increase of 34.9 percent in the month of July 1966. High interest rates then are not yet operating as a significant check to investment spending by the Nation's biggest corporations, although they are severely squeezing home buyers and smaller companies and consumers generally.

Suspension of the investment credit will have a direct impact on investments by large corporations and will succeed where high interest rates have thus far failed. Such action will promote easier conditions in the money market by reducing the demands for loans to finance investments by big corporations. This should permit some easing of interest rates without risk of inflation.

Suspension of the investment credit will not place the entire burden of anti-inflationary policies on business. Under the Tax Adjustment Act of 1966 enacted in March, wage earners and consumers continue to be affected by the increase in tax withholding and by higher excise taxes on automobiles and telephone service. They also continue to be affected by higher social security taxes. On the other hand the impact of the acceleration of corporate tax payments under the Tax Adjustment Act was confined largely to the first half of this year.

In closing, I again wish to commend my distinguished colleague for his timely speech on the problem of high interest rates and the need for a more balanced program of fiscal and monetary policy to restrain inflation. He has made it clear that the toll of increased interest rates is high and rising and that the time to do something about it is now. Otherwise interest rates will go higher and credit to the home buyer and consumer will be tightened further.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

The Senate resumed the consideration of the bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

Mr. DOMINICK. Mr. President, we had been discussing the uninsured motorist fund. I shall speak for 3 more minutes and then I shall sit down.

This is a bill which is being rushed through for no apparent reason. The distinguished Senator from Maryland [Mr. TYDINGS] insisted upon bringing up the bill prior to the Labor Day recess against the protests of some of us, including the Senator from New Hampshire [Mr. MCINTYRE].

The bill is now before us. I cannot see that there is any great reason for the rush on the bill unless it has something to do with the political situation in Maryland. We have been without this bill for a number of years and as desirable as some legislation in this area may be, I cannot see that a few days one way or the other will be too meaningful.

I hope that we will get an improved financial responsibility law, but I do not think we are going to get an improved financial responsibility law by passing the bill which is before us without amendment.

To make the record crystal clear, there is an article in the Washington Post of this morning which was written by a very distinguished reporter who covers the District of Columbia and whom I know—Elsie Carper.

One of the problems we have—those who would try to make some sense out of the bill—is to make sure that everybody knows what the bill will or will not do. In the article it is stated that the fund would be used to compensate District of Columbia residents who are victims of uninsured and insolvent drivers. That is true to a degree only.

It would only take care of District of Columbia residents who happen to be walking on the street at the time the accident happened, and who are uninsured, plus, perhaps, a passenger in an auto hit by an uninsured.

The narrow group which can make claims against the fund is extraordinary. The burden of creating the fund is made a liability on everybody in the District who wants to get insurance or decides to pay $40 instead of getting insurance of any kind.

Mr. President, I yield the floor.

HIGHWAY SAFETY ACT OF 1966—CONFERENCE REPORT

Mr. RANDOLPH. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 3052) to provide for a coordinated national highway safety program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of August 31, 1966, CONGRESSIONAL RECORD, pp. 21353–21356.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. RANDOLPH. Mr. President, the conference report authorizes appropriations for State and local safety programs and Federal highway safety research for the fiscal years 1967, 1968, and 1969.

Though there were a number of relatively minor and superficial differences between the Senate and House versions of S. 3052, there were few basic policy differences, all of which were equitably resolved at the meeting of the conferees on August 30.

The major difference between the two versions was in the separate highway safety program for political subdivisions of the States authorized by the Senate and funded at levels equivalent to those for the State highway safety programs. The conference substitute proposal recommends in one section State and local

programs, to be coordinated through the office of the Governor of each of the States, and funded at levels of $67 million for fiscal 1967, $100 million for fiscal 1968, and $100 million for fiscal 1969, with 60 percent of the funds to be allocated to the State programs and 40 percent to be allocated to local safety programs.

This represents $53 million less than the Senate authorized for these programs and $54 million more than the House authorized.

The other major change between the Senate version and that proposed by the conference substitute is in the deletion of the separate sections providing for driver education and vehicle inspection, and the inclusion of these aspects of the highway safety programs as mandatory features of the State safety programs. To assure State action in the field of highway safety, the conference substitute authorizes the withholding of 10 percent of Federal aid highway funds for failure of a State to comply with this act by December 31, 1968.

Finally, the conference substitute authorizes the establishment of a Highway Safety Agency within the Department of Commerce or the Department of Transportation—if that legislation becomes law—to be headed by an officer appointed by the President with the advice and consent of the Senate. The conferees expect that this agency will administer both the Highway Safety Act and the Traffic Safety Act and that the congressional intent in this respect will be implemented by Executive order of the President.

S. 3052, as recommended by the conferees, represents a major step toward reducing the toll of life and the destruction of property on our Nation's highways, and I wish to commend my colleagues on the Committee on Public Works and particularly the ranking minority member of the committee and the Subcommittee on Roads, the Senator from Kentucky [Mr. COOPER], for the diligent attention that they have given to this urgent matter.

I move that the Senate accept the conference substitute on S. 3052.

The PRESIDING OFFICER. The question is on agreeing to its conference report.

The report was agreed to.

FORMER GOV. JOHN E. DAVIS, OF NORTH DAKOTA, NEW COMMANDER OF AMERICAN LEGION

Mr. YOUNG of North Dakota. Mr. President, I am happy and proud to announce to the Senate that a longtime friend and close associate, former Gov. John E. Davis, of North Dakota, has just been elected national commander of the American Legion.

The election of John Davis as commander of the American Legion together with the previous election of another North Dakotan, the Honorable Lynn U. Stanbaugh, to this position is among the greatest honors that has ever come to the State of North Dakota. Few States have had the honor and distinction of electing two national commanders during the 48 years of existence of this organization, one of the greatest patriotic organizations in America.

Since its origin, the American Legion has been in the forefront of the fight to promote American ideals and national security. This organization and all of its members have been very aggressive in alerting Americans to the dangers of international communism. With its more than 2½ million members, it has exerted a wholesome influence on all Americans in every walk of life, particularly our young people.

I know of no organization that is more respected by Members of Congress or has exerted a greater influence for good. The American Legion has exerted a powerful influence not only in the field of important, necessary, and completely justified veterans legislation, but in almost every area affecting our Nation's welfare and particularly our national security.

Throughout the length and breadth of this Nation, Legionnaires and their auxiliary are among the most highly respected and influential citizens of every community. As a young man in World War II, John Davis distinguished himself on the battlefields of Europe. Since then the new national commander has compiled an outstanding record of service as Governor of North Dakota, commander of the North Dakota Department of the American Legion, and State senator and he is a successful businessman and rancher.

John Davis and his charming, talented, and personable wife, Pauline, will make one of the greatest teams the American Legion has ever had and will lead the organization to even greater achievements.

I cannot let this opportunity pass without paying a tribute also to North Dakota's Jack Williams, dean of the American Legion department adjutants, and the only adjutant that the department of North Dakota has ever had. Jack Williams is the only department adjutant who has successfully sponsored two candidates for national commander of the American Legion. Jack has been ably assisted by some of the finest young veterans in North Dakota who have worked their hearts out for this achievement that we in North Dakota are all so proud of.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EXTENSION OF COVERAGE OF THE STATE TECHNICAL SERVICES ACT OF 1965 TO THE TERRITORY OF GUAM

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1517, S. 2979.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2979) to extend coverage of the State Technical Services Act of 1965 to the territory of Guam.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2(f) of the State Technical Services Act of 1965 (79 Stat. 680) be amended by inserting "Guam," immediately after "Puerto Rico,".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1554), explaining the purposes of the bill.

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

PURPOSE AND NEED

The reported bill would amend the State Technical Services Act of 1965 to include Guam in the definition of "State" and thereby permit that territory to participate in the benefits of the State Technical Services Act. The purpose of the original legislation is to speed industrial and economic growth of the country. The proposed legislation would enable Guam to participate in an improved application of technical and scientific knowledge through this grant-in-aid program.

The committee has determined that the Guamanian economy can be strengthened by upgrading its industries through utilization of advanced technology and that Guam should be in the same position as the Commonwealth of Puerto Rico and the Virgin Islands which already are included in the technical services program. The proposed legislation would accomplish this purpose. The cost of a technical services program for Guam would include up to $25,000 per year for the first 3 years for a nonmatched planning grant program and an additional amount of Federal funds for an annual program which funds must be matched and which would fall within the general authorization limits set by the Secretary of Commerce by regulation. Under existing regulations the Federal share of a Guam state technical services program could be up to approximately $40,000 per year.

STEALING, EMBEZZLING, OR OTHERWISE UNLAWFULLY TAKING PROPERTY FROM A PIPELINE

Mr. HART. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1518, S. 3433.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 3433) to make it a criminal offense to steal, embezzle, or otherwise unlawfully take property from a pipeline.

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 Commerce with an amendment to

strike out all after the enacting clause and insert:

That (a) the first paragraph of section 659 of title 18, United States Code, relating to theft, embezzlement, or other unlawful taking from interstate transportation facilities, is amended (1) by inserting before the word "railroad" the words "pipeline system,", (2) by inserting before the word "station" where it first appears the words "tank or storage facility,", and (3) by striking out the words "or express" and substituting a comma and the words "express, or other property".

(b) The eighth paragraph of that section is amended by adding at the end thereof the following new sentence: "The removal of property from a pipeline system which extends interstate shall be prima facie evidence of the interstate character of the shipment of the property."

(c) The caption of that section is amended to read as follows:

"§ 659. Interstate or foreign shipments by carrier; State prosecutions.".

(d) The item relating to section 659 contained in the chapter analysis of chapter 31, title 18, United States Code, is amended to read as follows:

"659. Interstate or foreign shipments by carrier; State prosecutions.".

SEC. 2. (a) The first paragraph of section 2117 of title 18, United States Code, relating to breaking the seal or lock on any railroad car, vessel, aircraft, motortruck, wagon, or vehicle containing interstate shipments, is amended by (1) striking out the comma after the word "vehicle" where it first appears, and inserting in lieu thereof the words "or of any pipeline system,"; (2) striking out the comma after the word "express", and insertinng in lieu thereof the words "or other property,"; and (3) inserting therein, immediately after the word "vehicle" where it appears the second time, the words "or pipeline system".

(b) The caption of that section is amended to read as follows:

"§ 2117. Breaking or entering carrier facilities.".

(c) The item relating to section 2117 contained in the chapter analysis of chapter 103, title 18, United States Code, is amended to read as follows:

"2117. Breaking or entering carrier facilities.".

The amendment was agreed to.

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

The title was amended so as to read: "A bill to make it a criminal offense to steal, embezzle, or otherwise unlawfully take property from a pipeline, and for other purposes."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 1555) explaining the purposes of the bill.

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

SUMMARY AND COST OF THE BILL

S. 3433 would make stealing, embezzling, or otherwise unlawfully taking property from an interstate pipeline or storage facility a criminal offense under Federal law. As amended by the committee, it would also extend the crime to cases of burglary by making it a crime to break a lock or seal of a pipeline system or to enter a pipeline system with the intent to commit larceny. The bill would give interstate pipelines the same protection that is given to rail carriers, motor carriers, water carriers, and air carriers. The cost of enforcing this bill is not known, although it is not anticipated to be significant.

BACKGROUND AND NEED

The pipeline industry has experienced relatively few problems with thefts from pipelines and pumping stations.

The industry, particularly the oil and oil products pipeline industry, is faced with two problems, however, which they fear may considerably aggravate the theft situation. One problem is the remote location of present and proposed pipelines and pumping stations, which increases the opportunity for theft. The new problem is the increasing trend toward automation. Automation will leave many of the pumping stations unattended at all times since they will be remotely controlled. This will also increase the opportunity for theft from pumping stations.

Pumping stations, which are placed every 50 to 100 miles along a line to maintain the pipeline flow, are particularly vulnerable to thefts. This is so because of the accessibility to and the number of exposed valves and pipes, which are protected only by fencing, lighting, etc. Thefts from pipelines are often made by opening a valve at a pumping station or by welding a valve to the pipe, rupturing the pipe beneath the valve, and controlling the flow by means of the valve. The pipeline products can then be transferred to a nearby vehicle.

Witnesses felt State law was inadequate for a variety of reasons. Often, there is no criminal statute directly applicable to a theft from a pipeline. Local laws may have been drafted to apply to a user who may attempt to bypass a meter, not to professional thieves. In the absence of specific legislation, State authorities often are forced to attempt to prosecute for failing to pay a tax on the sale of an oil product. The remoteness of the lines and stations makes it difficult for local authorities to maintain surveillance. The interstate nature of the product and the interstate sale of stolen products poses serious jurisdictional problems. Expert local investigation facilities may be lacking.

Witnesses felt that making theft or burglary involving an interstate pipeline a Federal offense will prevent a rash of illegal activity in the future. Creation of a Federal offense will itself have some deterrent value. Clear penalties will attach to a defined act of theft or burglary. Perhaps most important the Federal Bureau of Investigation will have jurisdiction to investigate. Their expertise and resources will insure that violations of law are investigated in a thorough manner which will substantially increase the likelihood of apprehension.

AMENDMENTS

S. 3433 as originally introduced applied only to consummated thefts. The Department of Justice recommended several amendments, including one that the bill be extended to cover cases of burglary. Witnesses from the pipeline industry agreed with these several suggestions and the committee incorporated them with one exception. The original bill used the word "tank," and the Department of Justice recommended the words "storage tank." The pipeline company witnesses suggested using the words "tank or storage facility" so as to include underground storage of liquefied gases like propane or butane in salt or shale formations. This broader language was incorporated into the bill.

UNRESOLVED PROBLEMS

The very conditions—remoteness, unattended stations—which make it difficult for the companies to maintain surveillance will not be affected by this bill. Accordingly, even if this bill becomes law, a burden will still fall on the companies to maintain the security of their systems.

In addition, there is the technological problem of measuring small losses from pipelines continuously pumping thousands of gallons of products 24 hours a day. Small losses by theft as opposed to leak or evaporation, may not be easily detectable. The technology to make precises measurements of small amounts does not exist. If such technology is to be developed, it will have to be developed by the companies. Such a development would be of considerable aid to the companies and to the Federal law enforcement officials who may be enforcing this bill if it is enacted.

Since thefts are not a significant problem yet, there is no indication of how many Federal law enforcement personnel might be involved in the enforcement of this bill. The cost of the bill is therefore unknown. Witnesses from the industry have assured the committee that they do not expect a rash of cases.

USE OF FILM "JOHN F. KENNEDY—YEARS OF LIGHTNING, DAY OF DRUMS" FOR POLITICAL PURPOSES

Mr. MUNDT. Mr. President, along with many of my colleagues in the Senate, I have been quite concerned about the unfortunate affair which has centered upon the use of the film "John F. Kennedy—Years of Lightning, Day of Drums" for a contemplated partisan political purpose in Milwaukee, Wis., by a candidate who is running for the congressional seat presently held by Representative GLENN R. DAVIS. There is some assurance that this disturbing incident is in the process of being resolved in a satisfactory manner. According to yesterday's statement by Mr. Roger L. Stevens, Chairman of the Board of Trustees of the Kennedy Center:

> When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned.

By this, I understand that the film will not be shown in Milwaukee on September 28 under the auspices of a political organization for the purpose of fundraising. It is my further understanding there will be no further or future authorizations for the political use of this fine film.

Quoting from the statement of Mr. Stevens:

> Embassy Pictures Corp., which is distributing the film in commercial theaters, a service for which it has waived all distributor's fees, has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partisan political activity or candidate.

In these circumstances, it would appear that the clear and useful light of publicity has prevented what otherwise would be a flagrant violation of the intent of Congress.

I want to take this opportunity to congratulate Representative DAVIS of Wisconsin for his diligence in bringing this matter to the attention of the country, because I would now hope that, from what has been disclosed and discussed and from the publicity, occurrences of this nature, such as has occurred in Milwaukee, Wis., directly in opposition

to the purport and purpose of the legislation enacted by Congress, will not again occur.

We cannot, however, merely close the book on this very unfortunate affair without making some observations, or without drawing some conclusions to guide our future actions.

The first point I wish to make in this regard is that, on the basis of the information available to me, the U.S. Information Agency appears to be blameless with respect to this affair. Those of us in the Senate who had many reservations about authorizing legislation to permit the Kennedy film to be shown domestically were particularly concerned about the role of the USIA. And in Senate Joint Resolution 106 it was made completely clear that the Agency should play no role in the distribution of the film and should not have anything to do with any financial returns its use would bring *in this country*.

The original legislation establishing the Agency, commonly referred to as the "Smith-Mundt Act," provides most explicitly that the USIA should play no information role whatsoever within the United States and its territories. Thus, the Senate resolution directed the Agency in precise terms to transfer certain copies of the film to the Kennedy Center for a specified purpose and price. The center was given the exclusive right to distribute it through commercial and educational media for viewing within the United States.

Furthermore, the USIA was not placed in a position to have anything to do with the proceeds of any showings of the film; it was provided that these would be covered into the Treasury for the benefit of the Kennedy Center.

Consequently the USIA was given a precisely limited task, and I believe we can be satisfied that the Agency performed the task ascribed it by the Congress in a straightforward and proper manner.

We are informed by the Agency that its licensing agreement with the Kennedy Center exactly followed the directives of the Congress and referred clearly to both the letter and spirit of the resolution. Therefore, I take this opportunity to state my firm belief that the USIA should not be the target of any criticism arising from the intended misuse of the film.

It may be that some of the criticism should be directed toward the arrangements made after the USIA completed its assignment role. But I do not believe we are fully conversant with all the circumstances as yet, and it does seem that final judgment should be withheld for the moment.

Frankly, I had anticipated that the language of the resolution, along with the legislative history contained in the Senate and House reports, would have prevented any loopholes being found in carrying out the will of the Congress. This does not seem to have been the case.

As we all know, it is extraordinarily difficult for legislation to provide against every conceivable contingency that might arise or might be contrived. In this case, as in others, it appears that we must rely on the good faith of those involved, and on the performance by the American press of its vital function in shedding light in all corners of our society, and on the diligence and alertness of such persons as Representative DAVIS in having violations of the intent of Congress promptly and properly brought to the attention of the country. Should other such violations unhappily occur I hope the people and the press of America will expose them promptly. The extreme course of revoking the joint resolution does not appear to me to be required in this instance.

However, Mr. President, I believe that this regrettable incident should serve as a very useful warning to us in the Congress in the future. At a minimum, I think we should be extremely skeptical in our dealing with any such proposal that might again come before us for action. Whatever the justification for releasing this Kennedy film domestically may be, and whatever the benefits that may accrue, the doubts of those of us who displayed concern about the joint resolution have been fully confirmed.

Inasmuch as it has already involved the USIA in a controversy, I hope my remarks this afternoon and the facts as they are disseminated throughout the country will serve to protect the USIA from the unjust criticisms which have been made against it.

I do not think that we can afford to place the activities and reputation of the U.S. Information Agency under a cloud, no matter how small a one and no matter what the supposed merits of the case. In this instance, I strongly believe that no such shadow has been cast. But I am equally convinced that there should be no repetition of this kind of affair.

I have confidence and hope that the directors of the Kennedy Foundation will recognize the good-faith commitment which was implicit in the sale of this film to them, for educational and cultural purposes and to help finance the activities of the foundation. They have the direct responsibility for preventing violations of this good-faith commitment.

Mr. McGOVERN. Mr. President, will my colleague yield to me?

Mr. MUNDT. Yes, I am happy to yield to my colleague from South Dakota, who, together with the Senator from Rhode Island [Mr. PELL], was the original author, I believe, at least as far as the Senate was concerned, of the resolution in question.

Mr. McGOVERN. I thank my senior colleague for the remarks he has made here today. He not only played a part in the original formation of the Voice of America and the USIA activities, but he was one of those who had the foresight to ask that certain guidelines be laid down and precautions taken on the handling of this film, to prevent the very sort of development that has occurred in the last few days from taking place.

Mr. President, as a principal author of legislation enacted by the Congress last year to authorize domestic distribution of the stirring USIA memorial film on the White House years of the late President John F. Kennedy, I deeply regret newspaper reports that a Democratic congressional candidate in Wisconsin had planned to use the film to raise funds for his political campaign.

I am very pleased to learn this morning, however, that the following statement on this matter was issued yesterday by Mr. Roger L. Stevens, chairman of the board of trustees of the John F. Kennedy Center for the Performing Arts:

> The documentary film depicting the life of the late President Kennedy was produced by the United States Information Agency for distribution abroad. Because of the great interest shown in the film abroad, Congress authorized the distribution of the film in commercial theaters in the United States, the proceeds to go to the John F. Kennedy Center for the Performing Arts, now under construction in Washington. Congress stipulated that the film not be used for partisan political purposes.
>
> In Milwaukee, Wisconsin, arrangements were made for the showing of the film under the sponsorship of a local political organization. The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned. Embassy Pictures Corporation, which is distributing the film in commercial theaters, a service for which it has waived all distributors' fees, has reaffirmed instructions to all motion picture theaters that showing of the film cannot be connected with any partisan political activity or candidate.

Mr. President, this is a most welcome statement. For it is absolutely clear that such a use of the film would directly violate the unequivocal intent of the Congress in enacting Senate Joint Resolution 106.

In reporting the resolution favorably to the Senate floor, the Senate Foreign Relations Committee said, and I quote:

> The committee agreed that there should be no partisan political considerations in the arrangements made for distributing the film in the United States and that there should be no showing of the film, as at a political convention for example, which would serve a partisan political purpose.

In its report, the House Committee on Foreign Affairs said, and again I quote:

> Nonpartisanship should be the rule in all arrangements for its distribution in this country. The film ought not to be used, for example, for partisan political fundraising.

Mr. President, there can be absolutely no doubt as to the congressional intent on this point. The legislative history is not open to any interpretation that would permit the use of the film to raise funds for a political campaign.

The resolution was enacted by the Congress in order that millions of American citizens might be able to see this excellent film on our late President without any political considerations whatsoever. Partisan use of the film was clearly ruled out.

It should be made clear that USIA is in no way involved in this controversy. Under the legislation passed by the Congress, USIA was simply authorized to transfer to the trustees of the John F. Kennedy Center for the Performing Arts six master copies of the film, and the exclusive rights to distribute copies through educational and commercial media in the United States. The reso-

lution required the center to reimburse the U.S. Government $122,000 to cover the Government's cost of producing the film.

I ask unanimous consent that certain newspaper articles regarding the unfortunate incident in Milwaukee be printed at this point in the RECORD, together with the Senate committee report.

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

[From the Washington (D.C.) Star, Aug. 31, 1964]

DEMOCRAT DEFENDS HIS USE OF J.F.K. FILM AS FUND-RAISER

(By Robert Walters)

A Milwaukee Democrat today defended his plan to raise funds by showing the government-produced movie, "John F. Kennedy—Years of Lightning, Day of Drums."

But a spokesman for the Kennedy Center for the Performing Arts here, which has been given rights to the film, charged that "it's completely illegal."

The political showing of the Kennedy documentary was questioned yesterday in a House speech by Rep. GLENN R. DAVIS, R-Wis., who said Democrat James P. Buckley planned to use the film for fund-raising purposes. Buckley is seeking the Democratic nomination to run against DAVIS.

Buckley, told of DAVIS' attack, said he'll go ahead with his plan.

DAVIS cited a newspaper story which said the film would be shown Sept. 28 at a Milwaukee theater to benefit the "Buckley for Congress Club." The story described the screening as the film's Midwest premiere and said general admission would cost $5 and reserved tickets $25.

DAVIS said that during the congressional debate last year on distributing the film domestically, both the House and Senate committees involved insisted that it not be used for political purposes.

The picture, a documentary on the life and death of the late President, was made by the U.S. Information Agency, originally for distribution abroad.

DAVIS told the House yesterday that "it is apparent that the USIA has collaborated in a purely partisan political venture, or that the agency has been hoodwinked."

Rights to domestic distribution of the film were sold last year by the USIA to the Kennedy Center, which plans to use income derived to help finance its cultural programs.

The Kennedy Center spokesman said that distribution of the film was being handled by Embassy Pictures, Inc., of New York with all proceeds beyond distribution costs to be turned over to the cultural center.

An Embassy Pictures official said the film would open in theaters throughout the country later this month, but declined to comment on the controversy over political use of the movie.

Buckley, however, said both Embassy Pictures and the local theater "specifically authorized the showing for this purpose. My manager met with them because we wanted to make it crystal clear that we would be using it for fund-raising."

Buckley said "an as-yet unspecified contribution"—which would probably amount to 5 or 10 percent of the profit—would be made by him to the Kennedy Center, but added that "the bulk of the profits will go to my club."

Buckley said "DAVIS is creating a political issue" and challenged the Republican to make a contribution to the Kennedy Center.

Buckley said the film was originally offered to the Milwaukee County Democratic party for its fund raising. The organization offered him the chance to use it, Buckley said.

[From the Washington (D.C.) Post, Sept. 1, 1966]

MILWAUKEE FACTION WITHDRAWS PLAN TO USE KENNEDY FILM

Milwaukee Democrats dropped plans yesterday for a benefit showing of a USIA film on the presidency of the late John F. Kennedy after their sponsorship became a national hot potato.

The local Democrats, members of a committee backing the candidacy of James P. Buckley for Congress, were planning to use the proceeds from the Sept. 28 Milwaukee premiere of the film—"Years of Lightning, Day of Drums"—to finance Buckley's campaign.

Buckley's opponent, incumbent Rep. GLENN R. DAVIS (R), charged Monday that use of the film for partisan fund-raising "brazenly disregards" Congressional intent to keep things non-political when it approved domestic distribution of the film last year. Committees in both Houses had specified that the documentary should not be used for "partisan fund-raising."

DAVIS' blast sent everyone scurrying for an explanation, including Roger L. Stevens, chairman of the John F. Kennedy Center for the Performing Arts, which under the Congressional resolution receives all proceeds from the film's distribution.

After touching bases with Embassy Pictures, which is distributing the film, the Stanley-Warner Corporation, owners of Milwaukee's Capitol Court Theater where the film is to be shown, and Sen. EDWARD (TED) KENNEDY, who was said to be quite exercised about the whole thing, Stevens announced:

"The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to his attention, the sponsoring group withdrew its request and its ($500) deposit was returned."

Furthermore, he added, "Embassy Pictures Corp. has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partisan political activity or candidate."

The "theater owner" he was talking about is Harry Mintz, regional manager in Milwaukee for Stanley-Warner. Mintz told The Washington Post yesterday that he was looking for sponsorship for the film's premiere so he quite naturally offered it to the Democratic County organization "because the picture was about a Democrat."

According to the deal they worked out, Mintz said, the theater would get $2,014, equivalent to a full-house sale at regular prices, the Kennedy Center would get about half of that, and the Democrats could keep the profits from the $5 to $25 ticket sales.

"I don't see anything wrong with that," said Mintz. "It would have brought more revenue to the Kennedy Center than if it were unsponsored and we only filled half the house. If it was Eisenhower I would have gone to the Republicans."

As things stand now, the Kennedy film will be on schedule and nonpartisan.

USIA FILM "JOHN F. KENNEDY—YEARS OF LIGHTNING, DAY OF DRUMS"

PURPOSE OF LEGISLATION

The resolution expresses the sense of the Congress that the people of the United States should not be denied an opportunity to see the film prepared by the U.S. Information Agency (USIA) and entitled "John F. Kennedy—Years of Lightning, Day of Drums." It authorizes USIA to transfer to the trustees of the John F. Kennedy Center for the Performing Arts six master copies of the film, and the exclusive rights to distribute copies thereof, through educational and commercial media for viewing within the United States. The resolution requires that at the time delivery of these master copies of the film, the John F. Kennedy Center for the Performing Arts will pay the Treasury $122,000 to reimburse the U.S. Government for its costs in producing the film. The resolution further provides that the net proceeds resulting from the distribution of the film by the John F. Kennedy Center for the Performing Arts will be covered into the Treasury for the benefit of the Center and will be available to the trustees of the Center for use in carrying out the purpose of the act authorizing the Center. Finally, the resolution provides that any documentary film which has been, is now being or is hereafter produced by any Government department or agency with appropriations out of the Treasury concerning the life, character, and public service of any individual who has served or is serving in any official U.S. Government capacity will not be distributed or shown in the United States unless authorized by specific law.

BACKGROUND

After the assassination of the late President John F. Kennedy, USIA produced a color motion picture entitled "John F. Kennedy—Years of Lightning, Day of Drums." The film was released in the fall of 1964 and has been distributed in 117 foreign countries. USIA has also distributed, or is in the process of preparing for distribution translations of the film in 29 foreign languages. According to press reports, and the reports of U.S. representatives abroad, the film has been received enthusiastically by foreign audiences.

Section 501 of the United States Information and Educational Exchange Act of 1948, as amended, (Public Law 80-402) provides that the output of USIA shall be made available for examination by Members of Congress as well as by representatives of the press and of other communications media. This provision was included in the law in order to assure that the output of USIA would be subject at all times to scrutiny by responsible persons outside the agency. Under this provision, the film has been shown to a limited number of people within the United States. The film has also been shown in Boston, Mass., at the dedication of the Boston Civic Memorial Center on February 22, 1965, pursuant to House Current Resolution 282, and in Cambridge, Mass., at the 25th class reunion of the Harvard class of 1940, pursuant to House Concurrent Resolution 426.

It has not, however, been shown to the public at large in the United States. Section 2 of the United States Information and Educational Exchange Act of 1948, as amended, states, that USIA is—"to disseminate abroad information about the United States, its people, and policies * * *."

Section 501 of the same act contains similar language limiting USIA's activities to disseminating information about the United States *abroad*. It was clearly the intent of Congress when the act was passed, an intent that has been reaffirmed frequently since, that USIA should not disseminate information domestically.

COMMITTEE ACTION

At executive sessions on March 3 and 16, 1965, the committee considered three resolutions relating to the showing of the film in the United States. These resolutions were Senate Concurrent Resolution 4, which had been introduced in the Senate on January 6, 1965, by Mr. MCGOVERN; Senate Joint Resolution 8 which had been introduced in the Senate by Mr. PELL also on January 6, 1965; and House Concurrent Resolution 285 which had been introduced in the House on February 10, 1965, passed by the House by a vote of 311 to 75 on June 9, 1965 and placed on the Senate Calendar on June 10, 1965.

All three of these resolutions expressed the sense of the Congress that the people of

the United States should not be denied an opportunity to view the film and that USIA should make appropriate arrangements to make the film available for distribution through educational and commercial media for viewing within the United States. Senate Concurrent Resolution 4 also provided that the net proceeds resulting from showing the film would be contributed to the John F. Kennedy Center for the Performing Arts. Senate Joint Resolution 8 provided that these proceeds would be covered into the Treasury for the benefit of the Center. House Concurrent Resolution 285 made no mention of the disposition to be made of the proceeds resulting from showing the film. The committee reached no decision on these resolutions at the two executive sessions in March.

The committee met again in executive session on August 24 to consider House Concurrent Resolution 285. While the committee decided that the people of the United States should not be denied an opportunity to see the film, the committee considered it important that it be made clear that no precedent would be established which might encourage USIA to turn from its assigned task of conducting information activities abroad to disseminating information at its discretion in the United States. The committee also decided that the commercial distribution of the film in the United States should be taken out of the hands of USIA; that the net proceeds resulting from showing the film in the United States should be made available to the John F. Kennedy Center for the Performing Arts; and that the Center should pay $122,000 for six master copies of the film, and the exclusive rights to distribute copies thereof within the United States, in order to reimburse the U.S. Government for its expenditures in producing the film. In addition, the committee concluded that the authority to allow the showing of the film in the United States under the conditions described above should be by joint resolution having the force and authority of law rather than by House Concurrent Resolution 285 which would merely express the sense of the Congress. It thus decided not to recommend favorably House Concurrent Resolution 285 and to report in its place an original Senate joint resolution.

The committee agreed that there should be no partisan political considerations in the arrangements made for distributing the film in the United States and that there should be no showing of the film, as at a political convention for example, which would serve a partisan political purpose.

Mr. MUNDT. I thank my colleague for his informative statement. He will recall, as the original author of the legislation—I believe Senator PELL was the author of a somewhat similar resolution—that when it came before the Committee on Foreign Relations, I, as author of the Smith-Mundt Act, which had created the U.S. Information Agency, was assigned by the chairman of the committee some special responsibilities in connection with the legislation. We all—the members of the committee, the sponsors of the legislation, my colleague, and the Senator from Rhode Island—were moving in the same direction. We wanted to make this film available. It was about the life and contributions of a martyred President; it was not likely to create a precedent, but still, something had to be done, through legislative legerdemain, to make sure that we were neither creating a precedent nor violating existing law.

So we had a subcommittee appointed, which as I recall was comprised of the Senator from Rhode Island [Mr. PELL], who was a member of the committee, myself, as a member of the committee as chairman, and my colleague [Mr. MCGOVERN], as a nonmember of the committee, sitting with the subcommittee to help write out the legislation, because he was the original author.

We had a number of meetings, over several months, and worked out what we thought was an ironclad understanding. The committee made very minor modifications, as I recall, in the recommendations of our subcommittee, and wrote the report from which my colleague has quoted. So there was no question about the good-faith commitments all around. There was no question, as he and I agreed, but that USIA performed its part of the function in strict conformity with the legislation.

Mr. President, I ask unanimous consent that the statement referred to by Mr. Roger Stevens, and an article entitled "USIA's Film on Kennedy Booked in Political Drive," written by George Lardner, Jr., and published in the Washington Post, be printed in the RECORD at the conclusion of my remarks, because they confirm what we have stated here today.

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

(See exhibit 1.)

Mr. MUNDT. I might add just one further statement. My colleague has quoted from the Senate report. The House report contained the following language, on the same bill:

> The film ought not to be used, for example, for partisan political fundraising.

So, of course, the Milwaukee incident was in direct violation of that mandate in the report of the House committee.

I am glad this attempted violation has been abandoned. I have every reason to believe we will not have a recurrence. I think it would be a shameful thing if understandings arrived at in good faith commitments made by committee reports and in the legislative history should be violated because of the fact that, legislatively, it is relatively difficult and perhaps impossible to bind the eventual use of a film which is to be distributed by some commercial agency.

But the understanding is there, and the Kennedy Foundation has the power, the authority, and the responsibility to act precisely as Mr. Roger Stevens has acted in this case. I commend him for taking that prompt action, and hope that he will properly instruct the Embassy Distributors, so that they do not arrange, again, for a violation of what is the definite legislative understanding in connection with this action involving a foreign information film produced solely for foreign viewers and totally at our taxpayers' expense.

Mr. WILLIAMS of Deleware. Mr. President, will the Senator yield?

Mr. MUNDT. I am happy to yield to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I join the Senator from South Dakota in the remarks he has just made, and I point out that not only was it the intent of Congress that this film not be used for partisan politics, but the law itself so provided. I quote from the CONGRESSIONAL RECORD of August 26, 1965, at the time the resolution was agreed to:

> Senate Joint Resolution 106, the resolution before us today, authorizes USIA to transfer to the trustees of the John F. Kennedy Center for the performing Arts six master copies of the film, and the exclusive rights to distribute copies thereof, through educational and commercial media for viewing within the United States.

The comments of Senator MCGOVERN, from which I have quoted, continue to the effect that any moneys derived from this would accrue back to the treasurer of the Kennedy Foundation.

I think whoever made this decision was certainly perfectly well advised, and should be taken to task and lectured in no uncertain terms that if it happens again, he may find himself out of a job.

Mr. MUNDT. I thank the Senator for his contribution. He also is a member of the Committee on Foreign Relations, and will recall the considerable time devoted to this issue by our committee, purely in the effort to achieve the worthwhile purposes of the authors of the legislation, without doing violence to the concept that there should be no governmentally subsidized propaganda programs inside the United States.

I hope that this discussion will help to cement the understandings which prevail in this case. Let us have no more attempts to play partisan politics with this film which was made available by USIA through an action of Congress specifically devised to prevent precisely such political shenanigans.

EXHIBIT 1

From: Thomas J. Deegan Company, Inc., 602 Ring Building, Washington, D.C.

For: John F. Kennedy Center for the Performing Arts, 1701 Pennsylvania Avenue NW., Washington, D.C.

For immediate release:

WASHINGTON, D.C., August 31, 1966.—Roger L. Stevens, Chairman of the Board of Trustees of the John F. Kennedy Center for the Performing Arts, issued a statement today in response to inquiries regarding the distribution of the film, "Years of Lightning, Day of Drums," to commercial theaters in the United States.

Mr. Stevens said:

"The documentary film, depicting the life of the late President Kennedy, was produced by the United States Information Agency for distribution abroad. Because of the great interest shown in the film abroad, Congress authorized the distribution of the film in commercial theaters in the United States, the proceeds to go to the John F. Kennedy Center for the Performing Arts, now under construction in Washington. Congress stipulated that the film not be used for partisan political purposes.

"In Milwaukee, Wisconsin, arrangements were made for the showing of the film under the sponsorship of a local political organization. The theater owner in Milwaukee understood that he should not restrict attendance at the theater in any way. When the provisions of the legislation were brought to its attention, the sponsoring group withdrew its request and its deposit was returned. Embassy Pictures Corporation, which is distributing the film in commercial theaters, a service for which it has waived all distributor's fees, has reaffirmed instructions to all motion picture theaters that showings of the film cannot be connected with any partisan political activity or candidate."

USIA's FILM ON KENNEDY BOOKED IN POLITICAL DRIVE

(By George Lardner Jr.)

A Wisconsin Democrat acknowledged yesterday that he was using the U.S. Information Agency film, "John F. Kennedy—Years of Lightning, Day of Drums" to help finance his campaign for Congress.

The candidate, James P. Buckley, said he expected to use most of the profits from the film's "Midwest premiere" to unseat incumbent Rep. GLENN R. DAVIS (R-Wis.).

In approving domestic distribution of the film last year, both the House Foreign Affairs Committee and the Senate Foreign Relations Committee had said the film should not be used "for partisan political fund raising" or for "a partisan purpose."

DAVIS complained about the proposed Sept. 28 Milwaukee showing in a House speech yesterday.

He said it "brazenly disregards" the strictures of the congressional committees.

In a telephone interview, Buckley made no secret of his plans for the proceeds. But he contended he was on safe legal grounds.

Tickets for the showing at Milwaukee's Capitol Court theater are being sold at $5 a head for general admission and $25 each for reserved seats by the Buckley for Congress Club.

Buckley, who is chief clerk of the Wisconsin State Assembly, said the Club "got the film from the (Milwaukee County) Democratic Party."

He said his Club would keep 60 per cent of the profits and split the rest between the Milwaukee County Democratic organization ("5 or 10 per cent") and the John F. Kennedy Center for the Performing Arts in Washington ("30 or 35 per cent").

In the joint resolution approving domestic distribution, Congress said that "the net proceeds resulting from any such distribution" should go to the Kennedy Center.

"The word, 'distribution,' that's the kicker," Buckley said. "Sure, this is partisan political fundraising. But the profits from the distribution of the film (as distinct from its showing) will not be affected at all."

The "distribution profits," Buckley reasoned, would be represented by the $2014 his Club is paying to rent the theater and show the film. Any additional payment to the Kennedy Center, he argued, would represent a "contribution" that the Buckley Club can determine as it wishes.

In his House speech, DAVIS pointed an accusing finger at USIA for the arrangement, but a USIA spokesman said the Kennedy Center's trustees had complete charge of domestic distribution.

Roger Stevens, chairman of the Kennedy Center trustees, could not be reached for comment. Neither could Embassy Pictures head Joseph E. Levine.

Meanwhile, it was learned yesterday that the film will virtually tiptoe into Washington on the evening of Sept. 21 for a 5-week run at the Uptown Theater. Kennedy Center officials, said to be anxious to avoid any commercial taint in the Capital city, vetoed requests by three non-political groups to sponsor the premiere.

As in New York last April, the film will make its debut here with none of the usual black-tie, kleig-light fanfare of major screen openings. Tickets will be on an unreserved, first come, first-served basis.

Mr. MUNDT. Mr. President, I yield the floor.

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. 3078) for the relief of Lourdes S. "Delotavo" Matzke.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4665) relating to the income tax treatment of exploration expenditures in the case of mining.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 3005. An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce the deaths and injuries occurring in such accidents;

S. 3052. An act to provide for a coordinated national highway program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes;

H.R. 4665. An act relating to the income tax treatment of exploration expenditures in the case of mining;

H.R. 13284. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

H.R. 15858. An act to amend section 6 of the District of Columbia Redevelopment Act of 1945 to authorize early land acquisition for the purpose of acquiring a site for a replacement of Shaw Junior High School.

EMERGENCY ACTION TO HALT DESTRUCTION OF CALIFORNIA REDWOODS

Mr. KUCHEL. Mr. President, with a great amount of pride, I read to the Senate a press release which has just came over the ticker:

WASHINGTON.—President Johnson, in an unusual move, today asked Congress for emergency legislation to halt the cutting of timber in the proposed California Redwoods National Park.

Interior Secretary Udall told newsmen that Johnson directed him to send the measure to the House and Senate to forestall cutting by a California lumber company. The Cabinet officer said the cutting threatened to destroy much of the proposed 46,000-acre park.

The bill would ban for one year any further chopping of the redwoods, while Congress has time to act on pending legislation which would set the area aside as a national Park. The lumber company, Udall said, would retain "the right to go into court and receive just compensation."

The lumber firm involved is the Miller Redwood Company, of Crescent City, Calif. Udall made public an exchange of letters with Harold Miller, who heads that company, in which the secretary accused the firm of "an outrageous public-be-damned, conservation-be-damned approach to this whole issue."

Udall charged that the company's location of logging operations "along the state park boundary and in other key spots is, in reality, a spite cutting action designed to destroy the great trees whose preservation is the main purpose of a park in the Mill Creek Watershed."

What a tremendous thing it is for the people of the United States that the President should send to the Senate this request for emergency legislation under which the United States would acquire an easement against cutting for a year to give Congress an opportunity to face up to the high need of acquiring, by law, a Redwood National Park.

Mr. President, I am authorized to say that the term of the easement would run until, October 15, 1967, and that the Government will undertake a campaign under which private subscriptions may be made by the people of this country to pay Miller-Rellim Redwood Co. just compensation for that eastment hopefully it will not cost the American taxpayer a penny.

I was highly honored earlier this year to introduce, along with Senators on both sides of the aisle, legislation recommended by the President to create a Redwood National Park in northern California.

I accompanied members of the Senate Parks and Recreation Subcommittee earlier this year to Crescent City, Calif., where we held 2 days of hearings. We went over the area by helicopter. We saw there trees that were hundreds of years old. Indeed, some of the trees which would be included in this park trace their history back more than 2,000 years ago.

What a tragic thing it was to find in Crescent City that the president of this one lumber company which owns part of the virgin tract designated to be a park for the American people had placed his saws and bulldozers and axes into the very pathway of the proposed park.

The president of that lumber company was accused at that time by people representing the respected conservation groups of this country of performing that act in order to destroy the value of the company's property for a park for the American people.

It was subsequently brought out that this company refused to permit representatives of the Government of the United States onto the property to take pictures and view the cut over areas.

At a subsequent hearing on this very matter, several days ago in Washington, I asked Mr. Miller, the president of Miller-Rellim Redwood Co., whether in the future his policy would be the same, to deny an opportunity not only to the public, but also to representatives of the Federal Government to visit the properties. Mr. Miller said that in the future his past policy, of putting up a "keep out" sign would be changed.

I have spoken on this subject in the Senate a number of times. Within the last 24 hours I have written a letter to the President of the United States expressing my respectful hope that he might publicly urge the Miller-Rellim Redwood Co. to stop its spite cutting.

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

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

SEPTEMBER 1, 1966.

President LYNDON B. JOHSON,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: I was proud this spring to sponsor, along with other Senators, Republicans and Democrats alike, legislation which you recommended to create a Redwood National Park in northern California. After hearings on the legislation, it is even more evident to me that the creation of a great Redwood National Park is completely in the public interest.

I deeply regret that in recent months Miller-Rellim Redwood Company has moved its saws and axes into a magnificent stand of virgin redwoods which it owns within the proposed park boundaries. At a hearing a few days ago, the company's president admitted that it is now cutting along the south edge of the Jedediah Smith State Park.

Experts in your Administration and conservationists have advised me that it would be feasible for Miller-Rellim to log its tracts outside the proposed park boundaries. On the basis of that advice, I have endeavored to persuade the company to move its operation while legislation is pending before Congress. The company has ignored the earnest entreaties of Secretary Udall and myself, and it abruptly broke off discussions with Secretary Udall which we had hoped would bring an end to the progressive destruction of the park quality of Miller-Rellim's property.

I most respectfully request that you publicly urge Miller-Rellim Redwood Company to stop its "spite cutting" immediately, and to move its logging operation, until Congress has had ample time to consider the bill which you have recommended.

If the company does not desist, by the time a park can be created and the Miller-Rellim land acquired, the area will be terribly scarred.

With great respect,
Sincerely yours,

THOMAS H. KUCHEL,
U.S. Senator.

Mr. KUCHEL. The President has done even more than I had asked. The President has asked Congress to take action on an emergency basis. I will introduce that legislation as soon as it is transmitted to the Senate.

I hope that, in a spirit of complete unpartisanship, the Senate and the House of Representatives will speedily approve that legislation and send it to the President, so that this area of virgin redwood growth in California will be protected pending action in the next session to create a Redwood National Park.

THE MAJESTIC REDWOODS—"SILVICAL CHARACTERISTICS OF REDWOODS"

Mr. KUCHEL. Mr. President, since the redwood pot began to boil, the Sequoia sempervirens has become the most talked about tree in the country. Yet most of us do not know who discovered this giant redwood, its principal enemy, or characteristics of its growth.

These, and many other facts, are contained in a research report on the life history and growth characteristics of the coast redwood, published recently by the U.S. Forest Service Experiment Station in Berkeley, Calif. The report, entitled "Silvical Characteristics of Redwoods," was written by Douglass F. Roy, a forestry graduate of the University of California and for many years with the U.S. Forest Service. It is an excellent and highly interesting report which I commend most highly.

According to the report, the first white man's sighting of redwood was by the Don Gaspar de Portola Expedition on Tuesday, October 10, 1769, near the present location of Santa Cruz, Calif. No one recognized the tree so they named it redwood for the color of its bark. The genus was later named Sequoia, for Sequoyah, a Cherokee Indian. No one knows why.

Fire is the worst enemy of redwood. Young stands can be destroyed by a single ground fire, but older trees may live through three or four severe fires every hundred years because of the thick bark which protects the tree. This covering has been known to be a foot thick. Fire often damages mature redwoods and opens the way for rot; the combination of recurring fires and advancing decay produces large holes at the base of the trees called goose pens.

Roy's report also reveals that:

Redwoods are native only to a narrow strip along the west coast of California and Oregon. Their range extends northward from the Santa Lucia Mountains of southern Monterey County to the Checto River in extreme southwest Oregon.

Redwoods grow taller than any other tree in the world, and are second in bulk only to the giant sequoia of the Sierra Nevada.

Redwoods are long lived, the oldest, by actual ring count, is just under 2,200 years. They mature at the ripe old age of 400 to 500 years.

Few pure stands of redwood exist; these only on the best sites, usually moist river flats and gentle slopes below 1,000 feet.

Redwood grows best on alluvial flats where successive floods have built up sediment deposits. In one area the ground level had been raised 11 feet in 700 years. The trees adapt themselves by originating new and higher root systems.

The tree thrives, not especially on the heavy rainfall of the north coast, but on the frequent summer fogs which blanket the region.

A special feature of redwood is its ability to produce burls, or growths of beautifully grained wood along the trunks of the tree. The cause of burls is unknown. The largest ever recorded was 75 feet in circumference and contained 30,000 board feet of wood.

Redwood produces abundant seed crops, but the seeds have inefficient wings which limit seed dispersal considerably. Pending more experimental work, openings in timber harvest areas should be limited to 20 acres when natural regeneration is planned.

After redwood stands are logged, some of the less tolerant or sprouting plants increase greatly in abundance. The greatest change in the flora of cutover sites is caused by the invasion of many species found rarely, if at all, in the virgin forest. Thirty-one plant species are listed which are found only in cutover areas and not in virgin stands.

The Pacific dogwood, elderberry, fivefinger fern, deer fern, monkey flower, and more than a dozen other species important in virgin redwood stands are seldom, if ever, found in cutover areas.

Redwoods require a great deal of soil moisture for survival, possibly because they have no root hairs. The trees also have no taproots. Without taproots for anchors, middle-aged trees are rather susceptible to blowdown, but a combination of wet soil and high winds is usually required for signicant damage.

AMENDMENT OF SECTION 502 OF MERCHANT MARINE ACT, 1936, RELATING TO CONSTRUCTION DIFFERENTIAL SUBSIDIES—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2858) to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Aug. 18, 1966, CONGRESSIONAL RECORD, p. 19903.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MAGNUSON. Mr. President, there was no real substantial disagreement between the two Houses. This bill would merely extend the Merchant Marine Ship Construction Subsidy Act at 55 percent of the construction cost compared to foreign costs.

I ask unanimous consent to have printed at this point in the RECORD a statement by the management of the bill.

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

The Senate bill extended for 1 year to June 30, 1967, the authority of the Secretary of Commerce to make construction differential subsidy payments on new merchant vessel construction.

The House amendment extended such authority of the Secretary for a 2-year period to June 30, 1968.

The conferees determined that a 2-year extension would be in the public interest at this time and therefore the Senate receded from its disagreement to the amendment of the House.

Mr. MAGNUSON. The Senator from Ohio [Mr. LAUSCHE] is opposed to the conference report. I yield to the senior Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Senator from Washington has stated my position. I disagreed with the decision reached by the conferees. I believe all the other conferees subscribed to the judgment just reported to the Senate by the Senator from Washington.

Mr. MAGNUSON. I thank the Senator from Ohio.

Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

DISTRICT OF COLUMBIA MOTOR VEHICLE UNSATISFIED JUDGMENT ACT

The Senate resumed the consideration of the bill (H.R. 9918) to amend the Fire and Casualty Act and the Motor Vehicle Safety Responsibility Act of the District of Columbia.

Mr. TYDINGS. Mr. President, I am advised by the distinguished assistant minority leader—and he will correct me if I am wrong—that the pending business, H.R. 9918, will not come to a vote this afternoon and that the Senator from Vermont [Mr. PROUTY] is prepared to ask for a live quorum if I press for third reading.

Mr. KUCHEL. As the Senator knows, regrettably, some of our colleagues are absent. I have been requested, in the absence of the Senator from Vermont, who is serving now on a conference committee, to ask the Senator from Maryland that this matter be continued—in other words, that no further action be taken today which would result in final passage or in the consideration of amendments.

Mr. TYDINGS. Am I correct in my assumption that if I attempted to press for third reading, the Senator would ask for a live quorum?

Mr. KUCHEL. The Senator is correct.

Under those circumstances, Mr. President, I believe that the public interest would best be served by having at least 51 Senators present and ready to proceed.

Mr. TYDINGS. In view of that, Mr. President, I think it is obvious that we will not reach a vote on H.R. 9918 tonight. There will be a pro forma session tomorrow, and on Tuesday next, the civil rights bill will be called up—or at least a motion to that effect will be offered.

I should like to ask unanimous consent that H.R. 9918 be made the pending business immediately upon conclusion of action upon the civil rights legislation.

Mr. DOMINICK. Reserving the right to object, Mr. President, the Senator from Vermont and I discussed this at some length yesterday. We did not have an opportunity, I must say, to talk with the Senator from New Hampshire [Mr. MCINTYRE], who is wholly opposed to this bill. We simply have some amendments that we wish to offer. I did not have an opportunity to talk with the Senator from New Hampshire, so I do not know what his position is.

We were agreeable to this type of procedure, but I understand that the majority leader did not want this type of procedure because of the problems with appropriation bills and a variety of other things that might come up for immediate action by the Senate right after the civil rights bill was finished.

So this puts me in the impasse of saying that I have no objection to it, but I do not think the majority leader wants it.

I would ask for some comment from the distinguished Senator from Maryland on that.

Mr. TYDINGS. I press my request for unanimous consent, then, Mr. President; and if no Senator objects, H.R. 9918 will be the first order of business. Of course, I work closely with the majority leader, and I will take my chances with him.

Mr. KUCHEL. Mr. President——

The PRESIDING OFFICER (Mr. LONG of Louisiana in the chair). As a Senator from the State of Louisiana, the present occupant of the chair would be compelled to object. Perhaps we could agree to it a little later in the day. The present occupant of the chair is of the impression that there is not a complete meeting of minds on what the agreement should be. When we agree to it, the unanimous-consent request can be made.

Objection is heard.

MRS. MARY T. BROOKS

Mr. McGOVERN. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1543, Senate 3553.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 3553) for the relief of Mrs. Mary T. Brooks.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. KUCHEL. Mr. President, I register no objection to the request that the Senate lay down as the pending business Calendar No. 1543.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota [Mr. MCGOVERN].

The motion was agreed to and the Senate proceeded to consider the bill (S. 3553) for the relief of Mrs. Mary T. Brooks which had been reported from the Committee on Rules and Administration, with amendments, on page 1, line 3, after the word "That", to insert "(a)"; and on page 2, line 5, after the word "erroneous", to strike out "separation." and insert "separation, and the period January 13, 1966, through February 26, 1966, shall be deemed a period of creditable Federal service by Mrs. Brooks for retirement and related purposes. The Public Printer is further authorized and directed to pay out of the cited revolving fund the agency contributions for retirement, life insurance, and health benefits purposes which would have been required by law had Mrs. Brooks been in paid employment during the period of her erroneous separation."; so as to make the bill read:

S. 3553

Be it enacted by the Senate and House of Representatives of the United State of America in Congress assembled, That (a) the Public Printer is authorized and directed to pay out of the revolving fund of the Government Printing Office the sum of $742.40, representing salary due Mrs. Mary T. Brooks, and employee of the Government Printing Office, for the period January 13, 1966, through February 26, 1966, when she was separated from her employment due to the erroneous notification by the Civil Service Commission of approval of her application for disability retirement. After tax withholding, payment of group life and health insurance premiums, and deductions of amounts due the Civil Service Retirement and Disability Fund, the balance of the amount hereby appropriated shall be paid to Mrs. Brooks in full settlement of any and all claims against the United States arising out of her erroneous separation, and the period January 13, 1966, through February 26, 1966, shall be deemed a period of creditable Federal service by Mrs. Brooks for retirement and related purposes. The Public Printer is further authorized and directed to pay out of the cited revolving fund the agency contributions for retirement, life insurance, and health benefits purposes which would have been required by law had Mrs. Brooks been in paid employment during the period of her erroneous separation.

(b) No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

A NEW HOPE FOR AMERICAN CITIES

Mr. KUCHEL. Mr. President, the Subcommittee on Executive Reorganization has held a number of hearings in its effort to clarify the Federal role in our cities. These hearings have focused the attention of the entire Nation on the problems which afflict our urban communities; problems which are threatening the very life of every major city across America.

But our greatest challenge is not so much one of finding ultimate answers and solutions; it is rather one of analyzing symptoms and determining causes. Too many of our programs and our efforts have only added to the confusion and despair of our ghettos. Racial explosions in Watts, in my State, and in major cities throughout this Nation have made this point only too clear. We can never remove the causes of these tragedies by merely throwing more government money and more programs into

this effort. We must seek to understand and become aware of the many complex factors which make up the problem.

On August 22, I had the honor of appearing before the subcommittee to stress this need for civic awareness. When the concern of the community is aroused, there are no limits to the good that can be accomplished. Los Angeles today exemplifies the efforts of a community whose citizens are earnestly devoting themselves to the problems which have beset them. The second report of the Governor's Commission on the Los Angeles Riots reflects progress in areas of education, law enforcement, and employment. Private enterprise in this area has undertaken a constructive role in providing many jobs and training those who are unemployed. The Los Angeles Board of Supervisors only recently provided funds for acquisition of the property on which a much needed hospital in the Watts area will be built. As the commission concluded in its second report:

With the constructive assistance of the community itself and with a new resolve to carry out programs recommended and planned for that area, we hope for an enhanced prospect that there will be an end to violence and a beginning of a new era of harmonious relationships between the races in Los Angeles.

It is this same hope that must be aroused across this Nation if we are ever to find the ultimate answers to this crisis in our American cities.

I ask unanimous consent to have printed in the RECORD the statement I gave before the Senate subcommittee.

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

STATEMENT BY U.S. SENATOR THOMAS H. KUCHEL, BEFORE THE SUBCOMMITTEE ON EXECUTIVE REORGANIZATION OF THE SENATE COMMITTEE ON GOVERNMENT OPERATIONS, AUGUST 22, 1966

In Plato's Republic, the following command is given to the guardians of his model city: "take every precaution that the city be neither small nor of illusory greatness, but of sufficient size and unity." Plato cautioned against entrance into the city of "riches and poverty", because "the one produces luxury and idleness and revolution, and the other revolution and meanness, and villainy besides." These words haunt the nation's headlines telling of the violence and the eruptions which afflict large tracts of urban America. And as our population explosion grows, the awesome chasm between "riches and poverty" continues to run through the cities of our affluent society.

In California, our approximately 20 million people will reach 50 million before the end of this century. Every year, we face increased challenges in the fields of employment, education, transportation, housing, pollution, indeed, in every facet of human existence in our country's urban and suburban life. The pattern of growth may be seen in sprawling suburbs with their vast shopping centers and parking lots, their housing subdivisions and their freeways, all symbolizing the decay of center city.

With the decay, luxury and idleness have gone hand in hand. And with an alarming frequency, in sections of great American cities, revolution and lawlessness have burst forth, sometimes with terrible overtones of social bigotry and hate. That has been the tragic by-product of concentrations of poverty in the heart of each troubled city. We have been slow to understand. Years ago, we saw only the physical delapidation which we called "slums". Later, we thought it might be some kind of a disease, and we called it "blight". Today, we recognize these concentrations as the consequence of poverty, discrimination and lack of opportunity—a form of social, economic and political ostracism which we call the Twentieth Century American Ghetto.

When we speak of an increase of crime in the cities, when we talk of poverty and unemployment, or of the lack of housing and health and education, the ghetto comes first in our minds. It is an expression of what Secretary John Gardner referred to as "the problems of poverty and the problems of the Negro." "The fate of the urban poor and urban Negro," he said, "are bound up with the fate of the city, and the city is in grave trouble." And in our heterogenous America of 200 million people, there are other ethnic groups whose future is largely the same, and whose fate is equally bound up with the fate of the city.

In recent years, the federal government has attempted to help, but the problems at the center of our cities continue to grow. As the distinguished Chairman of this Subcommittee has continually pointed out during these hearings, federal programs and funds are not striking at the problems. Indeed, they may very often compound the problems of the poor and disadvantaged who are stuck in city-center. All of our modern technology, our mass production, and our new building techniques can be utilized in building anew in the suburbs, but the cost of their use in city-center is enormously higher. America is by tradition a frontier society accustomed to breaking new ground; we have yet to learn fully the subtler arts of conservation and rehabilitation.

To solve the terrible questions of the ghetto, we need to search deeper into the social causes which create the ghetto and perpetuate its problems. Federal funds have been used to assist the members of poor and broken families, but is there not a real need to seek the means of preventing families from breaking at all? How best may hope and pride replace despair? There is a federal interest in decent housing; that interest is advanced and made meaningful when pride of ownership is available to the head of the family. There is a clear national interest in the education of all our youth, and there is a clear national duty to prevent any of our children from inheriting a bleak future of illiteracy and unemployment. The menacing question for urban America is how best to break down the economic and social walls which restrict opportunity and breed urban degeneration. Much of the answer lies in understanding the social forces which have helped to create those walls. This understanding should be the result of our initiative and efforts; it should not be the brutal lesson of a riot or of a racial disturbance.

A year ago in Watts, there occurred a civil explosion which shattered the summertime complacency of my state and of the entire nation. After six days of rioting, the toll stood at 34 dead and over a thousand wounded. Property damage was estimated at over $40 million. The Report of the Commission on the Los Angeles Riots subsequently appointed by the Governor, states, "The lawlessness in this one segment of the metropolitan area had terrified the entire county and its 6,000,000 citizens."

Prior to that occurrence, the State of California had been relatively immune from any widespread civic unrest. Many people had come to believe that in our open and sundrenched environment, there would be no echo of the riots in Harlem or Detroit. But the causes of disturbance were equally present in Watts.

While it may not have all the outward appearance of a slum, Watts is a Negro ghetto. Most of its small houses contain several families. A large percentage of its potential work force is unemployed. Its schools are terribly overcrowded. Many youngsters go to school half-days, and are idle the rest of the time. The average fifth grade student is unable to read, to understand a newspaper or classroom books. Advancing to the next class has been mainly a matter of age. Public transportation is limited. Hospital beds are deficient. Until after the riots, there was no employment office in the community. These were some of the factors that led to the explosion in the late, hot summer of 1965; an explosion which the Governor's Commission described as "a formless, quite senseless, all but hopeless violent protest—engaged in by a few but bringing great distress to all."

There is a lesson for the nation in the tragedy of Watts. Recommendations of the Governor's Commission may be applied to cities everywhere. The federal government should learn from the experience of Watts. Several measures suggest themselves which the government might consider in meeting critical urban problems.

First of all, this Subcommittee should seek to *awaken a civic concern for the urban crisis in our country*. There is an urgency in solving the problems of our cities and all Americans, whatever their color, must become aware of this urgency. All citizens must fully understand and accept their responsibilities as Americans. Too many of us have, for too long a time, pushed the problems of the ghetto aside. We simply were not interested in them. Many of our actions have been only reactions to the violence that has erupted. A year ago, the Governor's Commission in Watts concluded that a "revolutionary" change in the attitude of the public was needed. The necessity for that change is more apparent today than ever before. Only last June, bond issues to provide new schools and a new hospital for the Watts area failed to win the approval of the voters. These disappointments emphasize the need to awaken a civic consciousness and a civic conscience in the problems of our cities. Without this support, the laws we make and the proposals we adopt will be in vain.

One of these proposals—the Demonstration Cities and Metropolitan Development Act of 1966—recently was approved by the Senate. It is good that we have done this. There are other sound proposals currently before the Congress which are directed also at ghetto problems; among these, the proposed Human Investment Act and Economic Opportunity Corporation. *The employment of the resources of the private economy in the community* itself would allow the disadvantaged to take part in these community efforts. It would aid the development of personal initiative and community pride. Many of the current OEO programs seek to provide financial assistance to the poor, but fail to give them a chance for full participation in the operations of the economy. Public expenditures alone cannot accomplish the goals of this program. To be successful, the war against poverty and against the segregation of the ghetto must recognize the need—and the desire—of man to help himself. The head of the Governor's Commission in Watts, former CIA Director John McCone, said "This is after all a competitive society. We must all compete. And the Negro must compete along with others if he wants to attain certain goals." An effective fight against poverty must recognize the necessity for man to participate fully in the broad range of American society. Private enterprise must be put in the first line of the struggle against poverty.

In the isolation of the ghetto, there is little or no communication with the main-

stream of greater urban society. As the Attorney General noted before this Subcommittee last week, the policeman, who symbolizes the authority of the outer world, becomes the buffer between the affluent and the disadvantaged. He needs sympathy and help. Last year, the Congress passed the Law Enforcement Assistance Act authorizing Federal funds to improve the capability of State and local agencies. The Justice Department has recently announced a special series of grants under this Act for police-community relations programs. This is a forward step in helping to bridge the chasm of understanding, astride which we have left our police forces. The policeman needs understanding and help from both sides. All citizens in this free society must uphold the dignity of law and the preservation of order; they have an inescapable duty to respect and to assist constituted authority.

I suggest that the Subcommittee consider further *measures to improve relations between the police and the city*. The stability of these relations is essential to the prevention of crime. At the present time, there are a number of continuing studies in this area by federal, state and local law enforcement agencies as well as by public and private universities. It may be well to consider the possibility of coordinating these efforts in police-community relations at the federal level. Such a program would draw from the knowledge and experience of recognized authorities in developing the latest and most advanced information in this complex area.

Where riots have occurred or are threatened, *those seeking to purchase homes are unable to do so because of the unavailability of long term credit*. I speak of areas which are economically sound except for the fact that riots have occurred or are threatened. The effect of this lack of home financing is to punish those inhabitants of potential riot areas who have a stake in the social order, who are or who want to be property owners, and who hold to the same standards of morality and behavior which you and I would approve in any citizen. The amendment to the Housing legislation which some of us offered last week in the Senate and which the Senate adopted, would allow FHA to assist such potential buyers; buyers who will lend stability to their communities. Certainly, federal assistance here is a step towards creating a better community for the future.

It should be stressed that much of *the hope of those confined to the problem areas of our cities rests with improved education*. Such programs as Operation Head Start are essential to our efforts.

Only last week, the McCone Commission, in a supplemental report, again stressed the need of improving education: "Improvement in the educational achievement of the Negro is of fundamental importance to the solution of the whole spectrum of problems of race relations." This report stressed the need for special programs for the disadvantaged such as Head Start and also cited New York City's More Effective Schools pilot program as an admirable example in this field. This particular program involves such features as 15-pupil classes, special tutoring for problem cases, psychological counseling and special inducements to attract teachers to this work.

The words of Chairman McCone should guide our efforts in this area: "We believe that it may be much more expensive in the long run for our society if such programs are not promptly adopted. It is our conviction that we are taking an unnecessary and dangeous risk with our national destiny if we do not make a massive effort to raise the educational levels in disadvantaged areas."

The suggestions and programs I have referred to are possible solutions to the problems we face in our cities. I don't know the answers, but I do see the symptoms. And I know that my country cannot stand any growing pattern of violence, bloodshed, bigotry and hate. The ghettos of America cry out for our attention. We need to remove as many of the causes as we can. The problem is as multi-sided and complex as human life itself which is precisely what it is. We need the benefit of the wisest guidance possible. We need to try to improve human nature at the same time we seek to improve human environment. It is good that your Subcommittee is directing its attention, and the attention of our people, to a real danger in our midst. If you can lead in awakening an American civic conscience, sound solutions will be forthcoming giving new hope for our cities and our American society.

U.S. FORCES IN EUROPE

Mr. JAVITS. Mr. President, a resolution has been placed on file by a group of sponsors, led by the majority leader, which we understand responds to a series of considerations and discussions which have been taking place in the Democratic Policy Committee with respect to the reduction or, as the resolution puts it, the "substantial reduction" of U.S. forces stationed in Europe.

I speak to this subject now, Mr. President, because while it may be coming up next week, I may or may not be in Washington, depending on the exigencies of the convention of my party which will take place on Wednesday and Thursday of next week. Therefore, I wish to state at this time that, in my judgment, it would be ill advised to adopt such a resolution.

It may very well be that our forces are susceptible to being reduced in Europe. Our balance of payments are a factor, although I believe that there are others, including an increase in our exports. There is also the question of how much our tourists are spending abroad compared to what tourists are spending here, which can represent a reduction in our balance of payments which would be infinitely less dangerous that what this kind of resolution would do.

First, this is hardly the kind of matter to commit to a resolution. All it would do would shake the security of the alliance, and put in doubt whether the United States intends to honor its commitments to NATO. This is exactly the kind of thing which should be entrusted to the President and to negotiation, instead of having a broad-scale declaration by Congress which would be a finding of fact adverse, in my judgment, to our interests. Second, it would also represent a major change in U.S. policy toward NATO. It represents an initiative which should come from the President and not from Congress, such as was done in the Bay of Tonkin resolution, the Lebanon resolution, and other resolutions which we have adopted. It should be done by request of the President, not gratuitously by Congress, thereby impairing the confidence which our European allies are entitled to have in NATO.

Third, it must be done in consultation with our allies. It should not be done unilaterally. Fourth, there is the worry that we have given top priority to Asia and not to Europe, and all we would do would be to feed that worry. Fifth, in my judgment, this kind of declaration—and I separate the declaration from the force reduction—would put pressure upon the Soviet Union, because it may cause the Soviet Union to make some move in order to show that they are good, true Communists in their race and competition with the Chinese Communists.

But, beyond everything else, what it would do would be to encourage nationalism in Germany. The other major problem facing the world, other than the intransigence of Communist China, which is the other great threat to the peace of mankind, is the rise again of nationalism in Germany.

West Germany now has 420,000 troops committed to NATO. It is the largest NATO force. France has more troops, but none are committed to NATO. The German situation of being pan-European is already shaken by the fact that France is imperiling NATO at the very least. But the destabilizing effect of such a declaration by Congress—as is sought by this resolution—could very well tip the balance, again forcing Germany to go it alone. That would be the straw that could break the camel's back in terms of world peace.

Mr. President, I could think of nothing which would be more conducive to German nationalism than a declaration of this character by Congress. I hope very much that it is not made, because it would be very much against our own interests if the United States neglected NATO.

Mr. President, I join with those who sponsor this resolution in the hope that a real reduction of our NATO forces will soon be feasible. But, it must be done in consultation with our NATO Allies. It must be the result of some kind of European settlement so that we will know which way the Soviet Union is going. It must be done in connection with the greater European integration rather than the pulling apart—which is now evident from the withdrawal of France—the integration process of Europe.

What appalls me about this situation is that there are no quid pro quo terms. Is the Soviet Union going to withdraw anyone from anywhere? Is this going to assure us of any help from our NATO allies in the area in which they have been most derelict—to wit, in Vietnam? Or, do we give up completely our trading position and give them notice that we are giving heavy priority to Asia? I think it is an ill-advised time in which to do what we are talking about here.

It is unwise for Congress to pass this resolution and to serve such notice to our NATO partners without alliance consultations. I hope that Congress will not pass this resolution.

IMPENDING MILITARY COUP IN THE DOMINICAN REPUBLIC

Mr. JAVITS. Mr. President, I invite the attention of the Senate to very serious rumors which we are hearing. I speak now to the reports that there may be a military coup in that tortured country of the Dominican Republic which has been already subjected to so much travail and so much difficulty.

A military coup in the Dominican Republic has been widely discussed in the press as being a real possibility. There does not seem to be any connection about the fact that where there is all that smoke there must be some fire.

It may be that the Dominicans are uneasy about their political situation because of the impending withdrawal of the Inter-American Peace Force scheduled for September 28.

The United States should make it perfectly clear that we are committed to the government of President Balaguer, a government that came into being as a result of free elections supervised by the Inter-American Peace Force. Our relations with other American Republics were jarred by our military intervention in the Dominican Republic, and this jarring can only be corrected by fidelity to the results of the free elections—the Balaguer government.

I am not saying that we should intervene militarily in the event of another military coup d'etat. We have already had considerable trouble on that score up to now. I think we have a right to, first, stand by the Balaguer government and the electoral process which created it; second, if the Balaguer government agrees, the Organization of American States should send a factfinding team into the Dominican Republic to look into the possibility of a military coup and then recommend appropriate action to the Council of the Organization of American States, if any action is warranted, so that we would be warned well in advance and not be overtaken by events, as we were in Argentina, with what I consider to be deplorable results for the United States.

In short, Mr. President, I urge our President and our State Department, perhaps in consultation with congressional leaders, as is the usual pattern, to give our attention to the dangers which are now so widely and publicly being discussed in the press concerning a military coup in the Dominican Republic and to be abreast of that danger, rather than to be overtaken by it: First, through asserting our fidelity to the Balaguer government and the processes that brought it into being; and, second, by asking the OAS to send an observers team there, so that the OAS may be seized of the situation there, and so that if action is taken, it may be multilateral rather than unilateral, as it was before.

I ask unanimous consent that several articles and an editorial on this subject be entered in the RECORD.

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

[From the Washington (D.C.) Post, Aug. 20, 1966]

SANTO DOMINGO SHOWDOWN

President Balaguer has met the wave of coup rumors in the Dominican Republic by proposing a law limiting the extracurricular activities of political parties. That this extreme measure should be considered necessary so soon after an election is a sad commentary on the refusal of malcontents to accept the vote of the majority. The proposed law is directed, not against the established parties, but against the extremist elements of both right and left that have plagued the new administration since it took office July 1. The agitation from the far left is endemic and predictable; but it is the rightists clustered around General Imbert and former President Bonnelly who have been doing the most to undermine the regime.

Evidently Mr. Balaguer's strategy is to force a showdown with the rightists in the military before mid-September, when the bulk of the Inter-American Peace Force will have been withdrawn. Fortunately, a substantial majority in the armed forces is said to support the President. The others ought to understand thoroughly that it is the policy of the United States to back Mr. Balaguer in his program of reform, and that this country would join its colleagues in the Organization of American States in vigorous resistance to any misguided attempt to overthrow the newly elected government.

[From the Washington (D.C.) Post, Aug. 10, 1966]

CRISIS BREWS IN BALAGUER CURB ON MILITARY

(By Dan Kurzman)

A new Dominican crisis may be mushrooming from attempts by President Joaquin Balaguer to win full control of the armed forces.

Balaguer has already replaced National Police Chief Jose de Jesus Morillo Lopez with a trusted supporter, Lt. Col. Luis Nez Tejad Alvarez. Reports indicate he may soon move to replace Armed Forces Minister Enrique Perezy Perez as well.

Simultaneously, Balaguer, who took office on July 1, acknowledged in a radio broadcast last week that rumors abounded about plots against his regime, and appeared to suggest that all of them might not be without foundation.

"All these rumors are untrue," he said, but then quickly added, "or at least are not serious."

Balaguer went on to explain that the matter that has been chiefly responsible for the street gossip . . . is the fact that Gen. Antonio Imbert Barrera has recently multiplied the visits he pays military establishments and that these visits have often lasted several hours."

Imbert, one of the two surviving assassins of dictator Rafael Trujillo, was President of the short-lived, United States-sponsored "Government of National Reconstruction" following the U.S. military intervention in the Dominican Republic in early 1965.

Speculation that Perez might soon be replaced was reinforced by what appeared to be a rebuke in Balaguer's radio broadcast.

"Obviously," the President said, "Imbert and . . . Perez will be doing a notable service to restoring peace in the nation if steps are taken to stop (Imbert's visits) during (this) delicate period . . . "

Experts here believe that Balaguer hopes to achieve reform of the armed forces before the Inter-American Peace Force is completely evacuated from the country. The last of these troops are expected to depart by the end of September.

Balaguer and former President Juan Bosch, the losing candidate in the recent presidential election, reached a secret understanding shortly after Balaguer's victory whereby the new President would push for reforms in the military, and Bosch's Dominican Revolutionary Party (PRD) would cooperate with the government. Three PRD leaders have joined Balaguer's cabinet.

It is speculated in Santo Domingo that Balaguer and Bosch may use an incident that occurred on Monday to furnish justification for changes in the armed forces leadership. The secretary-general and seven other leaders of the PRD were arrested by Air Force officers at Barahona. They were finally released, and Balaguer has ordered an investigation of the incident.

Not excluded in the speculation is the possibility that Balaguer and Bosch may have "arranged" the arrests as a pretext for changes in the military.

If Perez loses his post, his replacement is expected to be Balaguer's chief military adviser, Col. Neit Nival Seijas, a long-time supporter of the President.

Experts believe that if Seijas replaces Perez, he will seek to "cleanse" the upper military echelons of untrustworthy commanders and perhaps clear the way for a reduction in size of the nation's bloated military establishment.

[From the St. Louis Post-Dispatch, Aug. 28, 1966]

SANTO DOMINGO ARMY PLOTTING COUP, UNITED STATES TOLD—BALAGUER OUSTER SAID TO BE TIMED AFTER U.S. PULLOUT

(By Donald Grant)

UNITED NATIONS, N.Y., August 27.—United States authorities have been warned of a military plot to overthrow the civilian government of the Dominican Republic, the Post-Dispatch learned today.

One of the warnings, it was learned, was transmitted to the Department of State through the United States delegation to the United Nations. State Department officials, although uncertain of the seriousness of the warning, are disturbed at the prospect of another blowup in the Dominican Republic in advance of the November elections in the United States.

The warning, as it reached the American delegation here, included details of plans. Also, it is reported Dominican military officers have made tentative inquiries in Washington—presumably through the Department of Defense or the Central Intelligence Agency—about the United States attitude toward a new military coup in the Dominican Republic. They were told, it is reported, that such a coup would be looked on with extreme disfavor.

Information reaching the U.S. delegation to the UN was that a coup is planned for the end of September or the first of October.

TIMED FOR TROOP DEPARTURE

United States troops are scheduled to leave the Dominican Republic by the end of September. Some American diplomats believe the report was given United States authorities in the hope that departure of American forces would be delayed. There is belief in the Dominican Republic that new violence will follow the departure of American troops, who are in the Dominican Republic as part of an Organization of American States peace force.

United States diplomats here were told that the recent assassination of Ramon Emilio Mejia Pichirilo, an associate of former President Juan Bosch and a leader of last year's attempt to return Bosch to power, was connected with the planned military coup.

Mejia Pichirilo, it is said, was invited to join the conspiracy, but refused. His refusal, however, took place after he had attended a meeting of the conspirators, who then feared that he would report their activities to Dominican authorities.

NAMES OF PLOTTERS GIVEN

Names of Dominican naval and army officers said to be involved in the planned coup have been given United States authorities. At least two of the Dominican officers are living in the United States.

Dominicans who transmitted the warning to United States authorities did so in secret, it is learned, because threats against their lives have been made by Dominican military officers involved in the alleged plot.

The Dominican military officers, it is reported, plan to conduct the coup in the name of anti-Communism. Plans include some

staged left-wing activity in Santo Domingo as a prelude to the coup, it is said.

Dominican officers involved are said to be dissatisfied with President Joaquin Balaguer because he continues to accept the support of Bosch, who has assumed the role of leader of the "loyal opposition." A new meeting between Bosch and Balaguer is planned, it is said, at which the danger of a possible military takeover will be discussed.

BALAGUER LEADERSHIP QUESTIONED

Bosch's followers are said to view Balaguer as a weak tool of forces beyond his control. Balaguer has sought support of some sections of the Dominican military leadership and of the landed aristocracy.

Dominican military leaders, seeking vindication for their defeat in the fighting last year, are said to prefer the leadership of Gen. Elias Wessin y Wessin, who overthrew Bosch in 1963 and who led the fight against the rebels in 1965. Gen. Wessin y Wessin, formerly a protege of the United States, was last reported to be in Miami, Fla.

Dominican aristocrats, on the other hand, are said to prefer the present vice president, Augusto Lora. One plan considered, it is said, was to induce President Balaguer to resign so that his place might be taken by Lora.

[From the Christian Science Monitor, Aug. 26, 1966]

DOMINICIAN ARMY ROLE BLURRED

(By James Nelson Goodsell)

SANTO DOMINGO, DOMINICIAN REPUBLIC.—A decided sense of uneasiness fills the air here as the Balaguer administration completes its first 60 days in office and as units of the Inter-American Peace Force (IAPF) leave the island.

Much of the unrest centers on the role of the nation's military and its future, particularly after the last units of the IAPF leave around Sept. 20. There are many here who openly forecast major trouble because, they argue, there then will be no restrain upon the military.

Already there are signs that the military does not entirely support President Balaguer. Numerous reports circulate of military displeasure over the much-rumored Balaguer effort to place curbs on the military.

At the same time, reports of military and police activity against former Constitutionalists in last year's revolution are mounting. Many observers ask, in effect, what will happen once the last IAPF units are gone.

IMPROVEMENT FORESEEN

While recognizing the vacuum which the withdrawal will leave, other observers foresee the political and economic condition of this nation improving under President Balaguer. As a result of this reasoning, they are cautiously looking beyond Sept. 20 to a happier future.

Moreover, those who do not foresee early difficulties note that rumors of trouble and of military activity are endemic in the Dominican Republic.

While there is no clear consensus on the future of this island nation, any assessment one receives here includes frequent references to the military. In these assessments Joaquin Balaguer is regarded widely as having made an adequate start. He has initiated a number of operating reforms, clamped down on administrative laxness, tightened up the tax-collection system, and pushed through a reform measure aimed at correcting misuse of sugar lands.

On the other side of the coin, however, President Balaguer's appointment of political cronies, dismissal of a number of bright young men brought into government in recent years, and the proposed political-truce bill, which would sharply inhibit opposition, have all been widely criticized.

Yet President Balaguer has retained much of his initial popular support, reflected in the 59 percent of the vote he won June 1. The first 60 days have been fairly smooth.

This may be due largely to the effective, but restrained opposition led by Juan Domingo Bosch, whom Mr. Balaguer defeated in the election. A widespread feeling here is that Mr. Bosch and his Partido Revolucionario Dominicano are playing the role of constructive opposition as no Dominican opposition group has ever done before.

Yet, the uneasiness over the future persists. No one really knows what the Army plans to do after Sept. 20.

Some highly placed Dominicans and a few foreign observers say they believe the Dominican Army will move against President Balaguer soon after the peace force pulls out. Sept. 23, third anniversary of Mr. Bosch's own ouster from the presidency by the military, is often given as a possible target date.

REBELS SLAIN

But such a move appears unlikely because there are still restraints on the military—restraints which will remain after the departure of the IAPF.

Among these are the number of nonpolitical officers in key Army and Air Force positions, the difficulty of preparing details of a coup at a time the peace force still is in control of many facilities around Santo Domingo, and the fact that outright opposition to President Balaguer has not coalesced in the military.

More immediate concern about the military centers on the question of the military role in the present attack on former members of the rebel, or Constitutionalist, command during the 1965 revolution. Several dozen Constitutionalists have been killed in recent months. Neutral observers here say that Army and police units are responsible.

After the IAPF leaves, will the military launch a widespread vendetta to settle old grudges and to expunge the record of its near defeat at the hands of the Constitutionalist forces?

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KUCHEL. Mr. President. I ask unanimous consent that the order for the quorum call be rescinded.

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

EMERGENCY ACTION TO HALT DESTRUCTION OF CALIFORNIA REDWOODS

Mr. KUCHEL. Mr. President, earlier today, I read into the RECORD the news on the ticker that the President had just announced that he was sending to Congress, marked "urgent," a bill which would give the United States an easement in the timberlands owned by the Miller Redwood Co., in northern California. Under the legislation the virgin redwood area owned by Miller, and proposed by the National Government as a park, would be protected for a period of 1 year. During that time we would all hope that Congress will see fit to create the National Redwood Park, as proposed by the President earlier this year.

I observed earlier that I hoped it might be possible to introduce the legislation in the Senate today, for I completely agree with the assertion of the Secretary of the Interior, that the company's cutting in the area proposed for the Redwood National Park, is "spite cutting"—in furtherance with what the Secretary called the "public be damned" attitude of the company.

I have just had delivered to me by messenger a proposed Senate Joint Resolution which would provide for the preservation of the magnificent trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established.

The proposed Senate joint resolution provides:

That in order to prevent a frustration of the legislative process the United States hereby takes a right, privilege and easement on all lands or interests in lands within the boundaries of the proposed Redwood National Park as identified in S. 2962 which on September 1, 1966, were owned directly or indirectly by the Miller Redwood Company. Such right, privilege and easement shall prohibit all cutting prior to October 15, 1967, of timber growing on such land.

SEC. 2. Any action against the United States for the recovery of just compensation for the interest taken by section 1 of this Act shall be brought in the District Court of the United States for the district in which the land is located.

SEC. 3. The Secretary of the Interior may accept donations for the purpose of paying just compensation as determined pursuant to section 2 of this Act.

SEC. 4. Any person who as principal, agent, or employee engages in timber cutting operations that are prohibited by the right privilege and easement taken by section 1 of this Act shall be subject to a fine of not more than $50,000 for each day such cutting occurs, or for imprisonment for not more than one year, or both.

SEC. 5. Any action or threatened action in violation of the right, privilege and easement taken by section 1 of this Act shall be subject to immediate restraining order or an injunction upon application of the Attorney General to the appropriate Federal court.

I am delighted to say that the distinguished chairman of the Committee on Interior and Insular Affairs has informed me that he would be honored to join me in sponsoring this legislation.

I ask this question, Mr. President: May I seek consent to let this joint resolution lie on the desk until an appropriate day next week so that other Senators may join me in sponsoring the legislation?

The PRESIDING OFFICER (Mr. KENNEDY of New York in the chair). By unanimous consent, the Senator from California may take that step.

Mr. KUCHEL. Mr. President, I have only read the substantive sections of the resolution. I ask unanimous consent that the text of the joint resolution appear in the RECORD at this point.

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

S.J. RES. 192

Joint resolution to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established

Whereas the President in his Natural Heritage message of February 23, 1966, proposed

the creation of a Redwood National Park in northern California; and

Whereas the Secretary of the Interior transmitted to Congress proposed legislation for that purpose; and

Whereas bills for that purpose have been introduced and are now pending in Congress; and

Whereas the Miller Redwood Company which owns most of the privately owned land within the proposed park boundaries is engaged in or is about to engage in timber cutting operations that will destroy large numbers of redwood trees that are irreplaceable, and such cutting operations may defeat the purpose of the pending legislation; and

Whereas the Miller Redwood Company has refused to discuss with the Secretary of the Interior a proposal that cutting operations within the proposed park boundaries be deferred pending congressional consideration of the proposed park legislation, under an agreement that would appropriately compensate the landowner: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to prevent a frustration of the legislative process the United States hereby takes a right, privilege and easement on all lands or interests in lands within the boundaries of the proposed Redwood National Park as identified in S. 2962 which on September 1, 1966, were owned directly or indirectly by the Miller Redwood Company. Such right, privilege and easement shall prohibit all cutting prior to October 15, 1967, of timber growing on such land.

SEC. 2. Any action against the United States for the recovery of just compensation for the interest taken by section 1 of this Act shall be brought in the District Court of the United States for the district in which the land is located.

SEC. 3. The Secretary of the Interior may accept donations for the purpose of paying just compensation as determined pursuant to section 2 of this Act.

SEC. 4. Any person who as principal, agent, or employee engages in timber cutting operations that are prohibited by the right, privilege and easement taken by section 1 of this Act shall be subject to a fine of not more than $50,000 for each day such cutting occurs, or for imprisonment for not more than one year, or both.

SEC. 5. Any action or threatened action in violation of the right, privilege and easement taken by section 1 of this Act shall be subject to immediate restraining order or an injunction upon application of the Attorney General to the appropriate Federal court.

Mr. KUCHEL. Mr. President, I send to the desk a Senate joint resolution, which I introduce. I do it for myself, and the distinguished junior Senator from New York [Mr. KENNEDY]. I ask that it lie on the desk until the close of business next Wednesday, September 7, for the purpose of additional coauthors, and that it be thereafter appropriately referred.

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

The joint resolution (S.J. Res. 192) to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established, introduced by Mr. KUCHEL (for himself, and Mr. KENNEDY of New York) was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. KUCHEL. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow morning.

The motion was agreed to; and (at 3 o'clock and 7 minutes p.m.) the Senate adjourned until tomorrow, Friday, September 2, 1966, at 9 o'clock a.m.

CONFIRMATION

Executive nomination confirmed by the Senate September 1, 1966:

NATIONAL LABOR RELATIONS BOARD

Gerald A. Brown, of California, to be a member of the National Labor Relations Board for a term of 5 years expiring August 27, 1971. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 1, 1966

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us love one another: for love is of God; and everyone that loveth is born of God, and knoweth God.—I John 4: 7.

O God, who hast guided our fathers to build on these shores a nation of the people, by the people, and for the people and who didst give them faith to believe that they may become one in spirit with liberty and justice for all, move Thou within our hearts that we may live according to Thy holy will and that we may be open to the leading of Thy gracious spirit.

Remove from our minds all bitterness and all contempt for one another, that departing from all that divides us we may by Thy grace arrive at a new unity of spirit that being one with Thee we may be one with our fellow man.

May our spirit be the spirit of good will, may our security be the security of good will, may our strength be the strength of good will where each may live for all and all may care for each. In the Master's name we pray. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 399. An act to provide adjustments in order to make uniform the estate acquired for the Vaga Dam and Reservoir, Collbran project, Colorado, by authorizing the Secretary of the Interior to reconvey mineral interests in certain lands;

H.R. 790. An act to rename a lock of the Cross-Florida Barge Canal the "R. N. Bert Dosh lock";

H.R. 8000. An act to amend the Ship Mortgage Act, 1920, relating to fees for certification of certain documents, and for other purposes;

H.R. 12328. An act to extend for 3 years the period during which certain extracts suitable for tanning may be imported free of duty;

H.R. 12461. An act to continue for a temporary period the existing suspension of duty on certain istle; and

H.R. 13284. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II).

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

H.R. 9424. An act to provide for the conservation, protection, and propagation of native species of fish and wildlife, including migratory birds, that are threatened with extinction; to consolidate the authorities relating to the administration by the Secretary of the Interior of the National Wildlife Refuge System; and for other purposes; and

H.R. 14929. An act to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 14929) entitled "An act to promote international trade in agricultural commodities, to combat hunger and malnutrition, to further economic development, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. HOLLAND, Mr. TALMADGE, Mr. JORDAN of North Carolina, Mr. MCGOVERN, Mr. AIKEN, Mr. YOUNG of North Dakota, and Mr. COOPER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13448) entitled "An act to amend title 39, United States Code, with respect to mailing privileges of members of the United States Armed Forces and other Federal Government personnel overseas, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONRONEY, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. CARLSON, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2393) entitled "An act to authorize additional GS-16, GS-17, and GS-18 positions for use in agencies or functions created or substantially expanded after June 30, 1965," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MONRONEY, Mr. YARBOROUGH, Mr. RANDOLPH, Mr. CARLSON, and Mr. FONG to be the conferees on the part of the Senate.

The message also announced that the Senate concurs in the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 82. Concurrent resolution to authorize the printing of the hearings of the

United States-Puerto Rico Commission on the Status of Puerto Rico as Senate documents.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3005) entitled "An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce the deaths and injuries occurring in such accidents."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4665) entitled "An act relating to the income tax treatment of exploration expenditures in the case of mining."

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

S. 1572. An act for the relief of Merritt A. Seefeldt and August C. Seefeldt; and

S. 3748. An act to provide that the Federal Office Building to be constructed in Detroit, Mich., shall be named the "Patrick V. McNamara Federal Office Building" in memory of the late Patrick V. McNamara, a United States Senator from the State of Michigan from 1955 to 1966.

DIRECTING SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS IN BOULDER COUNTY, COLO.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4861) to direct the Secretary of the Interior to convey certain lands in Boulder County, Colo., to W. F. Stover, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That the Secretary of the Interior is hereby authorized and directed to convey to W. F. Stover, Denver, Colorado, all right, title, and interest of the United States in and to a tract of land in the Grand Island Mining District, Boulder County, Colorado, more particularly described as follows:

"Beginning at corner numbered 5, Mineral Survey Numbered 13874, Millsite;

"thence north 48 degrees 23 minutes west, along line 5–6, Mineral Survey Numbered 13874, Climax Millsite 337.26 feet distant to the true point for corner numbered 6, Mineral Survey Numbered 13874 and at the intersection with line 5–6 Mineral Survey Numbered 12354, Happy Valley Placer;

"thence south 51 degrees 43 minutes east, along line 5–6, Mineral Survey Numbered 12354, Happy Valley Placer 337.83 feet distant to a point;

"thence south 41 degrees 37 minutes west, 19.61 feet distant to corner numbered 5, Mineral Survey Numbered 13874, Climax Millsite and place of beginning containing 0.15 acres.

"SEC. 2. The conveyence authorized by this Act shall be made upon payment of the fair market value of the land as of the effective date of this Act as determined by the Secretary of the Interior plus such sum as may be fixed by the Secretary to reimburse the United States for the administrative costs of the conveyance."

The SPEAKER. Is there objection to the request of the gentleman from Colorado [Mr. ASPINALL]?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON INTERIOR AND INSULAR AFFAIRS TO FILE A CONFERENCE REPORT ON S. 254

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have until midnight tonight to file a conference report on the bill (S. 254) to authorize the Secretary of the Interior to construct, operate, and maintain the Tualatin Federal reclamation project, Oregon, and for other purposes.

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

There was no objection.

PRAISE OF SARGENT SHRIVER

Mr. OLSEN of Montana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, I just want to add my voice in support and praise of my good friend, Sargent Shriver, the eminently distinguished director of the war on poverty. Sargent Shriver's name is today a household word across the country, because of the brilliant record of achievement he has compiled since coming to Washington to serve President Kennedy 5½ years ago.

At the helm of the Peace Corps, Sargent Shriver blazed a path to greater cooperation and friendship between nations, and to new horizons of service to America and mankind. As Director of the Office of Economic Opportunity, he has forged a dynamic coalition of programs and people to combat man's oldest enemy. With every passing week, in thousands of projects and programs from coast to coast, the war on poverty realizes increasing progress in bringing opportunity and hope to the destitute among us. Certainly, Mr. Speaker, the State of Montana is benefiting greatly from the many antipoverty programs which have been launched within its cities, towns, and rural communities.

So Sargent Shriver has my complete confidence and warm support as an excellent administrator and an inspiring leader of one of our most crucially important national programs. I look forward to his continued success as Director of OEO, and am certain that Congress and the American people are indeed grateful for his distinguished service.

THE 1966 PENSION BILL

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

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

There was no objection.

Mr. DORN. Mr. Speaker, I am today introducing a clean pension bill which would benefit 1,831,411 veterans, widows and children.

As chairman of the Subcommittee on Compensation and Pensions of the great Committee on Veterans Affairs, I am pleased to report that we have held hearings on approximately 185 bills. The subcommittee took testimony or received statements from approximately 57 Members of Congress, from the major veterans organizations and from the Veterans' Administration.

The last cost of living increase for pensioners became effective on January 1, 1965. The bill I am introducing today will provide for an additional cost-of-living increase for all veterans alone, veterans with dependents, widows alone, widows with children and children alone who are now receiving a pension under Public Law 86–211. It will provide a substantially greater increase for widows and widows with children. Under my bill every veteran will be judged to have permanent and total disability for pension purposes at age 65. It will provide a monthly rate increase for approximately 56,427 Spanish American War widows, whose average age is 84 and an attendance of $50 additional per month for widows who are in need of aid and attendance.

Mr. Speaker, these are only a few of the provisions of the new clean bill I am introducing in the House today as reported by the Subcommittee on Compensation and Pensions. I hope and believe this bill will pass the full committee and that it will be favorably considered by the House at an early date. I recommend this pension bill to my colleagues as the very best we can possibly have considered at this session of the Congress.

VETERANS PENSION ACT

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

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

There was no objection.

Mr. KORNEGAY. Mr. Speaker, I have today introduced a bill, entitled "The Veterans Pension Act of 1966," which will provide for an increase in the monthly payments now being made to certain veterans of the armed services and their families.

The Subcommittee on Compensation and Pensions of the Veterans' Affairs Committee gave long and careful study to 185 bills referred to the subcommittee on which it is my proud privilege and honor to serve. My bill is the product of these hearings.

Our committee heard from a large number of Members of the House, from representatives of the major veterans organizations, and from the Veterans' Administration.

Mr. Speaker, my bill will help approximately 1,500,000 veterans and widows of veterans who are sorely in need of the additional assistance. The bill, Mr. Speaker, would give to those who are forced through no fault of their own to subsist only on these veterans' pensions a cost-of-living increase. The veterans and their widows who rely on their monthly VA checks have no control over the spiraling increase in the cost of living. In gratitude for their giving of themselves or their loved ones in defense of their country, this Congress should enact this legislation.

I urge my colleagues to join me in support of this bill.

DEFENSE DEPARTMENT PROCUREMENT ON GERMAN GUN CONTRACT

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

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, I have a special order today for the purpose of reporting to this body about the investigation I have made of Defense Department procurement of automatic guns from Germany.

In my special order, I will make serious charges about the role of Secretary McNamara in this procurement. Facts about the gun and its testing suggest that in going ahead with this gun procurement Mr. McNamara has—

Compromised U.S. military needs to the advantage of German political expedience;

Ignored official reports which recorded 4 years of unsatisfactory test experience in the United States and field experience in Germany;

Reversed a decision by Gen. Creighton Abrams, Vice Chief of Staff of the U.S. Army, to terminate further efforts to make the gun work;

Forced Army weapons officials to lower test standards so the gun could be classified as satisfactory; and

Misinformed and misled Congress about the performance of the gun and the weapons system of which it is a part.

KENNEDY FILM

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

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

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, my Republican colleagues have rightfully raised the question of the political use of the Kennedy film, "Years of Lightning—Day of Drums," which, incidentally, is a fine film that all Americans should see. I am familiar with this situation because I acted as special counsel for the Kennedy Center—I might add, without fee—before I was elected to Congress, in connection with the distribution arrangement. Neither the USIA nor the Kennedy Center nor the Embassy Pictures, the distributor, is involved in this political manipulation. It is simply a question of a Democratic candidate arranging a theater party, as anyone could, to trade on the Kennedy name.

It is unfair, in my opinion, to do this, but any legitimate organization—as to which the Republican Party could be the most legitimate—has the right to do this.

I am happy to say that I am informed that the theater involved in Milwaukee, Wis., has withdrawn this permission. The picture plays in a theater and anybody can buy tickets and run a theater party. Hopefully, other Democratic candidates will not try to take advantage of the fact that anyone can go to a movie theater in order to claim special privilege.

PERSONAL EXPLANATION

Mr. DEVINE. Mr. Speaker, yesterday on rollcall No. 255, I am recorded as not voting. That is correct. I answered a quorum call immediately prior thereto and immediately thereafter, but on rollcall No. 255, involving the Highway Act of 1966, I was on official business in the Senate, and I would like the RECORD to indicate that I would have voted "aye" had I been present.

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

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on H.R. 15183, the Cuban refugees bill.

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

There was no objection.

RESIGNATION SUBMITTED BY RICHARD P. NATHAN

The SPEAKER laid before the House the following communication:

WASHINGTON, D.C.,
August 31, 1966.

Hon. JOHN W. MCCORMACK,
Speaker, House of Representatives.

DEAR MR. SPEAKER: It has been my privilege to have served as a minority employee with the House of Representatives. My experience has been an interesting and rewarding one and I certainly appreciate having had the opportunity to serve as professional staff assistant to the minority of the House of Representatives.

It is with regret that I find it necessary to submit my resignation from the position as minority employee to which I was appointed under House Resolution 911, dated July 12, 1966. I request that this resignation be made effective as of the close of business today, August 31, 1966.

Please accept my sincere thanks for the many courtesies extended to me.

Sincerely,

RICHARD P. NATHAN.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 260]

Abernethy	Gettys	O'Neill, Mass.
Addabbo	Gilligan	Ottinger
Ashmore	Hagan, Ga.	Powell
Baring	Halleck	Rees
Battin	Harvey, Ind.	Reinecke
Bell	Harvey, Mich.	Resnick
Bingham	Hawkins	Rivers, S.C.
Bolling	Hays	Rogers, Colo.
Burton, Utah	Hébert	Satterfield
Callaway	Herlong	Saylor
Carter	Holifield	Schmidhauser
Celler	Horton	Scott
Clark	Jones, Mo.	Senner
Clausen, Don H.	Keogh	Sickles
	King, N.Y.	Stephens
Cohelan	Krebs	Sweeney
Corbett	Landrum	Teague, Calif.
Corman	Long, Md.	Thomas
Craley	McClory	Thompson, Tex.
Cunningham	McEwen	
Davis, Ga.	McMillan	Todd
Dawson	Mackay	Toll
Derwinski	Mackie	Tuten
Dow	Madden	Utt
Duncan, Oreg.	Martin, Ala.	Van Deerlin
Edmondson	Mink	Walker, Miss.
Evins, Tenn.	Moeller	Watkins
Fisher	Morrison	Watson
Flynt	Mosher	Watts
Friedel	Murphy, Ill.	Whalley
Fulton, Pa.	Murray	Williams
Fulton, Tenn.	O'Konski	Willis
Gallagher	Olson, Minn.	Zablocki
Garmatz	O'Neal, Ga.	

The SPEAKER. On this rollcall, 338 Members have answered to their names, a quorum.

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

FOR THE RELIEF OF LOURDES S. (DELOTAVO) MATZKE

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 3078) for the relief of Lourdes S. (Delotavo) Matzke, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, after line 10, insert:

"SEC. 2. In the administration of the Immigration and Nationality Act, Yusef Ali Chouman may be classified as a child within the meaning of section 101(b)(1)(F) of the said Act, upon approval of a petition filed in his behalf by Mr. and Mrs. Mohamad Schuman, citizens of the United States, pursuant to section 204 of the said Act."

Amend the title so as to read: "An Act for the relief of Lourdes S. (Delotavo) Matzke and Yusef Ali Chouman."

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WINSTON LLOYD McKAY

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5213) for the relief of Winston Lloyd McKay, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

"That, for the purposes of the Immigration and Nationality Act, Winston Lloyd McKay 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."

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

Mr. McCULLOCH. Mr. Speaker, reserving the right to object, has this matter been cleared with the ranking minority member of the subcommittee?

Mr. FEIGHAN. I did not personally, but I understand that the staff did. If there is any doubt about it, I will withdraw my request.

Mr. McCULLOCH. I regret the necessity of objecting. I have not been advised of it, either by the majority or the minority.

The SPEAKER. The gentleman from Ohio [Mr. FEIGHAN] withdraws his request.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

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

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until 12 o'clock midnight tonight to file a report on H.R. 15183.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RED CHINA AND U.S. CLERGY POLL

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

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, with the admission of Red China to the U.N. certain to be a controversial issue when the United Nations convenes later this year, a recent poll of Protestant clergymen in the United States provides much food for thought. With almost 30,000 questionnaires returned, those replying were overwhelmingly against either the admission of Red China to the United Nations or the granting of diplomatic recognition to that brutal and barbaric regime. I insert the news story, "Polled Clergy 'No' Peking in U.N.," in the RECORD at this point:

POLLED CLERGY "NO" PEKING IN U.N.

(By Henry Machirella)

In disputing a resolution by the National Council of Churches calling for the admission of Communist China to the United Nations, the Rev. Daniel A. Poling, prominent Protestant clergyman, said yesterday that 72.9% of his fellow churchmen were against Red China's admission to the UN.

Poling reported that Protestant ministers throughout the country were polled and almost 30,000 replied. More than 93% were opposed to the expulsion of Nationalist China from the UN to satisfy the Communist Chinese conditions for joining.

The cleric described the response to the poll during a press conference at the Overseas Press Club. The announcement was also sponsored by the Clergymen's Emergency Committee on China.

DECRIES FEBURARY 22 RESOLUTION

Poling pointed out that on Feb. 22, the general board of the National Council of Churches, meeting in St. Louis, unanimously passed the resolution for Red China's admission to the UN. He said: "This widely publicized resolution and similar statements from some other church bodies has caused dismay in nations throughout the world. Particularly tragic is the effect on the morale of young Americans battling Communism in Viet Nam."

He continued: "In the belief that these resolutions and statements do not represent the great majority of the Protestant community, I undertook to poll individual American Protestant clergymen on this historic question."

MAILED TO 150,000

Mailed questionnaires were sent out in June to a list of 150,000 denominational churchmen in all parts of the U.S. According to Poling, nearly 30,000 completed forms were returned and "the NOs were overwhelming."

Of those responding: 72.9% were opposed to Red China's admission into the world body; 25.6% were in favor; 93.7% were against meeting the Communist's basic conditions for joining; 2.9% were in favor; 71.4% were opposed to diplomatic recognition of the Peking regime; 25.8% were for it.

SAYS IT AFFIRMS POLICY

"This great affirmation of support of present U.S. policy," Poling claims, "was made in spite of tremendous and continuous campaigns advancing appeasement of Red China which have been leveled at American clergymen."

Poling is chaplain of the interfaith memorial Chapel of the Four Chaplains and chairman of the board of Christian Herald magazine. His son, the Rev. Clark V. Poling, was one of the four chaplains who died when the Army transport *Dorchester* was torpedoed in 1943.

FOREIGN ASSISTANCE ACT OF 1966

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 15750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 1927)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That this Act may be cited as the 'Foreign Assistance Act of 1966'.

"PART I

"Chapter 1—Policy

"SEC. 101. Section 102 of the Foreign Assistance Act of 1961, as amended, which relates to the statement of policy, is amended as follows:

"(a) In the last paragraph, immediately before the period at the end thereof, insert the following: 'and to provide adequate compensation for such damage or destruction.'

"(b) At the end of section 102 add the following new paragraph:

" 'The furnishing of economic, military, or other assistance under this Act shall not be construed as creating a new commitment or as affecting any existing commitment to use armed forces of the United States for the defense of any foreign country.'

"Chapter 2—Development assistance

"Title I—Development Loan Fund

"SEC. 102. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended as follows:

"(a) Section 201(b), which relates to general authority to make loans from the Development Loan Fund, is amended as follows:

"(1) In the second sentence, strike out the word 'and' at the end of clause (5) and strike out the period at the end of the sentence and insert a comma and the following: '(7) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise, (8) the degree to which the recipient country is taking steps to improve its climate for private investment, and (9) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth.'

"(2) At the end thereof add the following new sentence: 'Funds made available under this title, except funds made available pursuant to section 205, shall not be used to make loans in more than ten countries in any fiscal year, except that such loans may be made in any additional country after at least thirty days shall have elapsed following the submission by the President to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of a report stating that the making of

loans in such additional country during such fiscal year is in the national interest and giving his reasons therefor.'

"(b) Section 202(a), which relates to authorization for the Development Loan Fund, is amended as follows:

"(1) Strike out '$1,200,000,000' and all that follows down through 'succeeding fiscal years' and insert in lieu thereof '$685,000,000 for the fiscal year 1967 and $750,000,000 for each of the fiscal years 1968 and 1969'.

"(2) In the second proviso, strike out 'June 30, 1965, and June 30, 1966' and insert in lieu thereof 'June 30, 1967, through June 30, 1969'.

"(c) Amend section 205, which relates to use of international lending organizations, to read as follows:

"'SEC. 205. In order to serve the purposes of this title and the policy contained in section 619, 10 per centum of the funds made available for this title shall be available only for transfer, on such terms and conditions as the President determines, to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation for use pursuant to the laws governing United States participation in such institutions, if any, and the governing statutes thereof and without regard to section 201 or any other requirements of this or any other Act.'

"Title II—Technical Cooperation and Development Grants

"SEC. 103. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to technical cooperation and development grants, is amended as follows:

"(a) Section 211, which relates to general authority, is amended as follows:

"(1) In the second sentence of subsection (a) strike out 'and' at the end of clause (5) and strike out the period at the end of the sentence and insert a comma and the following: '(7) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise, and (8) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth.'

"(2) At the end of subsection (a), add the following new sentence: 'The authority of this title shall not be used to furnish assistance to more than forty countries in any fiscal year, except that such assistance may be furnished to any additional country after at least thirty days shall have elapsed following the submission by the President to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives of a report stating that the furnishing of assistance to such additional country during such fiscal year is in the national interest and giving his reasons therefor.'

"(3) At the end of section 211, add the following new subsections:

"'(d) Not to exceed $10,000,000 of funds made available under section 212, or under section 252 (other than loan funds), may be used for assistance, on such terms and conditions as the President may specify, to research and educational institutions in the United States for the purpose of strengthening their capacity to develop and carry out programs concerned with the economic and social development of less developed countries.

"'(e) In any developing countries or areas where food production is not increasing enough to meet the demands of an expanding population, or diets are seriously deficient, a high priority shall be given to efforts to increase agricultural production, particularly the establishment or expansion of adaptive research programs designed to increase acre-yields of the major food crops. Such research programs, to the greatest extent possible, should be based on cooperative undertakings between universities and research institutions in the developing countries and United States universities and research institutions.'

"(b) Section 212, which relates to authorization, is amended by striking out '1966' and inserting in lieu thereof '1967'.

"(c) Section 214, which relates to American schools and hospitals abroad, is amended as follows:

"(1) In subsection (b), strike out 'to hospitals outside the United States founded or sponsored by United States citizens and serving as centers for medical education and research' and insert in lieu thereof 'to institutions referred to in subsection (a) of this section, and to hospital centers for medical education and research outside the United States, founded or sponsored by United States citizens'.

"(2) Subsection (c), which relates to authorization, is amended by striking out '1966, $7,000,000' and inserting in lieu thereof '1967, $10,989,000'.

"(3) At the end of such section add the following new subsection:

"'(d) There is authorized to be appropriated to the President for the purposes of section 214(b), in addition to funds otherwise available for such purposes, for the fiscal year 1967, $1,000,000 in foreign currencies which the Secretary of the Treasury determines to be excess to the normal requirements of the United States.'

"Title III—Investment Guaranties

"SEC. 104. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows:

"(a) Section 221(b), which relates to general authority for investment guaranties, is amended as follows:

"(1) In paragraph (1), strike out '$5,000,000,000' and insert in lieu thereof '$7,000,000,000'.

"(2) In the third proviso of paragraph (2), strike out '$300,000,000' and '$175,000,000' and insert in lieu thereof '$375,000,000' and '$215,000,000', respectively, and strike out 'Federal Housing Administration' and insert in lieu thereof 'Department of Housing and Urban Development'.

"(3) In the fourth proviso of paragraph (2), strike out '1967' and insert in lieu thereof '1969'.

"(b) Section 222, which relates to general provisions, is amended by adding at the end thereof the following new subsection:

"'(h) In the case of any loan investment for housing guaranteed under section 221 (b)(2) or section 224, the Administrator of the Agency for International Development shall prescribe the rate of interest allowable to the eligible United States investor, which rate shall not be less than one-half of 1 per centum above the then current rate of interest applicable to housing mortgages insured by the Department of Housing and Urban Development. In no event shall the Administrator prescribe an allowable rate of interest which exceeds by more than 1 per centum the then current rate of interest applicable to housing mortgages insured by such Department.'

"(c) Section 224, which relates to housing projects in Latin American countries, is amended as follows:

"(1) In subsection (b)(1), strike out 'Federal Housing Administration' and insert in lieu thereof 'Department of Housing and Urban Development'.

"(2) In subsection (c), strike out '$400,000,000' and insert in lieu thereof '$450,000,000: *Provided*, That $300,000,000 be used for the purposes of section 224(b)(1)'.

"(3) In the last proviso of subsection (c), strike out '1967' and insert in lieu thereof '1969'.

"Title VI—Alliance for Progress

"SEC. 105. Title VI of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended as follows:

"(a) Section 251, which relates to general authority, is amended as follows:

"(1) In the second sentence of subsection (b), strike out 'and' at the end of clause (3) and strike out the period at the end of the sentence and insert a semicolon and the following: '(5) the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise; (6) the degree to which the recipient country is taking steps to improve its climate for private investment; (7) whether or not the activity to be financed will contribute to the achievement of self-sustaining growth; and (8) the extent to which the activity to be financed will contribute to the economic or political integration of Latin America.'

"(2) At the end of such section add the following new subsection:

"'(h) Loans may be made under authority of this title only for social and economic development projects and programs which are consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress in its annual review of national development activities. Whenever the President determines that the purposes of this title would be better served thereby, he may make available, in addition to any other funds available for such purposes, on such terms and conditions as he determines, not to exceed 15 per centum of the funds made available for this title to the Inter-American Development Bank, or to any of the institutions named in section 205, for use pursuant to the laws governing United States participation in the said Bank or in such institutions and the governing statutes thereof and without regard to section 201 or any other requirements of this or any other Act.'

"(b) Section 252, which relates to authorization, is amended as follows:

"(1) In the first sentence, strike out 'use beginning' the first place it appears and all that follows down through 'year 1966' and insert in lieu thereof 'the fiscal year 1967, $696,500,000, and for each of the fiscal years 1968 and 1969, $750,000,000, which amounts are authorized to remain available until expended and which, except for not to exceed $100,000,000 in each such fiscal year'.

"(2) In the second sentence, strike out '1964 through 1966' and insert in lieu thereof '1968 and 1969'.

"(3) In the last sentence, strike out 'June 30, 1965 and June 30, 1966' and insert in lieu thereof 'June 30, 1967, through June 30, 1969'.

"Title VIII—Southeast Asia Multilateral and Regional Programs

"SEC. 106. Chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, is amended by adding at the end thereof the following new titles:

"'Title VIII—Southeast Asia Multilateral and Regional Programs

"'SEC. 271. GENERAL PROVISIONS.—The acceleration of social and economic progress in southeast Asia is important to the achievement of the United States foreign policy objectives of peace and stability in that area. It is the sense of Congress that this objective would be served by an expanded effort by the countries of southeast Asia and other interested countries in cooperative programs for social and economic development of the region, employing both multilateral and bilateral channels of assistance.

"'SEC. 272. SPECIAL PROVISIONS.—In providing assistance to further the purposes of this title the President shall take into account:

"'(1) initiatives in the field of social and economic development by Asian peoples and institutions;

"'(2) regional economic cooperation and integration in southeast Asia;

"'(3) the extent of participation by other potential donor countries;

"'(4) the degree of peaceful cooperation among the countries of southeast Asia toward the solution of common problems; and

"'(5) the ability of multilateral institutions or other administering authorities to carry out projects and programs effectively, efficiently, and economically.

"'SEC. 273. AUTHORIZATION.—The President is authorized to utilize not to exceed $10,000,000 of the funds otherwise available to carry out the provisions of part I of this Act (other than title VI of this chapter) to furnish assistance under this title on such terms and conditions as he may determine, in order to promote social and economic development and stability in southeast Asia.

"'Title IX—Utilization of Democratic Institutions in Development

"'SEC. 281. In carrying out programs authorized in this chapter, emphasis shall be placed on assuring maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and local governmental institutions.'

"Chapter 3—International organizations and programs

"SEC. 107. Chapter 3 of part I of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended as follows:

"(a) Section 301(a), which relates to general authority, is amended by inserting immediately after 'by such organizations' the following: ', and in the case of the Indus Basin Development Fund administered by the International Bank for Reconstruction and Development to make grants and loans payable as to principal and interest in United States dollars and subject to the provisions of section 201(d),'.

"(b) Section 301(b), which relates to general authority, is amended by striking out 'United Nations Expanded Program of Technical Assistance and the United Nations Special Fund' and inserting in lieu thereof 'United Nations Development Program' and by adding at the end thereof the following new sentence: 'The President shall seek to assure that no contribution to the United Nations Development Program authorized by this Act shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime.'

"(c) Section 301(c), which relates to assistance for Palestine refugees in the Near East, is amended by striking out the last sentence and inserting in lieu thereof the following: 'Contributions by the United States for the fiscal year 1967 shall not exceed $13,300,000. No contributions under this subsection shall be made except on the condition that the United Nations Relief and Works Agency take all possible measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army.'

"(d) Section 302, which relates to authorization, is amended to read as follows:

"'SEC. 302. AUTHORIZATION.—(a) There is authorized to be appropriated to the President for grants to carry out the purposes of this chapter, in addition to funds available under any other Act for such purposes, for the fiscal year 1967 not to exceed $140,433,000.

"'(b) There is authorized to be appropriated to the President, for the fiscal year 1967, $1,000,000 for contributions to the United Nations Children's Fund during the calendar year 1967. Funds made available under this subsection shall be in addition to funds available under this or any other Act for such contributions and shall not be taken into account in computing the aggregate amount of United States contributions to such fund for the calendar year 1967.

"'(c) None of the funds available to carry out this chapter shall be contributed to any international organization or to any foreign government or agency thereof to pay the costs of developing or operating any volunteer program of such organization, government, or agency relating to the selection, training, and programing of volunteer manpower.'

"Chapter 4—Supporting assistance

"SEC. 108. Chapter 4 of part I of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended as follows:

"(a) Section 401, which relates to general authority, is amended by striking out the period at the end thereof and inserting a colon and the following: '*Provided*, That not more than thirteen countries may receive assistance under the authority of this chapter in any fiscal year, unless the President determines that it is in the national interest of the United States to furnish such assistance to an additional country or countries. Any such determination, together with the reasons therefor, shall be reported to the Committee on Foreign Relations of the Senate and to the Speaker of the House of Representatives.'

"(b) Section 402, which relates to authorization, is amended to read as follows:

"'SEC. 402. AUTHORIZATION.—There is authorized to be appropriated to the President to carry out the purposes of this chapter for the fiscal year 1967 not to exceed $715,000,000: *Provided*, That where commodities are furnished on a grant basis under this chapter under arrangements which will result in the accrual of proceeds to the Government of Vietnam from the sale thereof, arrangements shall be made to assure that such proceeds will not be budgeted by the Government of Vietnam for economic assistance projects or programs unless the President or his representative has given his prior written approval. Amounts appropriated under this section are authorized to remain available until expended.'

"Chapter 5—Contingency fund

"SEC. 109. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to contingency fund, is amended as follows:

"(a) Subsection (a) is amended as follows:

"(1) Strike out '1966' and '$150,000,000' in the first sentence and insert in lieu thereof '1967' and '$110,000,000', respectively.

"(2) Strike out the second and third sentences.

"(b) Subsection (b) is amended by striking out 'the first sentence of'.

"Chapter 7—Joint Commissions on Rural Development

"SEC. 110. Part I of the Foreign Assistance Act of 1961, as amended, is amended by adding at the end thereof a new chapter as follows:

"'Chapter 7—Joint Commissions on Rural Development

"'SEC. 471. JOINT COMMISSIONS ON RURAL DEVELOPMENT.—(a) The President is authorized to conclude agreements with less developed countries providing for the establishment in such countries of Joint Commissions on Rural Development each of which shall be composed of one or more citizens of the United States appointed by the President and one or more citizens of the country in which the Commission is established. A majority of the members of each such Commission shall be citizens of the country in which it is established. Each such agreement shall provide for the selection of the members who are citizens of the country in which the Commission is established who wherever feasible shall be selected in such manner and for such terms of office as will insure to the maximum extent possible their tenure and continuity in office.

"'(b) A commission established pursuant to an agreement authorized by this section shall be authorized to formulate and carry out programs for development of rural areas in the country in which it is established, which may include such research, training and other activities as may be necessary or appropriate for such development.

"'(c) Not to exceed 10 per centum of the funds made available pursuant to section 212 shall be available to the President in negotiating and carrying out agreements entered into under this section, including the financing of appropriate activities of Commissions established pursuant to such agreements.

"'(d) The furnishing of assistance under this section shall not be construed as an express or implied assumption by the United States of any responsibility for making further contributions for such purpose.

"'(e) Nothing in this chapter shall be construed to restrict the authority contained in any other chapters of this Act.'

"PART II

"Chapter 2—Military assistance

"SEC. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

"(a) Section 504(a), which relates to authorization, is amended to read as follows:

"'(a) In addition to such amounts as may be otherwise authorized to support Vietnamese forces and other free world forces in Vietnam, there is authorized to be appropriated to the President to carry out the purposes of this part (excluding the support of Vietnamese forces and other free world forces in Vietnam) not to exceed $875,000,000 for the fiscal year 1967: *Provided*, That funds made available for assistance under this chapter (other than training in the United States) shall not be used to furnish such assistance to more than forty countries in any fiscal year. Amounts appropriated under this subsection are authorized to remain available until expended.'

"(b) Section 506, which relates to conditions of eligibility, is amended by adding at the end thereof the following new subsection:

"'(e) From and after the sixtieth day after the date of enactment of the Foreign Assistance Act of 1966, no assistance shall be provided under this chapter to any country to which sales are made under title I of the Agricultural Trade Development and Assistance Act of 1954 until such country has entered into an agreement to permit the use of foreign currencies accruing to the United States under such title I to procure equipment, materials, facilities, and services for the common defense including internal security, in accordance with the provisions of section 104(c) of such title I.'

"(c) Section 508, which relates to reimbursements, is amended by adding at the end thereof the following new sentence: 'Such amounts of the appropriations made available under this part (including unliquidated balances of funds heretofore obligated for financing sales and guarantees) as may be determined by the President shall be transferred to, and merged with, the separate fund account.'

"(d) Section 510(a), which relates to special authority, is amended by striking out '1966' each place it appears and inserting in lieu thereof in each such place '1967'.

"(e) Section 512, which relates to restrictions on military aid to Africa, is amended by striking out 'fiscal year 1966' and inserting in lieu thereof 'each fiscal year'.

"(f) At the end of such chapter 2, add the following new section:

"'SEC. 514. ADMINISTRATION OF SALES AND EXCHANGE PROGRAMS INVOLVING DEFENSE ARTICLES AND SERVICES.—(a) Programs for the sale or exchange of defense articles or defense services under this chapter shall be administered so as to encourage regional arms control and disarmament agreements and so as to discourage arms races.

"'(b) In order to further encourage regional arms control and disarmament agreements and discourage arms races in the American Republics, notwithstanding the provisions of section 511(a) of this Act, the total value of military assistance and sales (other than training) under this Act or in accordance with section 7307 of title 10, United States Code, for American Republics in any fiscal year shall not exceed $85,000,000, of which $25,000,000 may be used for assistance on a cost-sharing basis to an inter-American military force under the control of the Organization of American States: *Provided*, That the cost of defense articles supplied for use by elements of the Inter-American Peace Force in the Dominican Republic shall not be charged against the $85,000,000 limitation provided by this subsection.'

PART III

"Chapter 1—General provisions

"SEC. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

"(a) Section 601, which relates to encouragement of free enterprise and private participation, is amended as follows:

"(1) In subsection (b), immediately after paragraph (1), insert the following new paragraph:

"'(2) establish an effective system for obtaining adequate information with respect to the activities of, and opportunities for, nongovernmental participation in the development process, and for utilizing such information in the planning, direction, and execution of programs carried out under this Act, and in the coordination of such programs with the ever-increasing developmental activities of nongovernmental United States institutions;'.

"(2) In subsection (b), redesignate paragraphs (2), (3), (4), (5), and (6) as paragraphs (3), (4), (5), (6), and (7), respectively.

"(3) In subparagraph (b), strike out 'and' at the end of paragraph (6), as so redesignated by paragraph (2) of this subsection; strike out the period at the end of paragraph (7), as so redesignated by paragraph (2) of this subsection, and insert in lieu thereof a semicolon; and at the end thereof add the following new paragraph:

"'(8) utilize wherever practicable the services of United States private enterprise on a cost-plus incentive fee contract basis to provide the necessary skills to develop and operate a specific project or program of assistance in a less developed friendly country or area in any case in which direct private investment is not readily encouraged, and provide where appropriate for the transfer of equity ownership in such project or program to private investors at the earliest feasible time.'

"(4) Subsection (c) is amended to read as follows:

"'(c)(1) There is hereby established an International Private Investment Advisory Council on Foreign Aid to be composed of such number of leading American business specialists as may be selected, from time to time, by the Administrator of the Agency for International Development for the purpose of carrying out the provisions of this subsection. The members of the Council shall serve at the pleasure of the Administrator, who shall designate one member to serve as Chairman.

"'(2) It shall be the duty of the Council, at the request of the Administrator, to make recommendations to the Administrator with respect to particular aspects of programs and activities under this Act where private enterprise can play a contributing role and to act as liaison for the Administrator to involve specific private enterprises in such programs and activities.

"'(3) The members of the Advisory Council shall receive no compensation for their services but shall be entitled to reimbursement in accordance with section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for travel and other expenses incurred by them in the performance of their functions under this subsection.

"'(4) The expenses of the Advisory Council shall be paid by the Administrator from funds otherwise available under this Act.'

"(b) Section 604, which relates to procurement, is amended as follows:

"(1) Subsection (c), which relates to procurement of agricultural commodities, is amended by striking out the word 'surplus' each time it appears and by inserting 'or product thereof available for disposition under the Agricultural Trade Development and Assistance Act of 1954, as amended,' after the word 'commodity' the first time it appears.

"(2) Add the following new subsection:

"'(e) No funds made available under this Act shall be used for the procurement of any agricultural commodity or product thereof outside the United States when the domestic price of such commodity is less than parity.'

"(c) Section 608(a), which relates to advance acquisition of property, is amended by inserting '(including personnel costs)' immediately after 'costs' the first place it appears in the first sentence.

"(d) Section 610(b), which relates to transfer between accounts, is amended by striking out the last sentence and inserting in lieu thereof the following: 'Not to exceed $5,000,000 of the funds appropriated under section 402 of this Act for any fiscal year may be transferred to and consolidated with appropriations made under section 637 (a) of this Act for the same fiscal year, subject to the further limitation that funds so transferred shall be available solely for additional administrative expenses incurred in connection with programs in Vietnam.'

"(e) Section 612, which relates to the use of foreign currencies, is amended by adding a new subsection as follows:

"'(c) In addition to funds otherwise available, excess foreign currencies, as defined in subsection (b), may be made available to friendly foreign governments and to private, nonprofit United States organizations to carry out voluntary family planning programs in countries which request such assistance. No such program shall be assisted unless the President has received assurances that in the administration of such program the recipient will take reasonable precautions to insure that no person receives any family planning assistance or supplies unless he desires such services. The excess foreign currencies made available under this subsection shall not, in any one year, exceed 5 per centum of the aggregate of all excess foreign currencies. As used in this subsection, the term 'voluntary family planning program' includes, but is not limited to, demographic studies, medical and psychological research personnel training, the construction and staffing of clinics and rural health centers, specialized training of doctors and paramedical personnel, the manufacture of medical supplies, and the dissemination of family planning information, medical assistance, and supplies to individuals who desire such assistance.'

"(f) Section 614(a) which relates to special authorities, is amended by adding at the end thereof the following new sentence: 'The limitation contained in the preceding sentence shall not apply to any country which is a victim of active Communist or Communist-supported aggression.'

"(g) Section 614(c), which relates to special authorities, is amended by adding at the end thereof the following: 'The President shall promptly and fully inform the Speaker of the House of Representatives and the chairman and ranking minority member of the Committee on Foreign Relations of the Senate of each use of funds under this subsection.'

"(h) Section 620, which relates to prohibitions against furnishing assistance, is amended as follows:

"(1) The first sentence of subsection (i) is amended to read as follows: 'No assistance shall be provided under this or any other Act, and no sales shall be made under the Agricultural Trade Development and Assistance Act of 1954, to any country which the President determines is engaging in or preparing for aggressive military efforts, or which hereafter is officially represented at any international conference when that representation includes the planning of activities involving insurrection or subversion, which military efforts, insurrection, or subversion, are directed against—

"'(1) the United States,

"'(2) any country receiving assistance under this or any other Act, or

"'(3) any country to which sales are made under the Agricultural Trade Development and Assistance Act of 1954,

until the President determines that such military efforts or preparations have ceased, or such representation has ceased, and he reports to the Congress that he has received assurances satisfactory to him that such military efforts or preparations will not be renewed, or that such representation will not be renewed or repeated.'

"(2) Subsection (k) is amended to read as follows:

"'(k) Without the express approval of Congress, no assistance shall be furnished under this Act to any country for construction of any productive enterprise with respect to which the aggregate value of assistance to be furnished by the United States will exceed $100,000,000. Except as otherwise provided in section 510, no military assistance shall be furnished to any country under this Act for carrying out any program, with respect to which the aggregate value of assistance to be furnished beginning July 1, 1966, by the United States will exceed $100,000,000 unless such program has been included in the presentation to the Congress during its consideration of authorizations for appropriations under this Act or of appropriations pursuant to authorizations contained in this Act. No provision of this or any other Act shall be construed to authorize the President to waive the provisions of this subsection.'

"(3) Subsection (l) is amended to read as follows:

"'(l) The President shall consider denying assistance under this Act to the government of any less developed country which, after December 31, 1966, has failed to enter into an agreement with the President to institute the investment guaranty program under section 221(b)(1) of this Act, providing protection against the specific risks of inconvertibility under subparagraph (A), and expropriation or confiscation under subparagraph (B), of such section 221(b)(1).'

"(4) Subsection (n) is amended to read as follows:

"'(n) In view of the aggression of North Vietnam, no assistance shall be furnished under this Act to any country which has failed to take appropriate steps, not later

than sixty days after the date of enactment of the Foreign Assistance Act of 1966—

"'(A) to prevent ships or aircraft under its registry from transporting to North Vietnam—

"'(i) any items of economic assistance,

"'(ii) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, as amended, arms, ammunition and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, or items of primary strategic significance used in the production of arms, ammunition, and implements of war, or

"'(iii) any other equipment, materials, or commodities; and

"'(B) to prevent ships or aircraft under its registry from transporting any equipment, materials, or commodities from North Vietnam.'

"(5) At the end of such section 620, add the following new subsections:

"'(p) No assistance shall be furnished under this Act to the United Arab Republic unless the President finds and reports within thirty days of such finding to the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives that such assistance is essential to the national interest of the United States, and further that such assistance will neither directly nor indirectly assist aggressive actions by the United Arab Republic.

"'(q) No assistance shall be furnished under this Act to any country which is in default, during a period in excess of six calendar months, in payment to the United States of principal or interest on any loan made to such country under this Act, unless such country meets its obligations under the loan or unless the President determines that assistance to such country is in the national interest and notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate of such determination.

"'(r) No recipient of a loan made under the authority of this Act, any part of which is outstanding on or after the date of enactment of this subsection, shall be relieved of liability for the repayment of any part of the principal of or interest on such loan.'

"Chapter 2—Administrative provisions

"SEC. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

"(a) Section 622, which relates to coordination with foreign policy, is amended as follows:

"(1) Subsection (b) is amended by striking out '(including any civic action and sales program)' and substituting '(including civic action) or sales programs'.

"(2) Subsection (c) is amended by striking all after 'general direction of' and substituting 'economic assistance and military assistance and sales programs, including but not limited to determining whether there shall be a military assistance (including civic action) or sales program for a country and the value thereof, to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the United States is best served thereby.'

"(b) Section 624(d), which relates to the Inspector General, Foreign Assistance, is amended by adding at the end thereof the following new paragraph:

"'(8) Whenever the Inspector General, Foreign Assistance, deems it appropriate in carrying out his duties under this Act, he may from time to time notify the head of any agency primarily responsible for administering any program with respect to which the Inspector General, Foreign Assistance, has responsibilities under paragraph (2) of this subsection that all internal audit, end-use inspection, and management inspection reports submitted to the head of such agency or mission in the field in connection with such program from any geographic areas designated by the Inspector General, Foreign Assistance, shall be submitted simultaneously to the Inspector General, Foreign Assistance. The head of each such agency shall cooperate with the Inspector General, Foreign Assistance, in carrying out the provisions of this paragraph.'

"(c) Section 634, which relates to reports and information, is amended by adding at the end thereof the following new subsection:

"'(f) The Secretary of the Treasury shall transmit to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate semiannual reports showing as of June 30 and December 31 of each year the repayment status of each loan theretofore made under authority of this Act any part of the principal or interest of which remains unpaid on the date of the report.'

"(d) Section 635(h), which relates to general authorities, is amended by inserting '(except development loans)' immediately after 'II, V, and VI'.

"(e) Section 637(a), which relates to administrative expenses, is amended by striking out '1966 not to exceed $54,240,000' and inserting in lieu thereof '1967 not to exceed $55,813,500'."

And the Senate agree to the same.

THOMAS E. MORGAN,
EDNA F. KELLY,
WAYNE L. HAYS,
W. S. MAILLIARD,
PETER H. B. FRELINGHUYSEN,
Managers on the Part of the House.

J. W. FULBRIGHT,
JOHN SPARKMAN,
MIKE MANSFIELD,
BOURKE B. HICKENLOOPER,
GEORGE AIKEN,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 15750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report.

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment, which is a substitute for both the text of the House bill and the text of the Senate amendment, and that the Senate agree to the same.

Except for conforming clerical and minor drafting changes, the differences between the House bill and the substitute agreed to in conference are noted below.

BASIC DIFFERENCES

The House bill and the Senate amendment contained numerous and important differences. Many of these differences reflected a divergence between the managers on the part of the House and the managers on the part of the Senate in their concepts of the objectives of the foreign aid program and of the relation of foreign aid to the implementation of U.S. foreign policy.

Although the committee of conference agreed to compromise language with respect to major differences, the conference report does not reflect a reconciliation of the basic positions of the Senate and the House conferees as to the nature and the administration of foreign aid.

Military assistance

The Senate amendment contained no language relating to military assistance because the Senate had passed a separate bill, S. 3583, dealing with this matter. Most of the provisions of the House bill relating to military assistance had been included in S. 3583 as approved by the Senate and were agreed to by the committee of conference after the managers on the part of the House accepted authorizations for a single fiscal year instead of the 2-year authorizations contained in the House bill.

Authorization (Sec. 201(a))

The House bill authorized $917 million for military assistance. There was no authorization for military assistance in the Senate amendment.

The managers on the part of the House agreed to a figure of $875 million and to a requirement that military assistance shall not be furnished, other than for training in the United States, to more than 40 countries in any fiscal year.

Use of Local Currencies Derived From Sales of Agricultural Commodities for the Common Defense (Sec. 201(b))

The managers on the part of the House accepted an amendment to section 201(b) of the House bill, which required that no military assistance may be provided to any country to which sales are made under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, until such country agrees to permit the use of foreign currencies to procure military equipment, materials, facilities, and services for the common defense. The amendment allows a period of 60 days after enactment of this bill for the necessary negotiation of military assistance agreements.

Assistance to the American Republics (Sec. 201(f))

The House bill included a provision that sales of defense articles or services under the authority of the Foreign Assistance Act of 1961 shall be administered so as to encourage regional arms control agreements and discourage arms races.

The Senate amendment did not contain such a provision.

The managers on the part of the House accepted a limitation that military assistance and sales (other than training) to the American Republics shall not exceed $85 million.

The purpose of this limitation is to discourage the governments of the American Republics from diverting their limited resources from programs of economic and social development to building military establishments larger than necessary to maintain internal security and defend against border incursions.

Should this limitation prove to be either too restrictive or fail to accomplish its objective because of procurement from non-U.S. sources, the managers on the part of the House are prepared to initiate appropriate remedial action.

One-year authorization

The House bill contained authorizations of funds for fiscal years 1967 and 1968 for seven of the programs included in the Foreign Assistance Act, as well as extending for 2 years authority with respect to certain foreign assistance operations which had been subject to specific time limitation, except that funds for development loans and the Alliance for Progress were authorized for 5 years.

The Senate amendment limited all authority to a single year except for a 2-year authorization of funds for the Alliance for Progress.

The committee of conference agreed to an authorization for 3 years for the development loan fund and for the Alliance for Progress, and for 1 year only with respect to other authorizations of funds and those provisions

of the House bill which had authorized operations for a 2-year period.

Limitation on the number of countries to which assistance may be provided

The Senate amendment limited the number of countries to which development loans could be provided to 10, the number of countries to which technical cooperation and development grants could be provided to 40, and the number of countries to which supporting assistance could be provided to 10. With respect to the development loan fund and to technical cooperation and development grants, assistance could be provided to additional countries only after the President had submitted to the Committees on Foreign Relations and Foreign Affairs a report that assistance to such countries was in the national interest and each of the committees had adopted a resolution approving assistance to the additional countries.

In the case of supporting assistance, the President could increase the number of countries after determining that such increase was in the national interest and reporting to the Committee on Foreign Relations of the Senate and to the Speaker of the House.

The House bill contained no limitation on the number of countries to which assistance could be provided.

The managers on the part of the House accepted the limitation of development loans to 10 countries and of technical cooperation and development grants to 40 countries after getting agreement that the President could provide assistance to any additional country 30 days after submitting to the Committee on Foreign Relations of the Senate and the Speaker of the House a report stating that assistance to such country is in the national interest and giving his reasons.

The managers on the part of the House accepted a limitation on the number of countries to receive supporting assistance of 13 rather than 10 as contained in the Senate amendment, together with the requirement for a Presidential determination and notification to the Congress as contained in the Senate amendment.

The managers on the part of the House also accepted a limitation on the number of countries to which military assistance could be provided to 40 after being informed that the executive branch did not oppose such a limitation.

It was the understanding of the managers on the part of the House that countries receiving U.S. aid as participants in programs or projects organized or administered by international organizations or carried on on behalf of or jointly by a group of nations are not to be included in determining the number of countries subject to the various limitations on the number of countries to which assistance may be provided.

Although the House conferees share with the Senate a desire to reduce foreign aid expenditures and to curtail the magnitude and scope of foreign aid operations, they do not regard the limiting by law of the number of countries to which assistance may be provided as being a desirable or effective means of attaining the desired objective.

The Committee on Foreign Affairs pointed out in its report on the Foreign Assistance Act of 1966 (H. Rept. 1651) that the Foreign Assistance Act provides "* * * the President with a variety of tools which are essential to the conduct of U.S. foreign policy" and that "it is not to our advantage to impose restrictions on the purposes or the countries for which these tools can be used, the effect of which is to deprive us of the means for dealing with situations which may occur."

The managers on the part of the House do not believe that the United States should provide assistance to foreign countries unless such assistance makes a significant contribution to the attainment of our foreign policy objectives. It is essential that the Congress be on guard against any tendency on the part of those responsible for foreign aid operations to regard the extension of assistance to additional countries and the expansion of programs already in existence as being normal, inevitable, or desirable.

To the extent that the limitations on the number of countries agreed to by the committee of conference cause the Executive to exercise prudence in extending or expanding U.S. assistance to other countries, they may serve a useful purpose. The President is given discretion, however, to exceed these limits when he determines that it is in the national interest to do so.

Channeling U.S. assistance through international organizations

The Senate amendment contained four provisions relating to the channeling of U.S. economic aid funds through international lending organizations or multilateral programs. The House bill did not include comparable provisions.

Two of these provisions were deleted by the committee of conference.

Development Loans

The Senate amendment (sec. 102(e)) provided that 15 percent of development loan funds should be available only for transfer to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation. Under existing law, transfer of the same percentage is authorized, but funds are not required to be used only for this purpose.

The managers on the part of the House accepted a set-aside of 10 percent of development loan funds for such transfers.

Alliance for Progress

The Senate amendment contained an authorization to transfer up to 15 percent of Alliance for Progress funds to the Inter-American Development Bank, the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation. Such authority was permissive and did not require the set-aside of funds for the use of these institutions.

The managers on the part of the House accepted this provision.

The managers on the part of the House recognize the importance of the international lending agencies and anticipate that these institutions will have an increasing role in promoting the economic development of the less developed countries.

Although there may be situations where it would be in the interest of the United States to transfer foreign assistance funds to such agencies for specific operations, the House conferees do not believe that responsibility for the administration of the foreign assistance program or foreign assistance funds should be shifted to these international institutions.

The foreign assistance program should exist primarily to provide tools for the implementation of U.S. foreign policy.

The functions, responsibilities, and financial requirements of each of the international lending agencies are determined in important respects by other considerations.

As such agencies develop the capability and have available the necessary resources to assume increasing responsibility for promoting economic development, it should be possible for the United States to curtail bilateral assistance for this purpose.

Such shifting of responsibility and curtailment of bilateral assistance should, however, be accomplished by a phasing down of the foreign assistance program and an evaluation by the United States of its contributions to each of the international lending institutions on an individual basis rather than by the transfer of funds.

Authorization of funds

The following table shows the differences between the House bill and the Senate amendment, and the sums agreed to by the committee of conference.

Foreign Assistance Act of 1966 (fiscal year 1967)

[In thousands]

Program	House [1]	Senate [2]	Conference [3]	Difference [4]
Development Loan Fund	$1,000,000	$370,000	$685,000.0	H−315,000.0 S+315,000.0
Technical cooperation and development grants	231,310	210,000	210,000.0	H−21,310.0
American schools and hospitals abroad	10,989	10,989	10,989.0	
Local currency	1,000	1,000	1,000.0	
Alliance for Progress	850,000	543,000	696,500.0	H−153,500.0 S+153,500.0
Loans	($700,000)	($455,300)	($596,500.0)	(H−103,500.0) (S+141,200.0)
Grants	($150,000)	($87,700)	($100.000.0)	(H−50,000.0) (S+12,300.0)
Southeast Asia multilateral and regional programs	(5)	(5)	(5)	
International organizations and programs	140,433	140,433	140,433.0	
UNICEF	1,000		1,000.0	S+1,000.0
Supporting asistance:				
General	200,000	658,000	715,000.0	H−35,000.0 S+57,000.0
Vietnam	550,000			
Contingency fund	150,000	70,000	110,000.0	H−40,000.0 S+40,000.0
Administrative expenses:				
AID	57,387	54,240	55,813.5	H−1,573.5 S+1,573.5
State Department	(6)	3,100	(7)	S−3,100.0
Total economic	3,192,119	2,060,762	2,625,735.5	H−566,383.5 S+564,973.5
Military assistance [8]	917,000	[8] 792,000	875,000.0	H−42,000.0 S+125,000.0
Total	4,109,119	2,852,762	3,500,735.5	H−608,383.5 S+647,973.5

[1] House bill authorized the same amounts for fiscal 1967 and 1968, except 5 years in the case of the Development Loan Fund and the Alliance for Progress, and except $1,000,000 for excess foreign currencies and $1,000,000 for UNICEF for fiscal 1967 only.

[2] Senate bill authorized funds for fiscal year 1967 only, except 2 years for the Alliance for Progress.

[3] Conferees agreed to authorization for fiscal year 1967 only, except 3 years for the Development Loan Fund ($750,000,000 for fiscal years 1968 and 1969) and 3 years for the Alliance for Progress ($750,000,000 for fiscal years 1968 and 1969).

[4] H=House; S=Senate.

[5] House bill authorized use of pt. I funds for this purpose but specified no amount; Senate amendment authorized $50,000,000 of economic funds otherwise made available; conferees agreed to House language with inclusion of specific amount of $10,000,000 as ceiling.

[6] Permanent authorization is in existing law.

[7] Senate amendment repealed permanent authorization in existing law and authorized $3,100,000 for fiscal year 1967. In conference, Senate receded, leaving permanent authorization in law.

[8] The Senate amendment to H. R. 15750 did not contain any authorization for military assistance. S. 3583, however, which the Senate adopted provided $792,000,000 for this purpose for fiscal year 1967.

Other changes in the House bill agreed to by the committee of conference are as follows:

PART I

Chapter 1—Policy

Sense of Congress Concerning Communist-Supported Military Propaganda by Aid-Recipient Countries (House Bill, Sec. 101(a))

The House bill amended section 102 of the act to express the sense of Congress that the President keep the Congress fully and currently informed concerning aid-recipient countries which divert their economic resources for military propaganda supported by the Soviet Union or Communist China and directed against other aid-recipient countries or the United States.

The Senate amendment did not contain a comparable provision.

The managers on the part of the House agreed to the deletion of this requirement with the understanding that such deletion does not indicate any diminution of the opposition of Congress to the diversion of economic resources to finance propaganda against other nations receiving assistance, and with the assurance of the Executive that the Congress would be kept fully and currently informed on this subject without a specific legal requirement to do so.

Assistance Not To Be Construed as U.S. Military Commitment (Sec. 101(b))

The Senate amendment added a sentence to section 102 of the act which is the statement of policy. The new sentence stated that the act or the furnishing of assistance under the act or under the Military Assistance and Sales Act shall not be construed as creating a new commitment or as affecting any existing commitment to use Armed Forces of the United States for the defense of any foreign country.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate language with an amendment that deleted the reference to the Military Assistance and Sales Act. This deletion was necessary since the Senate had accepted the single bill concept which included both economic and military assistance. The House conferees have proceeded in the knowledge that such military commitments as the United States has undertaken abroad for the defense of another country have been based upon treaties and other international agreements apart from the Foreign Assistance Act. The inclusion of the new sentence will remove any uncertainty that may exist on the part of others that such is not the case.

Chapter 2—Development assistance

Title I—Development Loan Fund

Added criteria for development loans (sec. 102(a)(1))

The Senate amendment amended section 201 of the act by adding three criteria to be taken into account in making development loans:

(*a*) The recipient's progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise;

(*b*) The recipient's steps to improve its climate for domestic and foreign private investment through (1) encouragement of maximum private ownership of industry, (2) nondiscriminatory treatment between national and nonnational and between public and private enterprises and products, and (3) adequate protection of industrial property rights; and

(*c*) Whether or not the activity will contribute to self-sustaining growth.

The House bill contained a provision comparable to the second of the Senate's three new criteria ((*b*), above) which simply stated that the President, in carrying out the development loan program, shall seek to encourage each recipient country to improve its climate for private investment as a necessary element in economic development.

The committee of conference accepted the language in the Senate amendment as contained in points (*a*) and (*c*) above but adopted the broader language of the House in lieu of the Senate's statement in point (*b*). It is their belief that the inclusion of these new criteria provide a more comprehensive guide in seeking to achieve progress in many areas of development.

Title II—Technical Cooperation and Development Grants

Added criteria for technical cooperation and development grants (sec. 103(a)(1))

The Senate amendment amended section 211 of the act to add two criteria to be taken into account in making technical cooperation and development grants:

(*a*) The recipient's progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise; and

(*b*) Whether or not the activity will contribute to self-sustaining growth.

These criteria are identical with the proposed development loan criteria relating to free institutions and self-sustaining growth contained in section 102(a)(1) of the Senate amendment.

The House bill contained no comparable provision.

The managers on the part of the House accepted the Senate language. As in the case of the inclusion of the new criteria that were added to the development loan section, the addition of these new criteria for technical cooperation reflect more fully the broad objectives the United States seeks to achieve through technical assistance programs.

Increasing agricultural production through agricultural research (sec. 103(a)(3))

The Senate amendment added to section 211 of the act a new subsection (e). The new language stated that in developing countries where food production is not meeting the demands of population, or diets are seriously deficient, high priority should be given to increased agricultural production, particularly through adaptive agricultural research programs based on cooperative undertakings between universities and research institutions in the United States and in the developing countries.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate language. It reflects the concern that a preoccupation of countries with industrial development too often minimizes the improvement of agricultural production. It is in line with the increased emphasis that AID plans to give to agriculture in the next fiscal year. American land-grant colleges and universities, under contract with AID, have played a central role in the creation of agricultural training institutions and centers for adaptive research in the less developed countries. The new subsection is consonant with the new subsection (d) included in the House bill which authorizes the use of not more than $10 million of technical assistance funds or grant funds under the Alliance for Progress to strengthen the capacity of U.S. research and educational institutions to develop and carry out programs concerned with the economic and social development of the less developed countries.

Title III—Investment Guaranties

Specific risk guaranty ceiling (sec. 104(a)(1))

The House bill amended section 221(b) of the act to increase from $5 to $8 billion the total face amount of specific risk guaranty contracts that may be outstanding at any one time.

The Senate amendment did not contain a comparable provision.

In view of the fact that the ceiling of $8 billion contained in the House bill was related to a 2-year authorization, the managers on the part of the House accepted a reduction to $7 billion.

Extended risk guaranty termination date (sec. 104(a)(3))

The House bill amended section 221(b) of the act to extend the termination date for extended risk guaranty authority from June 30, 1967, to June 30, 1970.

The Senate amendment extended the termination date to June 30, 1968.

The managers on the part of the House agreed to an extension of the termination date to June 30, 1969. Although the committee of conference had agreed to a 1-year authorization for foreign assistance, it was believed that it was desirable to assure eligible investors who had started planning before June 30, 1968, but were unable to complete their investments by that time against the possibility that the extended risk guaranty program might lapse.

Increase in maximum period of guaranty of equity investment (House bill, sec. 104(b))

The House bill amended section 221(c) of the act to increase the maximum period of specific risk and extended risk guaranties on equity investments from 20 to 30 years.

The Senate amendment did not contain a comparable provision.

The House receded. The managers on the part of the House accepted the argument that extension of guaranties beyond 20 years would not significantly increase the incentive for investment while lengthening the exposure of the U.S. Government to the risks involved.

Ceiling on Latin American housing guaranty authority (sec. 104(c)(2))

The House bill amended section 222(c) of the act to increase from $400 to $500 million the ceiling on the total face amount of outstanding Latin American housing guaranties, and to provide that $350 million of this total could be used only for the purposes of section 224(b)(1) (pilot or demonstration housing projects).

The Senate amendment did not increase the present $400 million ceiling on issuing authority but required that at least $50 million of the additional $150 million in issuing authority provided in the Foreign Assistance Act could be used only for the purposes of section 224(b)(1).

The committee of conference agreed to split the difference between the ceilings on Latin American housing guaranties and accepted a figure of $450 million. The House figure of $350 million earmarked for pilot or demonstration projects was reduced to $300 million.

Latin American housing guaranty termination date (sec. 104(c)(3))

The House bill amended section 222(c) of the act to extend the termination date for Latin American housing projects guaranty authority from June 30, 1967 to June 30, 1970.

The Senate amendment extended the termination date to June 30, 1968.

The committee of conference agreed to a termination date of June 30, 1969. The provision in the House bill had been related to a 2-year authorization for the foreign assistance program but it was felt that the termination date should be extended for 2 years beyond the authorization provided for the rest of the program in order to assure those eligible investors who had started planning before June 30, 1968, but were unable to complete their investments by that time against the possibility that the Latin

American housing guaranty program might lapse.

Title VI—Alliance for Progress

Adding criteria for Alliance for Progress assistance (sec. 105(a)(1))

The Senate amendment amended section 251(b) of the act to add four criteria to be taken into account in furnishing assistance under the Alliance for Progress:

(*a*) The recipient's progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise;

(*b*) The recipient's steps to improve its climate for domestic and foreign private investment through (1) encouragement of maximum private ownership of industry; (2) nondiscriminatory treatment between national and nonnational and between public and private enterprises and products; and (3) adequate protection of industrial property rights;

(*c*) Whether or not the activity will contribute to self-sustaining growth; and

(*d*) The extent to which the activity will contribute to the economic and political integration of Latin America.

The House bill amended section 251(b) to add a provision comparable to the Senate version's private investment criterion (*b*, above) which requires the President, in carrying out the Alliance for Progress title, to seek to encourage each recipient country to improve its climate for private investment as a necessary element in economic development.

The first three criteria (*a*, *b*, *c* above) of the Senate amendment and the policy statement in the House bill were identical with the development loan criteria and policy statement in section 102(a)(1) of the Senate amendment and section 102(a) of the House bill.

The committee of conference accepted the language in the Senate amendment as contained in points (*a*) and (*c*) above but adopted the broader language of the House in lieu of the Senate statement in point (*b*). This action was consistent with that taken regarding the new criteria for the development loan program. The managers on the part of the House also accepted the Senate language contained in point (*d*) above. Such language will make clear the importance of increased economic and political integration among the American Republics in furthering the goals of the Alliance for Progress.

Alliance loans consistent with CIAP findings and recommendations (sec. 105(a)(2))

The Senate amendment added a new subsection (h) to section 251 of the act requiring that Alliance for Progress loans be made only to support national economic plans approved by the Inter-American Committee for the Alliance for Progress (CIAP).

The House bill did not contain a comparable provision.

The House receded with an amendment. The original Senate language was predicated on the assumption that CIAP approves or disapproves the national economic plans of Latin American countries. Such is not the case. CIAP confines its functions to an annual review of country programs during which it makes suggestions and recommendations for changes and for implementation of development plans. The language accepted by the committee of conference reflects more accurately the role performed by CIAP in dealing with national plans.

Title VIII—Southeast Asia Multilateral and Regional Programs

Southeast Asia multilateral and regional programs (sec. 106)

The House bill added a new title VIII to the act which provided for the use of funds (other than Alliance for Progress funds) otherwise available under part I of the act for southeast Asia multilateral and regional programs. The Senate amendment also included this new title but provided for the use of not more than $50 million in fiscal year 1967 of the funds otherwise made available under the act for the purposes of the new title.

The committee of conference accepted the House language but included a ceiling of $10 million on the funds otherwise available in part I of the act (except the Alliance for Progress funds) that may be used under the new title. The Executive did not request an appropriation for this title for fiscal year 1967. The funds that may be used under the language agreed upon by the committee of conference are available without fiscal year limitation. The amount is sufficient to permit planning and modest programs in this pioneer venture. Anything beyond that would require further justification and congressional action.

Chapter 3—International organizations and programs

Restriction on Aid for Palestine Liberation Organization Members (sec. 107(c))

The House bill amended section 301(c) of the act to provide that no contribution shall be made to the United Nations Relief and Works Agency (UNRWA) unless UNRWA takes all possible measures to assure that no part of the U.S. contribution is used to furnish assistance to any refugee "receiving training as a member of the so-called Palestine Liberation Organization."

The Senate amendment did not contain a comparable provision.

The Senate conferees accepted the House language with two amendments:

First, the word "Army" was substituted for the word "Organization" since it is the Palestine Liberation Army that is a paramilitary group whose professed aim is to secure Arab rights in Palestine by force.

Second, the word "military" was inserted before training to indicate the particular type of activity to which the amendment is applicable.

Contributions to United Nations programs contrary to U.S. foreign policies (House bill sec. 107(d))

The House bill amended section 301 of the act by adding a new subsection (d) requiring the President to seek to assure that no U.S. contribution to any United Nations activity shall be used for activities contrary to the policies of the United States.

The Senate amendment did not contain a comparable provision.

The managers on the part of the House receded. The committee of conference accepted another House amendment dealing with the United Nations Development Program that seeks to assure that no U.S. contribution to that program is used for projects in Castro Cuba. The Senate conferees were not willing to accept an amendment that applied to a wide range of programs and the implications of which could not be foreseen.

Indus Basin loan authorization (House bill sec. 107(e))

The House bill amended section 302 of the act to authorize the appropriation of $51,220,000 for dollar repayable loans for Indus Basin development for use beginning in fiscal year 1968.

The Senate amendment did not contain a comparable provision.

The managers on the part of the House receded in view of the fact that all authorizations in the bill except for development loans and the Alliance for Progress were limited to fiscal year 1967.

Chapter 4—Supporting assistance

Budgeting of Vietnam Counterpart Funds (sec. 108(b))

The House bill amended section 402 of the act to require that counterpart funds accruing from commodities provided to the Government of Vietnam under the supporting assistance program should not be budgeted by that government for economic assistance without the prior written approval of the President of the United States or his representative.

The Senate amendment contained no comparable provision.

The managers accepted insertion in the language of the House bill of the words "arrangements shall be made to assure that" in order to make clear that the mandate of the amendment is directed to the executive branch of the Government of the United States rather than to the Government of Vietnam, an independent foreign sovereign.

Chapter 5—Contingency fund

Deletion of Reference to 1966 Supplemental Contingency Funds (Senate Amendments Sec. 109(a)(2))

The Senate amendment amended section 451 of the act to delete the requirement that contingency funds appropriated under the fiscal year 1966 Supplemental Foreign Assistance Authorization Act not be used to provide assistance to any country permitting ships or aircraft under its registry to carry cargo to or from North Vietnam, unless the President determined and reported to the Congress that withholding such assistance would be contrary to the national interest. The House bill did not contain a comparable provision.

The managers on the part of the House accepted the deletion of this provision which became obsolete upon the expiration of the fiscal year ending June 30, 1966.

A comprehensive provision denying assistance to nations permitting ships or aircraft to trade with North Vietnam was included in both the House bill and the Senate amendment and appears in section 301(h)(4) of the accompanying conference report.

Chapter 6—Assistance to nonindustrialized countries

Assistance for Population Control (Senate Amendment Sec. 110)

The Senate amendment added a new section 462 to the act which explicitly authorizes the use of economic assistance funds, upon the request of a recipient country, to furnish technical and other assistance for the control of population growth.

The House bill did not contain a comparable provision.

The managers on the part of the Senate receded. The committee of conference recognized that the act now provides sufficient authority for AID to carry out technical assistance and other activities in the field of population control.

Chapter 7—Joint commissions on rural development

Joint Commission on Rural Development (Sec. 110)

The Senate amendment added a new chapter 7 to part I expressly authorizing the President to conclude agreements with less developed countries for the establishment of joint commissions on rural development. A commission would be composed of at least one U.S. citizen and one or more citizens of the participating country, with the latter to constitute a majority. Where feasible, members from the participating country would be so selected as to provide tenure and continuity in office. A commission would be authorized to carry out programs for development of rural areas, including appropriate research, training, and other activities. Up to 10 percent of technical cooperation funds could be used to carry out the new chapter. The furnishing of assistance under the chapter would not be construed as an express or implied assumption by the United States of any responsibility for making further contributions for such purpose.

The House bill contained no comparable provision.

The managers on the part of the House accepted the Senate amendment. They were aware of the success of this approach in Taiwan and the efforts that have been made elsewhere to use the joint commission. It is their expectation that a clear endorsement by the Congress on this subject will serve to attract attention and to revive interest among those countries that could most benefit from the establishment of a joint commission.

PART III

Chapter 1—General provisions

Use of U.S. Private Enterprise Contracts (Sec. 301(a)(3))

The House bill amended section 601 of the act by adding a new subsection (8) requiring that U.S. private enterprise be hired on a cost-plus-incentive-fee contract basis to carry out projects and programs where direct private investment was not readily encouraged. It further provided that equity ownership in projects and programs should be transferred to private investors at the earliest feasible time.

The Senate amendment did not contain a comparable provision.

The managers on the part of the House recognized the merit of the argument that the House language might be too restrictive in such fields as education and health where the services of the private enterprise contractors might not be available and where it would be impossible to transfer to private investors equity ownership in a school system or a hospital.

They, therefore, accepted an amendment inserting the words "wherever practicable" and "where appropriate" in the House provision.

Procurement of "Surplus" Agricultural Commodities (Sec. 301(b)(1))

The Senate amendment amended section 604(c) of the act to make a technical change in the restriction on offshore procurement of grant agricultural commodities by applying the restriction to "any agricultural commodity or product thereof available for distribution under the Agricultural Trade and Development Act of 1954, as amended" rather than to "any surplus agricultural commodity."

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate provision with the understanding that the requirement contained in existing law that procurement of agricultural commodities be made "only within the United States except to the extent that such commodity is not available in the United States in sufficient quantities to supply emergency requirements of recipients under this act" remained unchanged.

Restriction on Offshore Procurement of Agricultural Commodities (Sec. 301(b)(2))

The Senate amended section 604 of the act by adding a new subsection (e) which prohibited offshore procurement of any agricultural commodity when the domestic price is below parity.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate provision.

It is recognized that agricultural commodities will have to be procured outside the United States under exceptional circumstances. When such procurement does occur it should be managed so as not to depress or adversely affect U.S. farm prices.

Use of Excess Foreign Currencies for Family Planning (Sec. 301(e))

The Senate amendment added a new subsection (c) to section 612 of the act to make explicit the availability of excess foreign currencies for voluntary family planning programs in countries requesting such assistance. No program is to be assisted unless the recipient country takes reasonable precautions in administering the program to insure that persons receiving assistance desire it. Up to 5 percent of the aggregate of all excess foreign currencies may be used for this purpose in any one year without appropriation. Voluntary family planning program is defined to include the manufacture of medical supplies, and the dissemination of family planning information, medical assistance and supplies to individuals who desire such assistance.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate amendment with an amendment which deleted the provision in the Senate version that waived the requirements of section 1415 of the Supplemental Appropriations Act of 1953.

Reports on Unvouchered Funds (Sec. 301(g))

The Senate amendment added to section 614(c) of the act, a requirement that the President report promptly and fully to the Speaker of the House of Representatives and the chairman and ranking minority member of the Senate Committee on Foreign Relations concerning each use of funds under that section.

The House contained no comparable provision.

The managers on the part of the House accepted the Senate amendment. Section 614(c) authorizes the President to use amounts not to exceed $50 million of the funds made available under the Foreign Assistance Act on an unvouchered basis when he certifies that it is inadvisable to specify the nature of the use of such funds. The amendment will require a limited disclosure of the use of unvouchered funds.

Participation in international conferences planning subversion (sec. 301(h)(1))

The House bill amended section 620(i) of the act to prohibit assistance, including assistance under Public Law 480, to any country which the President finds is participating officially in any international conference to plan activities involving insurrection or subversion directed against the United States or recipients of U.S. aid.

The Senate amendment contained no comparable provision.

The managers on the part of the Senate receded with an amendment. The purpose of the amended language is to make clear that the application of this provision is limited to a country that has official representation at an international conference when that representation includes the planning of activities involving insurrection or subversion directed against the United States or a recipient of U.S. assistance.

Approval of Congress for assistance exceeding $100 million (sec. 301(h)(2))

The House bill amended section 620(k) of the act to require express congressional approval of any assistance under the act furnished "to any country for construction of any productive enterprise, or for carrying out any program" where the aggregate value of assistance exceeds $100 million.

The Senate amendment amended section 620(k) to require express congressional approval of (a) any economic assistance under the act furnished "to any country for construction of any productive enterprise" where the aggregate value of assistance exceeds $100 million, and (b) any military assistance "to any country for carrying out any program" when the aggregate value of assistance exceeds $100 million.

The committee of conference accepted the House language with two amendments. First, the words "or for carrying out any program" as they pertain to assistance for a productive enterprise were deleted. This removes any ambiguity as to whether such words relate to individual projects, to a series of related loans, or to AID country programs. Second, the managers on the part of the House accepted a modification of the Senate restriction on military assistance which retained the $100 million limitation while making clear that countries receiving military assistance aggregating more than $100 million would not have to be identified by name in the authorizing legislation.

It was the understanding of the managers on the part of the House that limitations contained in this section apply only to assistance provided under the authority of the Foreign Assistance Act.

Arbitration of Indebtedness to United States Citizens (Senate Amendment Sec. 201(i))

The Senate amendment added a new section 620(p) to the Act prohibiting the furnishing of assistance under the Act to any country whose government or an agency or subdivision thereof fails within six months after request to consent to arbitration under the Convention on the Settlement of Investment Disputes of any claim against it by any U.S. citizen, or any entity, 50% or more beneficially owned by U.S. citizens. The new section would take effect when the Convention entered into force with respect to the United States.

The House bill did not contain a comparable provision.

Although the Senate receded with respect to this provision, the committee of conference was impressed with the argument that a United States firm had been badly treated by the Government of Iran. Although the United States firm has not exhausted the legal remedies available to it, so that the termination of assistance to Iran is not yet mandatory under the terms of sections 620 (c) or (e) of the Foreign Assistance Act, the experience of this firm casts doubt on the interest of the Government of Iran in encouraging private enterprise and the effectiveness of the efforts being made in that country to promote economic development.

Prohibition against relieving loan recipients of liability (sec. 301(h)(5))

The Senate amendment added a new section 620(t) to the act prohibiting relief of any loan recipient from liability for the repayment of any part of the principal or interest on a loan made under the authority of the act.

The House bill contained no comparable provision.

The managers on the part of the House accepted the Senate amendment. The effect of the new language is to prevent the conversion of AID loans to grants. It would not prevent AID from renegotiating any outstanding loan.

Prohibition on assistance to countries 6 months in default on AID loans (sec. 301(h)(5))

The Senate amendment added a new section 620(s) to the act which prohibits the furnishing of any assistance under the act to any country in default in excess of 6 calendar months on an AID loan made to that country, unless the country meets its obligations under the loan or the President determines and reports to the Congress that such assistance is essential to the national interest.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate language with an amendment to permit the President to waive the prohibition on asistance when he determines it is "in" the national interest.

Treasury Department reports on repayment status of AID loans (sec. 302(c))

The Senate amendment amended section 634 of the act by adding a new subsection

(f) requiring that the Secretary of the Treasury transmit to the Congress semiannual reports on loans made under the act for which any part of the principal or interest remains unpaid.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate amendment. The Treasury Department is the custodian of all public funds. Therefore it should have primary responsibility for reporting on these transactions.

THOMAS E. MORGAN,
EDNA F. KELLY,
WAYNE L. HAYS,
W. S. MAILLIARD,
PETER H. B. FRELINGHUYSEN,
Managers on the Part of the House.

Mr. MORGAN (interrupting the reading). Mr. Speaker, I ask unanimous consent that the reading of the statement be dispensed with. The report is printed in the RECORD this morning. I am sure the Members have had an opportunity to read it.

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

There was no objection.

The SPEAKER. The gentleman from Pennsylvania is recognized for 1 hour.

Mr. MORGAN. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, the managers on the part of the House do not point with pride to this conference report. We have had a long and difficult conference, and it has been necessary for the House to make some concessions.

We went to conference facing a situation where there were not only important differences in the two bills before us, but where there were basic differences between the House and Senate conferees on U.S. foreign policy and on the nature and purpose of our foreign aid program.

After long negotiations, we have been able to work out compromises with respect to the legislation, but I regret to say that disagreement on fundamental issues of policy still remains.

Although the House has had to make concessions, we have been able to get something in return.

The Senate had passed two foreign aid bills: one dealing with economic assistance and the other with military aid. The House included both economic and military assistance in a single bill—H.R. 15750. The Senate accepted a single bill including both economic and military aid.

On the other hand, the House had provided authorizations of funds for 2 fiscal years, except for development loans and funds for the Alliance for Progress which were authorized for 5 years. The Senate had limited all authorizations to 1 year, except for a 2 year authorization for the Alliance for Progress.

The managers on the part of the House accepted a 1-year authorization across the board, except for 3-year authorizations for development loans and for the Alliance for Progress.

The Senate had placed limits on the number of countries to which foreign assistance could be given: 10 to receive development loans; 40 to receive technical assistance; 10 to receive supporting assistance; and 40 to receive military aid.

In the case of development loans and supporting assistance, the only way the President could increase the number of countries to which aid might be given was to have the approval of the Committees on Foreign Relations and Foreign Affairs expressed by a formal resolution of these committees.

The House conferees do not believe that there should be limits on the number of countries to which aid may be given established by law. We are in favor of phasing out foreign aid as rapidly as possible, but we regard foreign assistance as an essential tool for the conduct of our foreign policy, and we believe that the President should be able to make aid available on very short notice to meet unforeseen developments.

The managers on the part of the House accepted limitations on the number of countries to receive assistance, but the conferees agreed to give the President discretion to increase the number of countries when he finds it to be in the national interest and after giving 30 days notice to the Congress.

We accepted a limitation providing that military assistance can be given to only 40 countries when we were informed by the executive branch that they had no objection to such a limitation.

Another major difference between the House and Senate has to do with providing assistance through international lending agencies. The Senate amendment contained a requirement that 15 percent of development loan funds had to be used by the World Bank or other international lending agencies.

There has been a provision in existing law for several years authorizing the transfer of up to 15 percent of development loan funds for this purpose, but this authority has been discretionary and has never been used.

After long debate, the House conferees accepted a 10 percent set aside of development loan funds for international lending agencies. We also accepted a discretionary provision authorizing the transfer of up to 15 percent of Alliance for Progress funds to the Inter-American Development Bank or other international lending agencies.

The House conferees are not opposed to the international lending organizations and expect that they will become bigger and better over the years. We believe, however, that these organizations should obtain their funds after having their programs and their requirements presented to the Congress on an individual basis. We do not believe that it is proper to finance such institutions by voting money for foreign aid and then having foreign aid money transferred to these international organizations at the discretion of the Executive.

Mr. Speaker, as I have said, we are not proud of this conference report, but I am convinced that we got the best agreement it was possible to get. I do not believe that if we continued to negotiate for another month, we would be any more successful in defending the House bill, and I urge the approval of the conference report.

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

Mr. MORGAN. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Speaker, I believe the chairman is unduly apologetic about the role he personally played in obtaining this conference report. It is much more satisfactory than he would have us believe from his statement. He contributed greatly to the result. I wish to congratulate him and the other conferees.

I wish to say also that I am very happy to see that the amendment which I offered and which the gentleman in the well was kind enough to accept to the bill, was accepted by the conference. This will prevent assistance from being granted to countries where Public Law 480 sales are made, unless those countries agree to use accumulated foreign currencies before they use newly appropriated dollars for this purpose. I believe that is going to be a very productive and constructive provision. I thank the gentleman for helping put it across.

Mr. MORGAN. As I told the gentleman during the debate on the foreign aid bill, I was strongly in favor of his amendment. I strongly supported it in conference.

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

Mr. MORGAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. Speaker, the gentleman from Pennsylvania has said that the conferees on this foreign aid program cannot point with pride at the result of this conference report. I should like merely to commend particularly the chairman of the committee for the very significant role he played during the conference. Had it not been for the success of his efforts, this conference report might have been far less successful than it is.

Perhaps the only comment I should care to make in regard to a provision which I consider an objectionable principle is with respect to the limitation of the number of countries which can receive aid. I feel there is no justification for this way of trying to control a foreign aid program. Even though there is an escape clause which will enable the President to enlarge the number of countries if he considers it in the national interest, I believe this is an undesirable way to act, and an indication we are perhaps not in full control of better ways of controlling this program, so that we have to accept this.

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

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. FASCELL. I want to add my commendation to the chairman. I believe he has been unduly modest. I should like to compliment the chairman and the members of the committee for having done an outstanding job.

I do not believe there is any doubt that everyone understands there was a tremendous difference of opinion between the positions of the two bodies. Lesser persons might not have arrived at a con-

ference report which is as good as this one. I want to compliment the chairman and the conference for having brought this report back and having resolved these basic differences.

I have a question I should like the chairman of the committee concerning the language on page 5, dealing with section 105(a)(2). It puts in a new subsection dealing with the Alliance-for-Progress loans which it says will be made only for projects and programs consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress in its annual review. As the chairman knows, there are some countries which are not part of the OAS and which receive loans under the Alliance, for example, Jamaica. CIAP does not conduct any annual review of their development activities. Am I correct in assuming the language set forth in the conference report concerning section 105(a)(2) would not apply in those cases?

Mr. MORGAN. I would say that the gentleman from Florida is correct. CIAP is part of the OAS and it only reviews plans of OAS members. If a country's development activities are not reviewed by CIAP because a country is not a member of the OAS, then I do not consider that section 105(a)(2) means we cannot make a loan to that country. I think it would be a distortion of the purpose of the provision.

Mr. FASCELL. I thank the gentleman.

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

Mr. MORGAN. I yield to the gentleman.

Mr. GROSS. I have not heard the comparisons of the total money figures, that is, the comparisons as between the bill that passed the House, the bill that passed the Senate, and the figure arrived at in conference. Would the gentleman for the RECORD include those figures?

Mr. MORGAN. Yes, I would. The House bill passed a total of $4,109,119,000 for this fiscal year.

Mr. GROSS. $4,109 million?

Mr. MORGAN. $4,109 million.

Mr. GROSS. Yes.

Mr. MORGAN. And the Senate figure was $2,852,762,000. The compromise figure is $3,500,735,500.

Mr. GROSS. I thank the gentleman.

Now, with respect to interest rates, do I understand the interest rates for that are 2½ percent?

Mr. MORGAN. The interest rates were left exactly as they are in existing law.

Mr. GROSS. I am afraid I cannot applaud the conference committee on that subject when interest rates are going sky high. Are we now to continue loaning money to foreign countries at 2½ percent interest?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. MORGAN. Mr. Speaker, I yield myself 3 additional minutes.

Mr. Speaker, I want to say to the gentleman from Iowa that I went to the conference defending the House position on this matter. There was nothing in the House bill relating to interest rates. I am here today to report that we have won a victory for the House position.

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

Mr. MORGAN. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I thank the distinguished gentleman from Pennsylvania for yielding. I would like to ask you, because I am concerned, is this conference report that we are going to be asked to vote on in a few moments result in crippling the foreign aid program?

Mr. MORGAN. No. I do not think so. I think the bill that passed the House was better than the bill that we bring back from conference. The Executive will have to make substantial revisions of its program for next year and time will tell how serious these changes may turn out to be.

Mr. CLEVELAND. The reason why I ask that question is, because the Republican motion to recommit with instructions—which is really an amendment—was referred to the next day by the New York Times as a crippling amendment. The gentleman is a good friend of the New York Times and they have a high esteem for his wisdom, so I am glad to hear him say this conference is not crippling. As I understand this conference report, you are coming back from the Senate with far less than you would have left the House with had our motion to recommit prevailed. Is that a correct statement?

Mr. MORGAN. That is correct. We are coming back to the House with less than the authorization that was provided in the motion to recommit. If my memory is correct the motion to recommit limited all authorizations to 1 year except for development loans and the Alliance for Progress, which were 5 years and provided a cut of $250 million in the development loan fund.

Mr. CLEVELAND. I thank the gentleman from Pennsylvania because the gentleman has proved rather conclusively that our amendment was not a crippling amendment as so unfairly reported in the New York Times on July 15, 1966. I discussed this in the RECORD on July 20, 1966—page 16324. I keenly regret the reporting of activities here cannot be more accurate and fair than they sometimes are.

Mr. MORGAN. I thank the gentleman from New Hampshire.

Mrs. KELLY. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentlewoman from New York.

Mrs. KELLY. Mr. Speaker, as one of the managers on the part of the House of Representatives on H.R. 15750, which is the Foreign Assistance Act of 1966, I pay tribute to our chairman, the gentleman from Pennsylvania, Dr. MORGAN, for his patience and leadership in returning to the House, H.R. 15750, which includes so many features of the House bill.

But I am disappointed in many of the provisions of the conference report but I fully support this compromise as it is the choice of the majority of the managers on the part of the House.

The House bill and the Senate amendment contained numerous and important differences. Many of these differences reflected a divergence between the managers on the part of the House and the managers on the part of the Senate in their concepts of the objectives of the foreign aid program and of the relation of foreign aid to the implementation of U.S. foreign policy.

Although the committee of conference agreed to compromise language with respect to major differences, the conference report does not reflect a reconciliation of the basic positions of the Senate and the House conferees as to the nature and the administration of foreign aid.

The Senate amendment contained no language relating to military assistance because the Senate had passed a separate bill, S. 3583, dealing with this matter. Most of the provisions of the House bill relating to military assistance had been included in S. 3583 as approved by the Senate and were agreed to by the committee of conference after the managers on the part of the House accepted authorizations for a single fiscal year instead of the 2-year authorizations contained in the House bill.

The House bill authorized $917 million for military assistance. There was no authorization for military assistance in the Senate amendment.

The managers on the part of the House agreed to a figure of $875 million and to a requirement that military assistance shall not be furnished, other than for training in the United States, to more than 40 countries in any fiscal year.

The managers on the part of the House accepted a limitation that military assistance and sales—other than training—to the American Republics shall not exceed $85 million.

The purpose of this limitation is to discourage the governments of the American Republics from diverting their limited resources from programs of economic and social development to building military establishments larger than necessary to maintain internal security and defend against border incursions.

Should this limitation prove to be either too restrictive or fail to accomplish its objective because of procurement from non-U.S. sources, the managers on the part of the House are prepared to initiate appropriate remedial action.

The committee of conference agreed to an authorization for 3 years for the development loan fund and for the Alliance for Progress, and for 1 year only with respect to other authorizations of funds and those provisions of the House bill which had authorized operations for a 2-year period.

The managers on the part of the House accepted the limitation of development loans to 10 countries and of technical cooperation and development grants to 40 countries after getting agreement that the President could provide assistance to any additional country 30 days after submitting to the Committee on Foreign Relations of the Senate and the Speaker of the House a report stating that assistance to such country is in the national interest and giving his reasons.

The managers on the part of the House accepted a limitation on the number of

countries to receive supporting assistance of 13 rather than 10 as contained in the Senate amendment, together with the requirement for a Presidential determination and notification to the Congress as contained in the Senate amendment.

The managers on the part of the House also accepted a limitation on the number of countries to which military assistance could be provided to 40 after being informed that the executive branch did not oppose such a limitation.

It was the understanding of the managers on the part of the House that countries receiving U.S. aid as participants in programs or projects organized or administered by international organizations or carried on on behalf of or jointly by a group of nations are not to be included in determining the number of countries subject to the various limitations on the number of countries to which assistance may be provided.

Although the House conferees share with the Senate a desire to reduce foreign aid expenditures and to curtail the magnitude and scope of foreign aid operations, they do not regard the limiting by law of the number of countries to which assistance may be provided as being a desirable or effective means of attaining the desired objective.

The managers on the part of the House do not believe that the United States should provide assistance to foreign countries unless such assistance makes a significant contribution to the attainment of our foreign policy objectives. It is essential that the Congress be on guard against any tendency on the part of those responsible for foreign aid operations to regard the extension of assistance to additional countries and the expansion of programs already in existence as being normal, inevitable, or desirable.

To the extent that the limitations on the number of countries agreed to by the committee of conference cause the Executive to exercise prudence in extending or expanding U.S. assistance to other countries, they may serve a useful purpose. The President is given discretion, however, to exceed these limits when he determines that it is in the national interest to do so.

The Senate amendment—section 102 (e)—provided that 15 percent of development loan funds should be available only for transfer to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation. Under existing law, transfer of the same percentage is authorized, but funds are not required to be used only for this purpose.

The managers on the part of the House accepted a set-aside of 10 percent of development loan funds for such transfers.

Although there may be situations where it would be in the interest of the United States to transfer foreign assistance funds to such agencies for specific operations, the House conferees do not believe that responsibility for the administration of the foreign assistance program or foreign assistance funds should be shifted to these international institutions.

I have consistently initiated and supported the necessity under the foreign assistance program to permit home building. It has been the Kelly amendment to grant this guarantee for building of homes especially in Latin America. The committee of conference agreed to a ceiling of Latin American housing guarantees for a figure of $450 million and agreed to a determination date of June 30, 1969.

I am so happy that this Kelly amendment has been extended as I believe the all important issue of a civilization is the home.

I urge the acceptance of the conference report.

The SPEAKER pro tempore (Mr. MACDONALD). The time of the gentleman from Pennsylvania has again expired.

Mr. MORGAN. Mr. Speaker, I yield myself 1 additional minute.

Mrs. KELLY. Mr. Speaker, I would like to bring to the attention of the Members of the House the fact that on page 19 appear the differences between the two bills.

Mr. Speaker, I believe at this point that if everyone would procure that document it would be most helpful in arriving at a decision on this and, Mr. Speaker, I urge everyone to vote for this conference report and give it our utter approval.

Mr. Speaker, the distinguished gentleman from Pennsylvania [Mr. MORGAN] performed a beautiful and patient job in bringing back to this House of Representatives the very best possible bill that he could, and a bill which does not cripple the foreign aid program.

Mr. REID of New York. Mr. Speaker, will the gentleman yield?

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

Mr. REID of New York. Mr. Speaker, I too, would like to commend the distinguished chairman in the well for his leadership, both upon the consideration of the provisions contained in this bill and in the conference.

Mr. Speaker, in my opinion the plan for the longer authorization is in the best interest of this program and, in my opinion, is a plan which the other countries encompassed under the provision of the bill desire.

Mr. Speaker, it is essential that we move in that direction. This movement commenced initially under former President Eisenhower, and I commend him for his interest.

The SPEAKER pro tempore (Mr. MACDONALD). The time of the gentleman from Pennsylvania has again expired.

Mr. MORGAN. Mr. Speaker, I ask unanimous consent to proceed for 1 additional minute.

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

There was no objection.

Mr. REID of New York. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield further to the gentleman from New York.

Mr. REID of New York. Mr. Speaker, as the gentleman from Pennsylvania well knows, there is little likelihood that some of these countries undertaking major fiscal monetary reforms, unless there is some basis for such plans and authorizations, I would like to ask the gentleman from Pennsylvania [Mr. MORGAN] whether there was any progress at all with regard to the utilization of foreign currencies, notably in the country of India, where they are continuing to increase.

Mr. Speaker, the gentleman from Pennsylvania [Mr. MORGAN] was very helpful in the 1964 Foreign Aid Act, in securing its passage with a provision to employ a little more utilization of these foreign currencies, of course subject to the wishes of the Congress and of the Committee on Appropriations.

Mr. MORGAN. We still are accumulating foreign currencies in some countries faster than we can use them but we are using them to save dollars in many instances.

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

Mr. MORGAN. Of course I yield to the distinguished gentleman from Florida.

Mr. PEPPER. First, Mr. Speaker, I want to commend the able chairman of the Committee on Foreign Affairs and his committee for the splendid work which they have done in the entire area of foreign affairs.

Mr. Speaker, the tribute which has been paid to that committee from all over the country is richly deserved.

Mr. Speaker, while serving as a Member of the other body, I served on the Foreign Relations Committee and I am proud to see the tributes which have come to the gentleman's distinguished committee, under the able leadership of the gentleman from Pennsylvania [Mr. MORGAN].

Mr. MORGAN. Mr. Speaker, I thank the gentleman from Florida.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, upon one major point, we are in agreement. This was a difficult conference. There were 97 points of difference between the bill passed by the House and the amendment passed by the other body.

Mr. Speaker, we were in session 12 times in a period of more than 3 weeks. This gives some indication of the magnitude of the task that was before us.

There is presented to the House today a report which would authorize the expenditure—and I speak in round numbers, now—of $3,500 million for this fiscal year for the Foreign Assistance Act. However, Mr. Speaker, Members should recall that if this report is adopted by this House and the other body that there is also authorized in this bill an additional $3 billion: $750 million for the development loan fund for each of the 2 following years and $750 million for the Alliance for Progress for each of the 2 following years.

By voting for this conference report—which incidentally I do not expect to do—we will be voting for a total author-

ization of about $6,500 million, of which $3,500 million will be for the coming fiscal year plus a substantial portion that I have designated for the next 2 fiscal years for the programs I have indicated.

The gentleman from New Hampshire a few moments ago posed a question to the chairman of the committee and elicited a reply that if the motion to recommit—which would have reduced the authorization for the development loan fund from the figure of $1 billion to $750 million—had been adopted, we would still have authorized in this body an amount greater than we present here today for the next fiscal year. The figure for the next fiscal year in this report for development loans is $685 million.

Hence I think the point the gentleman made that the arguments then presented that the recommital would have a crippling effect certainly are shown now to be faulty.

Furthermore, the period of authorization in the motion to recommit was for 5 years for the Development Loan Fund. This, too, is more generous than the report before us today thus the motion to recommit was far less crippling than the conference report.

Mr. Speaker, let me point out some things which have concerned some of us through the years. The Executive request for the Development Loan Fund, to use an example, was for $1,250, million for each of the next 5 years. The committee reduced that to $1 billion for each of 5 years.

As I have just pointed out, there was a further effort to reduce it to $750 million—still a figure substantially above the Executive appropriation request. This effort failed on the floor of this House.

It seems to me that here is an area in which we in the Committee on Foreign Affairs and this House ought to act more realistically, and indeed the Executive ought to act more realistcally.

I see no reason for the Executive coming before us with an authorization request for $1,250 million against which they intend to ask for only $665 million. This does not make sense.

It may be understandable, if you recall, that the authorizations against which appropriations were not made would carry forward and would, to that degree, give the Executive additional leeway in the future. But that situation, it seems to me, ought to be remedied by the committee and by this House in that we make a real effort to keep our authorizations closer to the amount that is actually going to be asked for in appropriations. If these authorizations are to be meaningful and significant, that is necessary.

Mr. Speaker, there is another situation which deserves comment. There is a controversy between an agency of the Government of Iran and an American business enterprise. This American business enterprise entered into a contract with an agency of the Government of Iran to operate a sawmill in that country which the Iranians had not been able to operate successfully. Suddenly one day soldiers appeared and excluded all the Americans from this operation and took over the operation and terminated the contract.

Efforts have been made in the ensuing months to come to an agreement whereby the Government or the agency of the Government of Iran would settle the obligation. These efforts have been fruitless.

There is language in this report indicating the deep concern of the conferees over this matter. There is language in the report of the Committee on Appropriations last fall similarly indicating concern over this matter but nothing final has been done.

I am informed that the representatives of the American company will be returning to Iran tomorrow to try further negotiation. It is said that the company has not exhausted all of its legal remedies. Representatives of the company tell me that this is not the case, and that they have, in fact, exhausted their legal remedies. If we are to encourage private enterprise in Iran and throughout the world, then certainly we must give encouragement and protection to our businessmen, I would urge very strongly that in the interests of continued good relations between Iran and the United States this matter be settled as promptly and equitably as possible.

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

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

Mr. MAILLIARD. I thank the gentleman for yielding. I would like to ask the chairman of the committee a question, if I might. It is my understanding that the language on page 30 of the conference report that—"although the U.S. firm has not exhausted the legal remedies available to it"—was not intended to mean that they have further legal action that they could take that they have failed to take, but merely that the provisions of law have not had time to come into effect.

Mr. MORGAN. That is substantially correct.

Mr. MAILLIARD. There was no intention of criticizing the company for failing to pursue this objective properly.

Mr. MORGAN. The gentleman is substantially correct.

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

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

Mr. GROSS. The Senate figure was $2.852 billion, or approximately that; is that correct?

Mr. ADAIR. That is correct.

Mr. GROSS. The House figure was $3.5 billion?

Mr. ADAIR. No; if I remember correctly, the House figure was $4.1 billion.

Mr. GROSS. It was $4.1 billion?

Mr. ADAIR. For this coming fiscal year.

Mr. GROSS. That appears to be some $2 billion over the original figure that the Senate went to conference with; is that correct?

Mr. ADAIR. The total figures, I will say to the gentleman from Iowa, represent a reduction in the House figure of $608 million plus, and an increase in the Senate figure of $647 million plus.

Mr. GROSS. It was $647 million, or nearly $700 million. It seems to me to be a most unusual procedure when the House goes into a conference that increases the Senate figure by more than a half billion dollars.

Mr. ADAIR. Some of us would have felt happier if we had concluded with a figure much nearer to that which the other body had approved earlier.

Mr. GROSS. I assume the Senate figure of $2.8 billion included military assistance as well as economic assistance, did it not?

Mr. ADAIR. Yes, it did.

Mr. GROSS. So that was the total bill?

Mr. ADAIR. Yes, it was the total. That does include military assistance. Economic assistance was $2 billion; the military was $792 million, so the gentleman is correct. It does include it.

Mr. GROSS. Until this day I thought the other body was the spending body. I am changing my mind. I thank the gentleman for yielding.

Mr. MORGAN. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 217, nays 127, not voting 88, as follows:

[Roll No. 261]

YEAS—217

Adams	Dent	Halpern
Albert	Denton	Hamilton
Anderson, Tenn.	Diggs	Hanley
Annunzio	Dingell	Hanna
Arends	Donohue	Hansen, Iowa
Ashley	Dow	Hansen, Wash.
Aspinall	Downing	Hardy
Ayres	Dulski	Hathaway
Bandstra	Duncan, Oreg.	Hechler
Barrett	Dwyer	Helstoski
Bates	Dyal	Hicks
Beckworth	Edwards, Calif.	Holifield
Bingham	Erlenborn	Holland
Blatnik	Evans, Colo.	Howard
Boggs	Fallon	Huot
Boland	Farbstein	Irwin
Bolton	Farnsley	Jacobs
Brademas	Farnum	Joelson
Brooks	Fascell	Johnson, Calif.
Broomfield	Feighan	Jones, Ala.
Burke	Flood	Karsten
Burton, Calif.	Fogarty	Karth
Byrne, Pa.	Foley	Kastenmeier
Cabell	Ford, Gerald R.	Kee
Cahill	Ford, William D.	Keith
Callan	Fraser	Kelly
Cameron	Frelinghuysen	King, Calif.
Carey	Giaimo	King, Utah
Cleveland	Gibbons	Kirwan
Clevenger	Gilbert	Kluczynski
Conable	Gonzalez	Kunkel
Conte	Grabowski	Kupferman
Conyers	Gray	Love
Cooley	Green, Oreg.	McCarthy
Craley	Green, Pa.	McDade
Daddario	Greigg	McDowell
Daniels	Grider	McFall
de la Garza	Griffiths	McGrath
Delaney	Hagen, Calif.	McVicker
		Macdonald

MacGregor
Machen
Mahon
Mailliard
Martin, Mass.
Mathias
Matsunaga
Matthews
May
Meeds
Miller
Minish
Monagan
Moorhead
Morgan
Morse
Morton
Moss
Multer
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Powell
Price
Pucinski
Purcell
Quie
Reid, N.Y.
Reuss
Rhodes, Pa.
Rivers, Alaska
Robison
Rodino
Ronan
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roybal
Ryan
St Germain
St. Onge
Scheuer
Schisler
Schweiker
Selden
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Staggers
Stalbaum
Stratton
Stubblefield
Sullivan
Teague, Tex.
Tenzer
Thompson, N.J.
Todd
Trimble
Tunney
Tupper
Udall
Ullman
Vanik
Vigorito
Vivian
Waldie
Weltner
White, Idaho
White, Tex.
Widnall
Wilson, Bob
Wilson, Charles H.
Wolff
Wright
Wydler
Yates
Young

NAYS—127

Abbitt
Adair
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Ashbrook
Belcher
Bennett
Berry
Betts
Bow
Bray
Brock
Brown, Calif.
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burleson
Byrnes, Wis.
Casey
Cederberg
Chamberlain
Chelf
Clancy
Clausen, Don H.
Clawson, Del
Collier
Colmer
Cramer
Curtin
Curtis
Dague
Davis, Wis.
Derwinski
Devine
Dickinson
Dole
Dorn
Dowdy
Duncan, Tenn.
Edwards, Ala.
Edwards, La.
Ellsworth
Everett
Findley
Fino
Fountain
Fuqua
Gathings
Goodell
Gross
Grover
Gubser
Gurney
Haley
Hall
Hansen, Idaho
Harsha
Harvey, Mich.
Henderson
Hosmer
Hull
Hungate
Hutchinson
Ichord
Jarman
Jennings
Johnson, Okla.
Johnson, Pa.
Jonas
Jones, N.C.
Kornegay
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Long, La.
McCulloch
Marsh
Martin, Nebr.
Michel
Mills
Minshall
Mize
Moore
Morris
Passman
Poage
Poff
Pool
Quillen
Race
Randall
Redlin
Reid, Ill.
Reifel
Rhodes, Ariz.
Roberts
Rogers, Fla.
Rogers, Tex.
Roudebush
Roush
Rumsfeld
Schneebeli
Secrest
Shipley
Shriver
Skubitz
Smith, Calif.
Smith, Va.
Stanton
Steed
Talcott
Taylor
Thomson, Wis.
Tuck
Waggonner
Walker, N. Mex.
Watson
Whitener
Whitten
Wyatt
Younger

NOT VOTING—88

Abernethy
Addabbo
Ashmore
Baring
Battin
Bell
Bolling
Burton, Utah
Callaway
Carter
Celler
Clark
Cohelan
Corbett
Corman
Culver
Cunningham
Davis, Ga.
Dawson
Edmondson
Evins, Tenn.
Fisher
Flynt
Friedel
Fulton, Pa.
Fulton, Tenn.
Gallagher
Garmatz
Gettys
Gilligan
Hagan, Ga.
Halleck
Harvey, Ind.
Hawkins
Hays
Hébert
Herlong
Horton
Jones, Mo.
Keogh
King, N.Y.
Krebs
Landrum
Long, Md.
McClory
McEwen
McMillan
Mackay
Mackie
Madden
Martin, Ala.
Mink
Moeller
Morrison
Mosher
Murphy, Ill.
Murray
O'Konski
Olson, Minn.
O'Neal, Ga.
O'Neill, Mass.
Rees
Reinecke
Resnick
Rivers, S.C.
Rogers, Colo.
Satterfield
Saylor
Schmidhauser
Scott
Senner
Sickles
Stephens
Sweeney
Teague, Calif.
Thomas
Thompson, Tex.
Toll
Tuten
Utt
Van Deerlin
Walker, Miss.
Watkins
Watts
Whalley
Williams
Willis
Zablocki

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Saylor against.

Mr. Keogh for, with Mr. O'Neal of Georgia against.

Mr. O'Neill of Massachusetts for, with Mr. Abernethy against.

Mr. Zablocki for, with Mr. Williams against.

Mr. Addabbo for, with Mr. Satterfield against.

Mr. Horton for, with Mr. Scott against.

Mr. Fulton of Pennsylvania for, with Mr. Baring against.

Mr. Bell for, with Mr. Murray against.

Mr. Corbett for, with Mr. Fisher against.

Mr. Schmidhauser for, with Mr. Teague of California against.

Mr. Hays for, with Mr. Battin against.

Mr. Hawkins for, with Mr. King of New York against.

Mr. Celler for, with Mr. Cunningham against.

Mr. Madden for, with Mr. Carter against.

Mrs. Thomas for, with Mr. Burton of Utah against.

Mr. Murphy of Illinois for, with Mr. Mosher against.

Mr. Garmatz for, with Mr. McClory against.

Mr. Gilligan for, with Mr. McEwen against.

Mr. Resnick for, with Mr. Utt against.

Mr. Gallagher for, with Mr. O'Konski against.

Mr. Cohelan for, with Mr. Reinecke against.

Mr. Evins of Tennessee for, with Mr. Harvey of Indiana against.

Mr. Friedel for, with Mr. Walker of Mississippi against.

Mr. Fulton of Tennessee for, with Mr. Martin of Alabama against.

Mr. Rivers of South Carolina for, with Mr. Whalley against.

Mr. Van Deerlin for, with Mr. Ashmore against.

Mr. Rogers of Colorado for, with Mr. Davis of Georgia against.

Mr. Corman for, with Mr. Gettys against.

Mr. Edmondson for, with Mr. Hagan of Georgia against.

Mrs. Mink for, with Mr. McMillan against.

Mr. Watts for, with Mr. Stephens against.

Mr. Clark for, with Mr. Tuten against.

Mr. Sickles for, with Mr. Willis against.

Mr. Rees for, with Mr. Moeller against.

Until further notice:

Mr. Mackay with Mr. Sweeney.

Mr. Thompson of Texas with Mr. Toll.

Mr. Landrum with Mr. Krebs.

Mr. Senner with Mr. Herlong.

Mr. Culver with Mr. Dawson.

Mr. Morrison with Mr. Flynt.

Mr. Olson of Minnesota with Mr. Mackie.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. KELLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just agreed to.

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

There was no objection.

INCOME TAX TREATMENT OF EXPLORATION EXPENDITURES IN THE CASE OF MINING

Mr. MILLS. Mr. Speaker, I call up the conference report on the bill (H.R. 4665) relating to the income tax treatment of exploration expenditures in the case of mining, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1925)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4665) relating to the income tax treatment of exploration expenditures in the case of mining, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, and 9.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

On page 3 of the Senate engrossed amendments, strike out the matter after line 3 and insert the following:

"For additional rules applicable for purposes of this section, see subsections (f) and (g) of section 615."

And the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 2. (a) Section 615 of the Internal Revenue Code of 1954 (relating to exploration expenditures) is amended by adding at the end thereof the following new subsections:

"'(e) Election To Have Section Apply.—This section (other than subsections (f) and (g)) shall apply only if the taxpayer so elects in such manner as the Secretary or his delegate may by regulations prescribe. Such election shall be made before the expiration of 3 years after the time prescribed by law (determined without any extension thereof) for filing the return for the first taxable year ending after the date of the enactment of this subsection in which expenditures described in subsection (a) are paid or incurred after such date. Such election may not be revoked after the expiration of such 3 years.

"'(f) Section 615 and Section 617 Elections to be Mutually Exclusive.—A taxpayer who has made an election under subsection (e) (which he has not revoked) may not make an election under section 617(a). A taxpayer who has made an election under section 617(a) (which he has not revoked) may not make an election under subsection (e) of this section.

"'(g) Effect of Transfer of Mineral Property.—

"'(1) Transfer before election.—If—

"'(A) any person transfers any mineral property to another person in a transaction as a result of which the basis of such property in the hands of the transferee is deter-

mined by reference to the basis in the hands of the transferor, and

"'(B) the transferor has not, at the time of the transfer, made an election under either subsection (a) of section 617 or subsection (e) of this section,

then no election by the transferor under either such subsection shall apply with respect to expenditures which are made by the transferor after the date of the enactment of this subsection and before the date of the transfer and which are properly chargeable to such property. For purposes of the preceding sentence, a transferor of mineral property who made an election under subsection (a) of section 617 or subsection (e) of this section before the transfer but who revokes such election after the transfer shall be treated with respect to such property as not having made an election under either such subsection.

"'(2) Effect of election by transferee under section 617.—If—

"'(A) the taxpayer receives mineral property in a transaction described in paragraph (1)(A),

"'(B) an election made by the transferor under subsection (e) applies with respect to expenditures which are made by him after the date of the enactment of this subsection and before the date of the transfer and which are properly chargeable to such property, and

"'(C) the taxpayer has made or makes an election under section 617(a),

then in applying section 617 with respect to the transferee, the amounts allowed as deductions under this section to the transferor, which (but for the transferor's election) would be reflected in the adjusted basis of such property in the hands of the transferee, shall be treated as expenditures allowed as deductions under section 617(a) to the transferor. Notwithstanding subsections (b) and (d) of this section (and section 381(c)(10)), any deferred expenses described in subsection (b) which are not allowed as deductions to the transferor for a period before the transfer may not be deducted by the transferee and in his hands shall be charged to capital account.'"

"(b) Section 703(b) of such Code (relating to elections of partnerships) is amended by inserting after 'United States,' the following: 'and any election under section 615 (relating to exploration expenditures) or under section 617 (relating to additional exploration expenditures in the case of domestic mining),'."

And the Senate agree to the same.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOS. B. CURTIS,
JAMES UTT,
Managers on the Part of the House.

RUSSELL B. LONG,
GEORGE SMATHERS,
CLINTON ANDERSON,
FRANK CARLSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4665) relating to the income tax treatment of exploration expenditures in the case of mining, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Senate amendments numbered 1, 2, 4, 5, 6, 7, 8, and 9 made technical, clerical, or conforming amendments. With respect to these amendments the House recedes, except that with respect to amendment numbered 8 the House recedes with a conforming amendment.

Amendment No. 3: The bill as passed by both the House and the Senate adds a new section 617 to the Internal Revenue Code of 1954 under which, at the election of the taxpayer, certain exploration expenditures paid or incurred before the beginning of the development stage of a mine are to be allowed as a deduction (without limitation on dollar amount) in computing taxable income. The amount deducted is subject to "recapture" (for example, by reduction of the depletion deduction after the mine reaches the producing state). Under the bill as passed by the House the new section did not apply to amounts paid or incurred for the purpose of locating, etc., any deposit of oil, gas, or coal or any mineral with respect to which a deduction for percentage depletion is not allowable. The effect of Senate amendment no. 3 is to extend the application of new section 617 to exploration expenditures with respect to coal. The House recedes.

Amendment No. 10: The bill as passed by the House amended section 615 of the Code to restrict its application to exploration expenditures with respect to coal. Thus, in the case of minerals (other than coal) now covered by section 615, exploration expenditures after the date of the enactment of the bill would be deductible only under new section 617. The amount deductible is not subject to dollar limitations but is limited to explorations in the United States or on the Outer Continental Shelf and is subject to the "recapture" provisions of new section 617.

The effect of Senate amendment No. 10 is to permit taxpayers, at their election, to continue to deduct exploration expenditures (including expenditures for foreign exploration) under section 615 subject to the existing $100,000 annual and $400,000 overall limitations and without "recapture" rules being applied. In addition, the Senate amendment adds a new subsection (e) to section 615 to provide correlation with section 617. In general, if an election is made under section 617 for any taxable year (1) an election may not be made or continued in effect under section 615 for such taxable year or any subsequent taxable year, and (2) the recapture rules of section 617 apply to all expenditures which were made by the taxpayer after the date of the enactment of the bill and were deducted or treated as deferred expenditures under section 615.

Under the conference agreement, taxpayers may elect to deduct exploration expenditures (including expenditures for foreign exploration) under section 615 subject to the existing $100,000 annual and $400,000 overall limitations. Under the conference agreement (sec. 615(f)), a taxpayer may make an election under either section 615 or 617, but having made an election (which he has not revoked within the time permitted) under either section he may not thereafter make an election under the other section.

Under section 615(e), as agreed to in conference, the election is to be made in such manner as the Secretary or his delegate may by regulations prescribe. The election is required to be made before the expiration of 3 years after the time prescribed by law (determined without any extension thereof) for filing the return for the first taxable year ending after the date of enactment in which expenditures described in section 615(a) are paid or incurred after such date. The election may not be revoked after the expiration of such 3 years.

Section 615(g), as agreed to in conference, relates to the effect of certain tax-free transfers of mineral property. Paragraph (1) applies where (1) a person transfers mineral property to another person in a transaction as a result of which the basis of such property in the hands of the transferee is determined by reference to the basis in the hands of the transferor, and (2) the transferor has not, at the time of the transfer, made an election under either section 617(a) or section 615(e). In such a case no election (which is made after the transfer) by the transferor under either section is to apply with respect to expenditures which are made by the transferor after the date of the enactment of the new subsection (g) and before the date of the transfer and which are properly chargeable to the mineral property transferred. In applying this rule, a transferor of mineral property who made an election under section 617(a) or section 615(e) before the transfer but who revokes the election after the transfer is to be treated with respect to such property as not having made an election under either such section.

Paragraph (2) of subsection (g), as agreed to in conference, applies where (1) the taxpayer receives mineral property in a transaction as a result of which the basis of such property in his hands is determined by reference to the basis in the hands of the transferor, (2) an election made by the transferor under section 615(e) applies with respect to expenditures which are properly chargeable to such property and which are made by him after the date of the enactment of the new subsection and before the date of the transfer, and (3) the taxpayer has made or makes an election under section 617(a). In such a case, in applying section 617 with respect to the transferee, the amounts allowed as deductions under section 615 to the transferor, which (but for the transferor's election) would be reflected in the adjusted basis of such property in the hands of the transferee, are to be treated as expenditures allowed as deductions under section 617(a) to the transferor, thus making the recapture rules of section 617 apply to the transferee with respect to such property after the transfer. Notwithstanding section 615(b) and (d) and section 381(c)(10), any deferred expenses described in section 615(b) which are not allowed as deductions to the transferor for any period before the transfer may not be deducted by the transferee and in his hands must be charged to capital account.

Subsection (b) of section 2 of the bill as agreed to in conference amends section 703(b) of the Code (relating to elections of partnerships) to provide that any elections under section 615 or under section 617 are to be made by each partner separately rather than by the partnership.

W. D. MILLS,
CECIL R. KING,
HALE BOGGS,
EUGENE J. KEOGH,
JOHN W. BYRNES,
THOS. B. CURTIS,
JAMES UTT,
Managers on the Part of the House.

Mr. MILLS. Mr. Speaker, under present law, mining exploration expenditures are deductible in computing taxable income but only to the extent they do not exceed two limitations. First, the deduction for these expenditures during any taxable year may not exceed $100,000. Second, the total amount of the deductions taken by any one taxpayer for these expenditures for all taxable years may not exceed $400,000. Expenditures in excess of these limitations must be capitalized—that is, they must be added to the cost of the property.

The bill, as it passed the House, removed both the $100,000 per year and the $400,000 overall ceilings on deductions which may be taken for exploration

expenditures where the exploration occurs within the United States. However, under the House bill, exploration expenditures deducted after the date of enactment of this bill were to be "recaptured" either by decreasing the depletion deductions if the mine reaches the production stage or by treating an appropriate amount of any gain as ordinary income in the case of most dispositions of the property. The House bill repealed entirely the deduction for exploration expenditures in the case of exploration abroad.

The bill, as it passed the Senate, made two major modifications in the House bill:

First, the Senate version provided that all taxpayers are to be given the right to continue to deduct exploration expenditures—subject to the $100,000 and $400,000 ceilings of existing law—without any "recapture" rules being applied. This change also has the effect of restoring the deduction of exploration expenditures for foreign and oceanographic explorations up to the limits of $100,000 a year or $400,000 overall as provided under present law.

Second, an amendment was made with respect to exploration expenditures in the case of coal. Under the House bill, exploration expenditures in the case of coal were continued as under present law. That is, they were continued as deductible items but only to the extent of the $100,000 limit per year or $400,000 limitation overall. Coal exploration expenditures were not included in the new provision added by the House removing the ceilings but providing for the recapture of exploration expenditures.

The action taken by the conference committee retained the option added by the Senate permitting as an alternative to the House bill provision the right of the taxpayer to deduct exploration expenditures up to the $100,000 and $400,000 ceilings with no recapture in subsequent years when the mine goes into production or is sold. This is an alternative under the conference action to the House provision which would permit these exploration deductions to be taken without limitation so long as there is subsequently a recapture against depletion deductions or income upon sale.

Under the conference committee action, however, instead of this election between these two alternatives being taken at any time in the future that the taxpayer may desire, it was decided to limit his right to elect between these two provisions to the 3-year period ending after the filing of a return by the taxpayer in which exploration expenditures are taken for the first time after the date of enactment of this bill. Rules are also provided where there are mergers or other similar combinations or divisions of corporations or partnerships which have made differing elections with respect to the deductibility of exploration expenditures.

Under the conference action foreign exploration expenditures may be deducted up to a maximum of $100,000 a year or $400,000 overall. In this computation it is of course, also necessary to take into account domestic exploration expenditures.

In the case of coal exploration the conference action provides that explorers for coal may either continue under present law as was provided by the House bill or alternatively, if they desire to do so, my elect to deduct exploration expenditures in excess of the $100,000 and $400,000 limitations so long as they are willing to subject themselves to the recapture provisions in the bill.

I believe this is a satisfactory resolution of the differences between the two Houses and I urge the Members of the House to agree to this report.

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

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

Mr. GROSS. Does the mining industry also get a depletion allowance, in addition to this treatment?

Mr. MILLS. Yes. The mining industry, depending upon what the mineral is, gets the depletion allowance. Some of them, as I recall, are 5 percent, some of them go as high as 23 percent, and in the case of oil and gas it is 27½ percent. Oil and gas are not included in this proposal, however.

Mr. GROSS. The oil depletion allowance is still 27½ percent, is it not?

Mr. MILLS. That is right, but this bill does not affect intangible drilling and development costs in connection with oil and gas. The only thing included here in the way of minerals that was not in the House-passed bill is coal. The people in that industry did not want to be included under the House provision, which provided for the unlimited deduction, but with a recapture of that expenditure when the mine began to produce.

They preferred to continue under existing law. Now that we are providing for the existing law continuation—we are providing for the House provision, also—but an election is to be made between the two methods of expensing exploration costs.

Mr. GROSS. Since we are told we are likely to run short of food in this country, that we are near the bottom of the barrel with respect to surpluses and may run into outright food shortages, is there any way by which farmers could participate in this exploration treatment?

Mr. MILLS. I doubt that they could be brought into this successfully. They do have certain provisions of tax law, however, which we have written in the interest of fairness to try to provide for them methods of improving their farm operations.

Mr. GROSS. How about a 27½-percent depletion allowance for the farmers?

Mr. MILLS. If the gentleman wants to introduce such a proposal, I would certainly look with a great deal of very careful and detailed consideration on it, as far as I am individually concerned.

Mr. GROSS. I say to my good friend from Arkansas, I am still awaiting action on my bill before his committee with respect to reducing the depletion allowance of 27½ percent.

Mr. MILLS. The gentleman has such a bill before the committee?

Mr. GROSS. Yes. The gentleman has had one for a number of years. I thank the gentleman for yielding.

Mr. MILLS. Mr. Speaker, I have no further requests for time. I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the sponsor of the bill, the gentleman from Oregon [Mr. ULLMAN], and any other Members who desire to do so may be granted permission to extend their remarks on the conference report prior to its adoption.

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

There was no objection.

AMENDING THE ACT RELATING TO U.S. PARTICIPATION IN THE HEMISFAIR 1968 EXPOSITION

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 949 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 949

Resolved, That, upon the adoption of this resolution, it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15098) to amend Public Law 89-284 relating to participation of the United States in the HemisFair 1968 Exposition to be held in San Antonio, Texas, in 1968, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Texas [Mr. YOUNG] is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska [Mr. MARTIN] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 949 provides an open rule with 1 hour of general debate for consideration of H.R. 15098, a bill to amend Public Law 89-284 relating to participation of the United States in the HemisFair 1968 Exposition to be held in San Antonio, Tex., in 1968, and for other purposes.

The San Antonio Fair, Inc., is a nonprofit corporation chartered by the State of Texas for the purpose of assisting in commemorating the 250th anniversary of the founding of the city of San Antonio by planning, developing, and sponsoring an international exposition in that city in 1968. The objectives of the exposition, named "HemisFair 1968," are to display the best of the Americas—their achievements in commerce, industry, agriculture, science, arts, education, and the professions. It is also intended to promote international understanding, respect, and interdependence by describing the merging of civilizations on one continent to form a brotherhood of free and independent nations, each seeking the same end by its own means.

The exposition will be located in the central area of the city of San Antonio, within a 140-acre urban renewal project which is being acquired and developed by the city with a $12 million urban renewal grant from the Federal Government and the proceeds of a $30 million local bond issue. The fair corporation is leasing 92.5 acres of that project for the exposition. The construction of an $8 million civic center complex, which will be leased from the city by the fair corporation for the duration of HemisFair, began several months ago. The arena is 16 percent ahead of schedule. The theater foundation is complete with basic flooring, orchestra pits, and stage. The exhibit hall has been excavated and foundation for part of the basement is complete.

In addition to the $30 million local bond issue, the proceeds of which are being used in large part for exposition facilities which will remain as permanent improvements owned by the city of San Antonio, local businessmen have underwritten a $7.5 million working capital for the fair corporation and the State of Texas is expected to invest an estimated $10 million in a State pavilion, exhibits, and related expenditures.

The proposed U.S. exhibit at HemisFair carries out the theme "Confluence U.S.A." Construction is proposed on 4.5 acres of land deeded by the city of San Antonio to the Federal Government of a large building housing both an exhibition hall and a theater. Approximately $6,210,500 will be required for the construction costs of the building, $1,740,000 for the costs of exhibits, $368,000 for maintenance and dismantling expenses, and $1,697,000 for administrative and operating expenses.

H.R. 15098 provides the President with the authority required to implement the intent of the original legislation and authorizes an appropriation of not to exceed $10 million to carry out U.S. participation in HemisFair 1968.

I urge the adoption of this report.

Mr. Speaker, I now yield to the gentleman from Nebraska [Mr. MARTIN].

Mr. MARTIN of Nebraska. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, as was explained here by the gentleman from Texas [Mr. YOUNG], House Resolution 949 provides for 1 hour of debate and an open rule on H.R. 15098, a bill to authorize the appropriation of $10 million for a local fair in San Antonio, Tex., to commemorate the 250th anniversary of the founding of this city.

Now, let us go back just a little bit, Mr. Speaker. A year ago in October the Congress authorized, through legislation, a study and recommendations to be made in regard to participation on the Federal level in this local fair. It is interesting to note that this bill passed the House on October 22 and that the adjournment date for the Congress last year was October 23, 1 day later. I think we are well aware that during the last week of Congress many bills are brought up on the floor for consideration and are not given adequate consideration and debate. This happens to be the case with this legislation which was passed last year.

It is proposed that 140 acres in the central part of San Antonio be taken over for this fair. I understand this is underway at the present time and that these buildings and houses will be removed and demolished and a fair erected in this area. A $30 million local bond issue has been approved. The report states—and I want you to note this particularly—that it is expected the State of Texas will provide $10 million. It does not say that this money has been appropriated by the State of Texas, but it says it is expected that the State of Texas will put up $10 million.

Mr. Speaker, let me call your attention to another fact. We already have $12 million invested in this program, because under the guise of the urban renewal program we have given San Antonio and this fair corporation a grant of $12 million. So we already have $12 million invested in it. Now they come along in this bill and ask for the authorization for an additional $10 million to construct the U.S. exhibit building and for other purposes. According to the report, let us take a look at the breakdown of this money and where it will go. It is estimated that $6 million will be used for construction purposes. $1.74 million will be used for the cost of exhibits in the fair. In addition to this, they contemplate moving approximately half a million dollars worth of exhibits that were used in the recent world's fair in New York to San Antonio, Tex., to use in this fair.

Then, in addition there is $368,000 for maintenance expense and for the dismantling of the building.

And, Mr. Speaker, lastly, there is $1.7 million of this $10 million which is to be used for administrative operating expenses.

Now, Mr. Speaker, that is a lot of money for administrative and operating expenses for a fair of this duration at this location, a local fair at San Antonio, Tex., to celebrate the 250th anniversary of the founding of the city.

And, Mr. Speaker, if the Members of the House will read the report further they will find that there is something new in this program for this building, because the designers say that we are going to have a $2 million residue of benefit from the building.

Mr. Speaker, this is the first time, according to the report, that this has ever happened—a $2 million residue of benefit. I do not know who is going to receive that money. I do not know whether that amount of money is going to come back into the Treasury of the United States or not, or whether it is going to remain in San Antonio, Tex., or the Department of the Treasury. I do not know.

But, Mr. Speaker, permit me to give to the Members of the House some more details as contained in this report with respect to this building.

Mr. Speaker, they are going to tear down this building but there will remain the footings and foundation.

Mr. Speaker, I do not know whether they are going to put a little gold into it or not, but the sum of $2 million is quite a sum for footings and foundations for a building.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Nebraska has again expired.

Mr. MARTIN of Nebraska. I yield myself 3 additional minutes.

Mr. Speaker, the sum of $2 million for footings and foundation is a pretty high price. They go on to state that perhaps they can erect a 10-story office building and that they are putting in footings of such strength, with piers and reinforced steel, and so on, that will carry the weight of a proposed 10-story office building.

Mr. Speaker, what is going to be the name of this building that we are going to construct down there for a U.S. exhibit? This is really a "lulu." This is something I have never seen before. It is called a "confluence" theater. Have you ever heard of a confluence theater before?

Mr. Speaker, it seems to me that they had one of these "box top" contests to see who could provide the best name for this building and someone came up with this brilliant, new devastating idea of a "confluence" theater.

Mr. Speaker, I would like to point out or read just one sentence from the letter of the Secretary of Commerce to the committee in regard to this. The Secretary states as follows:

> I agree with the interagency working group conclusion that the most appropriate choice is the "confluence theater" approach. This unique concept of an actual physical confluence of four separate theater audiences will, in my judgment, best tell the story of "Confluence U.S.A." and create the most lasting impression in the most effective manner for Federal participation.

Now, Mr. Speaker, I looked up the definition in Webster's Dictionary of the word "confluence." Permit me to read it to the Members of the House:

> Confluence: 1. An act of instance of congregating; a crowd.
> 2. The flowing together of two or more streams; the place of meeting of two streams; the combined forming by conjunction.

Mr. Speaker, has anyone ever heard of this definition of a theater, a "confluence theater"? Is that what we are going to call the U.S. exhibit at this location, an exhibit designed to celebrate the 250th anniversary of the founding of the city of San Antonio, Tex.?

Mr. Speaker, during the debate on the floor of the House—I believe on Monday of this week—when we had under consideration the military appropriations

bill, the conference report thereon, the distinguished chairman of the Committee on Appropriations, the gentleman from Texas [Mr. MAHON] made the statement that he was through voting for authorization bills that had not been approved by the Bureau of the Budget.

The SPEAKER pro tempore (Mr. ALBERT). The time of the gentleman from Nebraska has again expired.

Mr. MARTIN of Nebraska. I yield myself 2 additional minutes.

According to the report there is no approval from the Bureau of the Budget for this $10 million. We were told in the Committee on Rules that it was anticipated that it would come up in a supplemental appropriation in the early part of next year, but there is no approval, as I understand it, at the present time for this $10 million.

It is ironic that on the morning our Committee on Rules heard this legislation that only a few moments before we had completed the hearings on the military construction bill. In that hearing and in that bill, authorization for the construction of badly needed housing for military families all around the country had been deferred due to the excessive costs of the Vietnam war. Yet we have here—and we had in our Committee on Rules—only a few moments after the military construction bill was considered, a bill to authorize the appropriation of $10 million.

Two weeks ago our great President made a weekend trip on one of his nonpolitical tours through the Northeast part of the country. The general theme of his remarks, as reported by the press, was restraint. He talked about restraint on the part of both management and labor in regard to the settlement of wage disputes. This was shortly after the airline strike was settled, you will recall. He looked into the faces and into the eyes of the men and women before him in his audience and he spoke to them of restraint—restraint in their purchases from their stores—in order to try to hold down this escalation in our cost of living.

But one thing that the President did not mention, Mr. Speaker, which I think is of extreme importance, he did not say anything about restraint in Federal expenditures.

Well here, Mr. Speaker, is an opportunity for the Members of this House to exercise restraint in Federal expenditures for nonessential things. I hope—although I am in favor of approval of the rule—that this legislation is defeated.

Mr. ARENDS. Mr. Speaker, will the gentlemen yield?

Mr. MARTIN of Nebraska. I yield to the gentleman.

Mr. ARENDS. Mr. Speaker, this bill provides for an appropriation of $10 million. Do I understand the gentleman correctly that $12 million in urban renewal funds have already been spent on this particular project?

Mr. MARTIN of Nebraska. That is right.

Mr. ARENDS. For the benefit of this particular project?

Mr. MARTIN of Nebraska. That is correct, according to the report.

Mr. ARENDS. A sum total of $22 million?

Mr. MARTIN of Nebraska. That is right.

The SPEAKER pro tempore. The time of the gentleman from Nebraska [Mr. MARTIN] has expired.

The question is on agreeing to the resolution.

The resolution was agreed to.

FURTHER MESSAGE FROM THE SENATE

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

H.R. 2349. An act for the relief of Robert Dean Ward;

H.R. 3671. An act for the relief of Josephine Ann Bellizia;

H.R. 4075. An act for the relief of John F. Reagan, Jr.;

H.R. 6305. An act for the relief of lessees of a certain tract of land in Logtown, Miss.;

H.R. 6606. An act for the relief of Li Tsu (Nako) Chen;

H.R. 7141. An act for the relief of Ronald Whelan;

H.R. 7446. An act for the relief of certain civilian employees and former civilian employees of the Department of the Navy at the Norfolk Naval Shipyard, Portsmouth, Va.;

H.R. 7671. An act for the relief of Sophia Soliwoda;

H.R. 10656. An act for the relief of Kimberly Ann Yang;

H.R. 10990. An act for the relief of Maj. Alan DeYoung, U.S. Army;

H.R. 11038. An act for the relief of Mrs. Edna S. Bettendorf;

H.R. 11251. An act for the relief of Hubert J. Kupper;

H.R. 11271. An act for the relief of certain individuals employed by the Department of Defense at the Granite City Defense Depot, Granite City, Ill.;

H.R. 11347. An act for the relief of Maria Anna Piotrowski, formerly Czeslawa Marek;

H.R. 11844. An act for the relief of Maria Giuseppina Innalfo Feole;

H.R. 12950. An act for the relief of Kazimierz (Casimer) Krzykowski; and

H.R. 14514. An act for the relief of Vernon M. Nichols.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3052) entitled "An act to provide for a coordinated national highway safety program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1310) entitled "An act relating to the National Museum of the Smithsonian Institution," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. BYRD of West Virginia, and Mr. COOPER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2858) entitled "An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction differential subsidies."

HEMISFAIR 1968 EXPOSITION

Mr. FASCELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15098) to amend Public Law 89-284 relating to participation of the United States in the HemisFair 1968 Exposition to be held in San Antonio, Tex., in 1968, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL].

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 15098, with Mr. OLSEN of Montana in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Florida [Mr. FASCELL] will be recognized for 30 minutes and the gentleman from Iowa [Mr. GROSS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

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

Mr. Chairman, the bill before us, H.R. 15098, is designed to implement Public Law 89-284 which was approved by the House last year by a vote of 254 to 113. That bill was passed by the House on September 22 of last year, despite the statement to the contrary that was earlier made to this body.

That act granted congressional recognition to the HemisFair 1968 Exposition, authorized the President to invite the Several States and foreign countries to take part in it, and directed the President, through the Secretary of Commerce, to conduct a study and report to the Congress on the manner in which, and the extent to which, the U.S. Government would participate in that international fair.

The study called for in section 3 of Public Law 89-284 was submitted to the Congress in Executive Communication No. 2399, dated May 13, 1966.

Included in that executive communication was draft legislation which became the text of H.R. 15098, as well as the recommendation of the President, urging the enactment of such legislation.

The Committee on Foreign Affairs considered this legislation carefully, received testimony thereon from executive branch and private witnesses, and reported it to the House on July 19 by a vote of 20 to 5.

As to the provisions of the bill, these can be summarized in a few words:

H.R. 15098, as I mentioned previously, is intended to carry out U.S. participation in the HemisFair 1968 Exposition in San Antonio, Tex. To this end, the bill would provide the President with various authorities required to implement such

participation and authorizes an appropriation of not to exceed $10 million for this purpose.

The authority being given to the President in this bill—namely, the authority to appoint a Commissioner, to construct the U.S. pavilion on fairgrounds, to prepare and staff the U.S. exhibit which will be displayed in the pavilion, and to dismantle them after the fair—are patterned on the powers granted to the Chief Executive, and the procedures followed, with respect to U.S. participation in other international fairs such as the recent Seattle World's Fair and the New York World's Fair.

The authorization for the appropriation compares favorably with the expenditures associated with our Government's participation in other international fairs held in the United States. In the case of New York, for example, the cost of U.S. participation was in excess of $17 million; in the case of the Seattle World's Fair, over $10 million. Consequently, the $10 million authorization in the bill before us is not out of line with the amounts normally spent on projects of this nature.

Mr. Chairman, I would like to add that U.S. participation in HemisFair 1968 conforms to the policies and requirements laid down for such undertakings.

For example, the HemisFair 1968 Exposition has received full clearance from the Bureau of International Expositions in Paris, and will in no way interfere with the securing of BIE approval for the U.S. bicentennial celebration in 1976.

I would add parenthetically here that even though it has been stated over and over again by an earlier speaker that this is a local fair, the facts are that this is an international fair, and has been termed as such. It has met all the criteria for an international exposition and obtained the approval of the Bureau of International Expositions as which regulates the conduct and scheduling of international expositions. Other countries would not be participating in this fair if it did not have BIE approval. So I think the RECORD ought to be made explicitly clear that this is truly an international fair, and is not purely a local matter for the city of San Antonio or the State of Texas.

Further, sufficient local and State interest has been evidenced in this enterprise to warrant Federal participation. The State of Texas will be spending approximately $10 million on its own exhibit at the exposition. A question was raised about the State's participation a moment ago. The facts are that $4.5 million has actually already been appropriated by the legislature of the State of Texas. It is planned, and the Governor is committed, to make a request of the legislature when it next convenes for an additional $5.5 million in order to make up the $10 million which is expected to be put into this project by the State of Texas.

The people and the local government of the city of San Antonio approved a $30 million bond issue, the proceeds of which are being used in large part for exposition facilities which will remain as permanent improvements owned by the city. And the businessmen of San Antonio have underwritten a $7.5 million working capital fund for the purposes of the exposition.

Some references has been made with repsect to the urban renewal project in the same area involving some $12 million of Federal funds for an area of some 140 acres, 90 acres of which, would be used for the exposition. That is basically and primarily an urban renewal project. It is not fair or logical to consider the cost of the urban renewal project as part of the U.S. participation in the fair. It is an entirely different matter, and only coincidentally for the period of the fair in 1968 when they would be using part of the ground for that purpose.

Finally, nine foreign governments have already indicated that they plan to participate in this international fair. I might say there is no reason why this would not be sufficient reason in itself. In this Government we have from time to time followed the policy of participating in fairs for obvious reasons—that it is good for us, it is good for our businessmen, and it is good for the people of the other countries who participate. These expositions offer opportunities for nations to carry out various national or international themes.

Therefore, it has been proven over time that these fairs are a sound investment in every conceivable way, or we would not be getting involved. Obviously, every country would like to have a world's fair. But the Bureau of International Expositions—the United States is not a member—has some control over this, and they only authorize and certify those fairs which they, themselves, according to their criteria, certify as eligible. Otherwise, we would be having world's fairs all over the world on some kind of basis. This would not make good sense. The fact is these are regularly scheduled and certified, and they have been for the most part eminently successful in carrying out the purposes for which they are organized.

There is, therefore, Mr. Chairman, sufficient local and national and international interest in HemisFair 1968. Substantial commitments of local and State funds have been made to assure the success of this venture and to warrant effective Federal participation.

There is, however, one important departure from past policy, embodied in the legislation before the committee, and its predecessor, Public Law 89-284. For the first time, a deliberate interagency effort was made to plan United States participation in HemisFair in such a way as to assure maximum residual benefit to the U.S. Government from the exhibit which will be constructed in San Antonio. This residual benefit is estimated—I emphasize estimated—at $2 million, or approximately one-third of the total cost of constructing the U.S. pavilion.

This is a novel feature, and one in which our committee has been very interested. We have encouraged this approach to the exposition. There will be other fairs and the United States will be, no doubt, participating in them. We were anxious therefore to build up and improve the procedures and mechanics and manner in which the United States goes about planning and arranging its participation.

The planning in this case is important in our judgment, because the U.S. Government is getting only $1 a year from the nearly $5 million spent on construction for the Seattle World's Fair. I do not say that is bad. I am not being derogatory, because good use is being made of the building. But from the Federal Government standpoint, this was the only way it could have been worked out, since sufficient advance planning was not done. As far as the New York Fair is concerned, we are getting nothing in return for the $10.6 million spent on the U.S. pavilion. Here again I am not being derogatory, because at that time this was the national policy and the procedures for U.S. participation in fairs.

As a matter of fact, most of the commitments demanded dismantling of the pavilions and the restoration of the area to its previous condition. We think the time has come now to reexamine this policy. We believe this bill with respect to the participation in the San Antonio Fair makes a logical step toward reexamination of that policy. We believe that planning for a residual benefit from U.S.-built facilities, if properly followed up, will be a useful policy and of great benefit to the taxpayers. The taxpayer will get double benefits out of these projects in such cases. This is certainly true with respect to HemisFair 1968, as was indicated in the testimony before our subcommittee.

I believe, therefore, that this is as sound a bill as could be presented to the House, and one which promises to save the taxpayers about one-third of the cost of our total investment in the construction of the U.S. exhibit. I might say that the justification for U.S. participation in this fair is just as valid today—as it was for the U.S. participation in other international fairs, whether they happened to be in New York, Seattle, Brussels, Montreal, or Moscow.

Let us face the facts of life. Surely this is a lot of money. So far as returns from the standpoint of increased commerce, national prestige, improving international relations with other nations and increasing our knowledge of our own heritage, the amount is insignificant. Commerce must continue. We cannot stop commerce, or we could not get the taxes needed to carry on the priority projects which we are discussing.

It is a judgment factor, in balance, which has to be weighed. I do not believe that a valid argument could be made against U.S. participation in international expositions and fairs which have received international approval and which have as a basic objective carrying out the purposes laid out for this particular project. I urge the adoption of this bill.

Mr. Chairman, I reserve the remainder of my time.

Mr. GROSS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, my remarks on the bill will be brief. First, I wish to say first

to my friend from Florida [Mr. FASCELL], I know of no expenditure that cannot be broken down into small units. I know of no tax that cannot be broken down, in one way or another, into small units. But the small units of spending and taxes have a way of growing into huge amounts.

Somehow or other, the debt and the deficit in this country continues to pile up. Spending, often times unnecessary spending—and I believe this is one of those occasions—continues to fuel the flames of inflation in this country.

Some day, some how, some one is going to have to do something about the rocketing inflation that is taking place.

Now, the taxpayers are being asked to put up another $10 million for a fair in San Antonio, Tex. I can think of nothing that could be more happily dispensed with, in the light of the fiscal situation of this country, than the spending of this $10 million.

I am particularly interested in the foundation which it is proposed to build for the pavilion in San Antonio in connection with this fair. Although the building will be temporary, the foundation is to be permanent. The foundation alone, as I remember it, will cost some where in the neighborhood of $2 million.

I can envision the day, after the fair has been concluded, when there will be a call upon the Congress of the United States, since the foundation is there, to provide a Federal building or some other structure financed out of Federal funds. It will be said: "Here is a foundation that cost us $2 million. We cannot walk away and leave it. Think of the investment we have."

So there will be the call to plant a building of some kind on it. Make no mistake about it, Congress will be called upon to spend more millions to salvage what value there is in the foundation.

I say again, Mr. Chairman, I can think of nothing—but nothing—that we could more readily or more happily dispense with here today than providing the $10 million.

I say that the great, growing, and rich State of Texas is perfectly capable of financing this fair.

I hope those supporting this project will pass up the opportunity to further raid the U.S. Treasury, at least at this time.

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the gentleman from Connecticut [Mr. MONAGAN].

Mr. MONAGAN. Mr. Chairman, I rise in opposition to this bill, and I do so regretfully because I have the greatest respect for the motives and intentions of those, both the chairman of the subcommittee and the gentleman from Texas, who filed and processed this legislation. However, I did oppose this legislation in our committee and I feel that it is my obligation to express my feelings about it here on the floor.

This legislation proposes that we appropriate $10 million for the Federal support of the HemisFair which essentially celebrates the 250th anniversary of the city of San Antonio. It is true that there is some international aspect to it. It is not a purely local celebration, but nevertheless essentially that is what it is. It is not comparable to the New York World's Fair or the Montreal fair or any of these other great international fairs in which I think the United States has a legitimate role.

I would like to say, too, that it was only a year ago we appropriated $7.5 million for Interama, which was a fair of sorts in Florida, which was to promote exactly the same purpose, namely, inter-American unity, that is proposed to be promoted or at least is given as being the reason for supporting this legislation here. So I say essentially that this is a local project and should be supported by local funds.

Mr. Chairman, I submit that the time has come when we must examine all new spending proposals with the greatest care. It is true that this is a relatively small amount in comparison to the total budget requests, but still it is vitally important in principle. I point out, too, in our committee as well as in the House and the Congress as a whole that we are faced with a series of requests in increasing volume for supporting these exhibitions and fairs of various sorts. The time has come to draw the line somewhere.

It seems to me, with all due respect, that an adequate case has not been made in this instance for the expenditure of $10 million on the part of the U.S. Government. The President has said that the Congress should take every opportunity to save money. This gives us an opportunity to follow the suggestion that the President has made.

Mr. Chairman, I hope that this bill will be defeated.

Mr. GROSS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Chairman, it was just about a year ago that the Subcommittee on International Organization Affairs held hearings with respect to HemisFair. At that time we had before us a request for $250,000 for the preliminary effort to establish a Federal role for this fair. My interest was aroused at the outset of the hearings because the $250,000 request was just twice as much as had been requested for what seemed to be a similar preliminary effort with respect to the Seattle fair. The bill which passed Congress last year authorized, I might add, $125,000, the same amount as was made available prior to participation by the United States in the Seattle fair.

Mr. Chairman, during the discussion of the proposition in connection with the preparation for this fair, my attention was also aroused to the possibility that we might develop some reasonable residual use for the building that the Federal Government was being requested to build on the site of the fairgrounds.

Mr. Chairman, it was suggested that the planning group connected with the fair was requested to take a good look at the residual use of all buildings to be erected at the fair. And, it is my understanding—and I believe generally accepted—that the Federal participation would be carried out in such a way as to maximize the end use of the building that was to be constructed.

Now, Mr. Chairman, the gentleman from Florida has just taken pride in the fact that the proposed residual end use will mean that about 20 percent of what is now being asked will be utilized, once the fair is over—20 percent of the $10 million to be put up by the Federal Government will be incorporated into a foundation for which presumably some use will be found.

Mr. Chairman, my reservation is about this entire operation, bearing in mind the fact that in spite of the expressed interest last year in obtaining the most utilization for the Federal money being put in this building, that so little has been done with respect to the kind of use that this building might have after the fair is over.

Mr. Chairman, it does not seem to me—and, perhaps, there is no other possibility—but it does not seem to me to be a very substantial and constructive end use to know that the foundations of the building can be used for something else, once the building has been put up and the fair is over.

Mr. Chairman, I would have hoped that in some way a method could have been found whereby the building could have been erected in order to have this site used by the community or by the Federal Government at the conclusion of the fair.

Mr. Chairman, the testimony offered with respect to this point—and I questioned it more out of curiosity and perhaps disappointment and not out of hostility, was to the effect that it would be unreasonable to expect the planners who had to deal with a difficult proposal, one in the form of a building which would be used for a 3-month period, that it would have been unreasonable to have expected anyone to find other Federal agencies or non-Federal agencies which could utilize the building with its type of construction in so short a time.

Mr. Chairman, in spite of the questions that I asked, I still do not know whether the State exhibit or the private exhibits are assured or whether they are completely in doubt.

Mr. Chairman, it is my guess—and perhaps someone can elucidate upon this matter—it is my guess that the State would not put up a very substantial amount of money without having some legal authority over the building to be used at the fair.

In other words, Mr. Chairman, I would expect that everyone else putting in money would want to get the most out front. It is my feeling that the Federal Government has not done enough to salvage more than will be salvaged out of the $10 million proposed to be expended in this exhibit.

Mr. Chairman, my basic position is one of regret. In spite of the legislative history of Federal participation in HemisFair, it is regrettable that more has not been done to salvalge more of the taxpayers' money out of a project that is going to be utilized for only a brief period of time.

It is no consolation to me at all to know that the Seattle building is being rented for $1 a year and that perhaps

nothing was salvaged out of the Federal building at the New York World's Fair.

It does seem to me that we have established the principle that there should be a greater degree of built-in value in any Federal exhibit, that we should get more results for the effort that is being put in it, or if we are not making enough effort in the planning of these exhibits, that certainly we must have a longer leadtime so that better planning can be accomplished so we will know whether there is a public or private purchaser for this Federal building and so that we will know whether the Federal Government can get into this Federal building.

As of now we know nothing except that presumably there would be $2 million of value in the foundation. I do not happen to know whether this means that there will be some purchaser available and ready to pay $2 million to the Federal Government if this property should be declared surplus. I assume it costs $2 million to build the foundation. But on the basis of the evidence brought to us in our subcommittee hearings we do not know that we will even get $2 million out of an investment in a $10 million program for a few months in this international exposition.

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

Mr. FASCELL. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Texas [Mr. BURLESON].

Mr. BURLESON. Mr. Chairman, the HemisFair Exposition is important to the entire Nation. I think this is a prerequisite to the justification on the part of the U.S. Government to participate.

It is important to the Nation because of its physical facilities, but especially is it important in our relations with Latin America. In addition, since the Olympics are to be held in Mexico City in 1968, the city of San Antonio provides accommodations to the millions who will be going to Mexico for this event as the gateway to the country of our neighbors to the south.

The city of San Antonio has been most remarkable in providing excellent plans and for their own financial contribution to this great enterprise.

The civic leaders of San Antonio, acting under the general direction of the chamber of commerce, have developed plans, provided funds, gotten national and international recognition, and there is no doubt they are determined to make HemisFair one of the finest expositions our country has ever witnessed.

The exposition commemorates the 250th anniversary of the founding of the great city of San Antonio, and the city is unique in being able to demonstrate the values of history associated with the cultures and all phases of commercial and social development of all Pan America.

The city of San Antonio is not only the cradle of Texas liberty, but in all modesty I think you will agree that for this reason the emergence of an independent State, later to become a part of our great Nation, has made its indelible contribution.

As I understand it, there has been a tremendous response from exhibitors and others who wish to have a part in this great project. I think it is unquestionably a fine investment of the small sums requested from the Federal Government, and particularly as it relates to the efforts on the part of local citizens. I believe there is solid economic justification for the Government's contribution, which I prefer to call an investment. I think it is entitled to this description because our Nation will receive a return in additional income in excise and other taxes. There remains, however, more important benefits in terms of international relations and understanding. Not only have the local citizens of this historical city issued $30 million in bonds already approved and other contributions, but our State of Texas has made a downpayment of $4½ million, with a like amount pledged and assured.

Mr. Chairman, I want to take this opportunity of commending my able and distinguished colleagues, the gentlemen from Texas [Mr. HENRY GONZALEZ and Mr. O. C. FISHER], for their untiring efforts and efficient handling of this matter. They have presented it in a most convincing manner to the Foreign Affairs Committee and I hope that Members will share with us our enthusiastic feeling in connection with the HemisFair.

Our friend and colleague, the gentleman from Texas, O. C. FISHER, is at this time hospitalized and unable to be present today and I ask, Mr. Chairman, that his statement in support of the measure before the House be made a part of the RECORD and I ask unanimous consent that it be inserted at this point.

Incidentally, Mr. Chairman, the gentleman from Texas [Mr. FISHER], is not seriously ill but his doctors advise his hospitalization for the next 2 or 3 weeks. I know all of you will regret his illness but at the same time, be glad to know that full and complete recovery is expected in a short period of time.

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

Mr. BURLESON. I yield to the gentleman from Texas.

Mr. POOL. I should like to associate myself with the remarks of the gentleman from Texas [Mr. BURLESON]. I also reiterate and stress the importance of this fair being an international exposition and the importance of San Antonio as the gateway to the 1968 Olympics in Mexico, which I think has been well pointed out.

I thank the gentleman from Texas for his remarks.

Mr. BURLESON. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. FISHER] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. FISHER. Mr. Chairman, HemisFair 1968 is due to be one of the best planned expositions ever held on the North American continent. To begin with, it has solid local and State support, and already nearly a dozen foreign nations have committed themselves to participate. Others are sure to follow. Most all of the principal American exhibitors at the New York fair have reserved space at the HemisFair site, and there will be others. Approval of the project by the Bureau of International Expositions was announced in Paris on November 17, 1965.

It is imperative, of course, that the United States participate, and that is the purpose of the pending bill. The measure we are considering today was drafted by the Department of Commerce, and has the approval of the Secretary of Commerce, the President, and was heard and favorably reported by the Committee on Foreign Affairs. There is ample precedent for its approval. Beginning in 1876 with the Philadelphia Centennial, there have been 40 domestic celebrations in which the Federal Government has taken a part. The most recent was the $17 million participation in the New York World's Fair.

The Department of Commerce, after considering the views of architects, engineers, and other experienced specialists in the field, concluded that a "confluence theater" approach, a concept which envisions four separate theater audiences, would best tell the story of "Confluence U.S.A.," and would be expected to create the most lasting impression in the most effective manner of Federal participation.

Mr. Chairman, this great exposition will attract an estimated 7 to 10 million visitors. Visitors from Latin America, it is estimated, will spend around $39 million—which will help at least a little on our balance-of-payments problem. The fair will generate much new business. The United States will get its money back, perhaps many times over, in additional income, excise, gasoline, and other taxes. Moreover, the entire Nation will benefit in terms of international good will and understanding.

I have said HemisFair is to be a well planned exposition. It is directed by San Antonio Fair, Inc., of which there are 167 local directors—every one of whom is an unpaid, dedicated and enthusiastic supporter. Governor Connally has led the State's endorsement, and the State legislature has already put up $4½ million as a downpayment on a State exhibit. A total of $9 million is planned. A $30 million bond issue was approved by the people of San Antonio to underwrite the project. The distinguished mayor of that city, Walter McAllister, has done as much or more than anyone in promoting HemisFair on the local level. Indeed, every official of the fair is a dedicated advocate.

The gentleman from Texas [Mr. GONZALEZ], who resides in San Antonio, has been an active and effective supporter of the project since he came to the Congress in 1962.

JEROME HARRIS—FATHER OF HEMISFAIR

Perhaps this is an appropriate time to pay a word of tribute to the man who originally conceived the idea of a HemisFair and coined the title. I am referring to Mr. Jerome K. Harris, a prominent businessman and civic leader of San Antonio.

Harris unveiled the idea back in 1959. In a feature article which appeared on

January 22, 1959, in the San Antonio News, Harris called for a permanent-type exposition which would enhance closer relations with our neighbors south of the Rio Grande.

In that article Jerome Harris unfolded his dream in these words:

As an officer and board member of the Chamber of Commerce, I submitted a plan which was warmly received by the Board, by the press, by many organizations and individuals. That plan was to hold a "Hemis-Fair" in San Antonio every two or four years. Obtain a tract of land for permanent buildings which would represent this country, and every state, city, or organization in our nation that cared to participate, and invite Mexico, her individual states, cities, industries, and organizations to do the same. In this manner, there could be an interchange of the cultural, scientific, religious, industrial and civil developments, between the U.S., Mexico, and eventually Latin-America.

Looking to the future, Harris added:

This project would require an organization of civic leaders, acting under the Chamber of Commerce, to develop plans, provide funds, get national and foreign recognition and participation, and see it through to successful reality.

Mr. Chairman, this is a case of a small acorn becoming a mighty tree. HemisFair 1968, a proposed first by Jerome Harris in 1959, is today nearly a reality—a tribute to a man of broad vision, civic pride, and enterprise.

This great exposition will not only commemorate the 250th anniversary of the founding of the city of San Antonio, but will also afford a unique opportunity to demonstrate all the values and legends associated with the confluence of cultures, trade and political and social development throughout Pan America.

Mr. Chairman, as a Texan, as a Member of this body, and as a representative of a portion of the great historic city of San Antonio—the cradle of Texas liberty—I strongly support this legislation and urge its prompt approval. I earnestly hope that every Member of this body will find the time, your families, to visit San Antonio, the Gateway to Latin America, and partake of the warm hospitality which you will find in great abundance at HemisFair 1968. I can assure you your visit will be most rewarding.

The CHAIRMAN. The gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I have no requests for time at this time.

The CHAIRMAN. The gentleman from Florida.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I do not know whether international or domestic fairs serve a useful or profitable purpose or not. I think they do. But if we were going to stop Federal aid to the cities in financing such fairs we should have started long, long ago.

Years ago the Federal Government helped the city of Chicago in the Columbian Exposition, a world's fair that delighted me when I was a boy. Later on we had another world's fair in Chicago, and Uncle Sam has put up his money for fairs in Philadelphia, New York, Seattle, San Francisco, San Diego, and many other places. At this late date to close the door on a city in Texas would be the rankest kind of discrimination. I am not going to be a party to such discrimination. I have always said that it is discrimination itself that is the poison. The target of discrimination is not what counts. It is the discrimination itself that is the evil.

To me, a vote against this $10 million for the HemisFair, would be discrimination, and I am not going to be a party to it.

Mr. FASCELL. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Texas, the sponsor of the bill.

Mr. GONZALEZ. Mr. Chairman, I rise in support of this bill.

Mr. Chairman, the bill before the House, H.R. 15098, would authorize Federal participation in HemisFair 1968, an international exposition to be held in San Antonio.

Briefly, the idea for this fair was originated by myself and announced in a speech I delivered shortly after my initial election in 1961. The purpose of HemisFair is to have a fair of the Americas, an exposition commemorating the contributions made to civilization in the Western Hemisphere by the peoples of North and South America. The exposition has been organized by San Antonio Fair, Inc., a nonprofit corporation which is supported by more than $8 million in pledges from businesses, organizations and individuals of San Antonio. The pledges are security for loans made to the corporation by San Antonio banks. The entire cost of the planning, organization, promotion, and execution of the fair is therefore underwritten by private capital from San Antonio which will be used to pay off the bank loans if the revenues from the fair are not sufficient. But this is a very well financed exposition, and other revenues devoted to the enterprise include these:

First, in January 1964, the people of San Antonio approved a municipal bond issue of $30 million to provide a convention center to be built on the fair site and to be used for preparing the site and other parts of the city for the event. This bond election was overwhelmingly approved in every single precinct of the city—a rare achievement, demonstrating solid citizen support for this exposition.

Second, in October 1964 the Urban Renewal Administration allocated $12.5 million for slum clearance and purchase of the site to be used for HemisFair. The clearance and acquisition of this land had been approved by the city the previous May. The city will contribute $6 million as its share of this urban renewal project. Since the site was an area of urban blight and had been scheduled for clearance, the placing of Hemisfair on this site represents a unique case of Federal-local coordination of efforts and maximum utilization of Federal assistance programs.

Third, the Texas Legislature approved, in May of 1965, $4.5 million to build a State pavilion and exhibit for HemisFair. Last January, Governor Connally announced that he would seek an additional $5.5 million, bringing the total contribution of the State of Texas to $10 million.

Fourth, private capital is being raised to build a giant tower, which will be the theme structure of the HemisFair. The value of this project is estimated at $6 million.

Fifth, exhibit space was made available to private exhibitors on February 15. Already, nine exhibitors have signed contracts for 129,583 square feet of exhibit space. The exhibitors include the General Electric Co., Southwestern Bell Telephone Co., the Humble Oil Co., Coca-Cola Co., and Falstaff Brewing Co. Verbal commitments have been given on an additional 35,240 square feet of exhibit space. The exhibitors in this group include the Parker Pen Co., the American Express Co., and others. Altogether, about one-third of the total commercial exhibit space is contracted for or verbally committed.

Sixth, 11 foreign nations have expressed their intentions to exhibit. They include Mexico, Spain, Bolivia, Venezuela, Brazil, Uruguay, Argentina, Colombia, Panama, and Canada, a total of about 30 countries are expected to participate. Governor Connally just recently embarked on a journey to South America to talk with Latin American countries about participation. The revenues generated by the exhibit space already sold will amount to $400,000.

Seventh, concession contracts have already been signed for hats, balloons, and souvenirs. Others are scheduled for amusements, including such rides and games as you would normally find at a great exposition, but also attractions like a skyride and a minimonorail. Licensing agreements for souvenir sales, home movie productions, picture postcards, and similar items are being considered. Studies are underway to determine needs such as food service requirements.

This exposition will not only add a significant promotion to Inter-American relations, but will also enhance the see America program, and will also attract substantial numbers of foreign visitors to this country. The Department of Commerce study concluded that this country, by participating in HemisFair 1968, will gain $38.6 million in the balance of payments.

I have guided our Federal legislative efforts with a view to first determining whether there is a sufficient national interest in HemisFair to warrant Federal participation, and secondly to determine the nature and extent of the participation, if it would be deemed appropriate. The bill passed by Congress last year authorized $125,000, to the Department of Commerce to make this determination and report back to Congress.

The study and findings were transmitted to Congress by President Johnson, and were the subject of hearings by the House Subcommittee on International Organizations and movements on June 29, 1966. In his letter of transmittal, President Johnson said:

I fully support the Secretary's findings, made in consultation with interested Departments and Agencies, and concur in the recommendations that the Federal Government should participate in HemisFair 1968 and re-

garding the nature and extent of its participation. The appropriations necessary to carry out this program are estimated to be $10 million.

Mr. Chairman, I sincerely believe that no proposal for an international exposition to be held in the United States has ever been presented to Congress with as much preparation and support on the local level and on the State level, and with as much study and research on the Federal level, as this one. The record I have just recited shows that San Antonio has devoted energy and imagination and vast amounts of capital to HemisFair 1968. The record shows clearly that this exposition is worthy of the support and participation of the U.S. Government. I urge that my colleagues read the record, and judge for themselves. I know that they will concur with me, with the distinguished committee, with the Department of Commerce, and with the President, that HemisFair 1968 is worthy of our support.

Mr. FASCELL. Mr. Chairman, our concluding speaker on this side is the distinguished gentleman from Texas [Mr. WRIGHT], to whom I yield such time as he may consume.

Mr. WRIGHT. Mr. Chairman, I shall not consume a great deal of time. Much has been said of the cost involved here, and we need to place this in its proper perspective. The bill calls for an authorization of $10 million.

In examining this, as is true of any other expenditure, we need to make some valid comparisons. Ordinarily, when one considers spending money, he compares the cost with the costs of other things of similar value, with what others are paying, and with the probable value he expects to receive.

Let us do that briefly. May it be understood that we do not beg support on the basis of alms or an otherwise unsupportable donation to Texas or to San Antonio. Let us consider it on the basis of an investment for the United States.

First, let us compare the cost of this bill with what the United States has put into other similar international expositions.

In 1962 we put approximately $10 million into the Seattle World's Fair.

In 1964 and 1965, we spent $17 million of Federal funds on the New York World's Fair.

In 1958 we put $13 million into the Brussels World's Fair in Belgium.

In 1967 we expect to put $13.5 million into the Montreal World's Fair in Canada.

The question of residual benefits has been raised. I do not know what precise residual benefits came from these other expenditures, but apparently we regarded them as generally satisfactory. I do know this is the very first time in history that there has even been an authenticated international exposition, officially recognized by the Bureau of International Expositions in the southwestern part of the United States.

This $10 million compares very favorably with what we spent on these other international fairs. It is less than most. Surely, from this standpoint, it is not excessive.

Now let us compare this Federal share briefly with what the local people are contributing to make this exposition an overwhelming success. Ten million dollars does not seem so large when we stack it up alongside the $48 million that local, State, and private interests are investing.

The city and the county of San Antonio have put up, through a $30 million bond issue, a very large sum.

As has been explained, the State of Texas has already appropriated $4.5 million and plans to appropriate an additional $5.5 million, which in itself will come to as much as the Federal share.

Entirely private sources, businesses and individuals, are adding the very appreciable amount of approximately $8 million.

When we add these together and compare them with the Federal investment asked in this bill, the ratio is almost five to one. That compares favorably indeed. It demonstrates a truly exceptional degree of local interest and of intense local preparation. It augurs exceedingly well for the success of the project which is the best long-run guarantee for the Federal investment.

Now, finally, let us compare this cost with its potential for good. It is useless to know the cost unless we also can appraise the value. As the gentleman from Texas [Mr. BURLESON] said, we do very definitely hope to get some clear and tangible value out of it for the United States.

This is indeed, as the name implies, a confluence of civilizations—a fair for all the hemisphere to bring together people and products and proof of progress from all Latin American Republics to join with our own in one great exposition.

Surely there can be little doubt that Latin America is in many ways the very best customer we have in the world. Just last year they bought better than $6 billion worth of American produced goods and services. That is a full billion dollars better than they were buying from our country only 5 years ago.

We have a favorable balance-of-trade position with Latin America to the extent of $1.3 billion for last year. In other words, Latin American countries bought that much more of our goods than we purchased of theirs. Now, that cannot be said for much of the world.

Even when you take into account the total of U.S. aid and the total of private American investments in Latin American countries, we still have a favorable balance-of-payments position with these good neighbors in Latin America, which is $500 million better for last year than it was just 5 years ago. So they are great customers and they are becoming better customers all the time, as their capacity to purchase and consume increases. Latin America represents the greatest potential buying power in the world today if it can only be properly developed.

Comparing this $10 million we are spending for this fair with the $6 billion they spent with us last year, it is like an individual spending $10 to entertain a good friend and customer who has purchased $6,000 worth of products from him during the past year. This is both good relations and good business. To invite such a friend and customer and then refuse to pick up the check would be, in the realm of courteous and civilized individual relations, unthinkable.

So much for the cold and rather uninspiring, although necessary, talk of cash. We must conclude that, by any of these yardsticks, it is a good investment. But there is a still broader meaning to the HemisFair.

Mr. Chairman, this is definitely not just another big exposition. It is far more significant than that. To grasp its broader meaning and its potential for hemispheric goodwill, the HemisFair must be considered against the backdrop of the yellowing and sometimes blood-splattered pages of history.

The focal point of the story is San Antonio itself. It is a gateway to Latin America. Today a modern, bustling metropolis, its rich heritage dates back to the year 1718. At that time the Spanish Viceroy of Mexico established a mission on the site to serve as a halfway point between the missions in east Texas and the presidios of northern Mexico. Its purpose was to protect the missionaries and to encourage settlement of the country.

Thus, from the very beginning, San Antonio's history has been inseparably entwined with both peaceful pursuits and military operations. Every schoolboy is familiar with the gallant defense of the Alamo in 1836. By 1850 the Alamo had been restored and was in use as a quartermaster depot. For more than 100 years, the U.S. Army has maintained a permanent military garrison in the city, through whose gates have passed some of the greatest figures in American military history from Robert E. Lee and Phil Sheridan to Dwight D. Eisenhower.

Against this panorama let us consider the avowed aim of HemisFair 1968, as set forth in debate on last year's legislation, Public Law 89–284:

> An event designed to enhance the existing brotherhood between new world nations, reaffirm common ties, increase understanding, and fortify world peace.

Now, there is the real reason for the exposition. How appropriate it is that a city which has contributed so greatly to the military battles for freedom now has the opportunity to make a similarly significant contribution to the cause of lasting peace and brotherhood.

How appropriate it is that our friends from below the Rio Grande, some of whose forebears laid siege to the Alamo, now should be invited, in a spirit of mutual respect and friendship and interpendence, to a site only 2 blocks from that historic mission.

We can and must strengthen our ties with Latin America. No other area is as critically indispensable to our safety. None other beckons quite so appealingly or promises greater financial return for our investments. None other buys more of our total manufactured goods or produces more goods for our own market—and there is no other wherein the potential for growth could mean so much to the future of our own country.

For the United States, increasingly, the future looks southward.

To project in these brief remarks a true image of this land of 200 million people in 20 nations would be almost like trying to give a brief summary of the Encyclopedia Britannica or a 5-minute synopsis of the Texas Almanac. There is no more a typical Latin American than there is a typical housewife or a typical North American or a typical baseball fan.

It is a land of contrasts and contradictions. It is the Andes where commerce travels on the backs of llamas over little trails at 10,000 feet above the Pacific Ocean. It is the Panama Canal where the commerce of the world changes oceans. And it is the brooding jungles of the Amazon where swarms of piranha infest the rivers and commerce does not move at all.

It is the dazzling modernity of Brasilia, the world's most ultra modern capital city; and it is the Darien wilderness where life goes on among the Cuna Indians just as it did when Columbus discovered the New World. It is the thriving thirst for educational preeminence at the University of Mexico City; and it is the little adobe one-room school in the back country of Guatemala. It is the hacienda and the hovel, the grandee and the peon, the ranchero and the ejido, the sparkling new hotel and the crowded slum—all thrown into a churning caldron of ferment.

And it is, more and more, the land of tomorrow.

Change is coming in the 20 republics of Central and South America and the Caribbean, swift change after several centuries of siesta. It is only a question of what sort of change. It is no longer a question of preserving a threadbare status quo. The long stagnating status quo is already on its way out. The governmental and economic forms which arise in Latin America to take its place are matters in which we have a truly significant stake.

The teeming millions of Latin Americans know of the progress made by their neighbors to the north, and they hunger to understand it better, to taste it for themselves.

This is the real significance, I think, of HemisFair 1968. Through our Alliance for Progress, we have made a real start toward proving that we want to live in brotherhood and peace, and that we are anxious to help our hemispheric neighbors enjoy the blessings that we ourselves enjoy today.

HemisFair 1968 will give us an unparalleled opportunity to prove this once more and to cement the ties which bind us increasingly and which identify our own future inseparably with that of our friends throughout Latin America.

I congratulate my able Texas colleague, the Honorable HENRY GONZALEZ, for his tireless efforts in behalf of the HemisFair, and I urge the support of this measure before us today.

Let us bring together in HemisFair 1968 the best of the Americas—their achievements in commerce, industry, agriculture, science, art, education—and let us do so in the climate of friendship and interdependence in which we may share together the bright promise of tomorrow.

Mr. GROSS. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, I would like to state that I favor this legislation, but as I do so I wish to apologize to the gentleman from Florida and the various gentlemen from Texas who are supporting this bill, because on numerous occasions in the last 2 years when I supported a position of the President it always seemed it was a time when the House was against the President. Therefore, I hope that I am not giving the kiss of death to this fine piece of legislation. However, unlike the gentleman from Iowa, who is very properly concerned with financial questions, I look upon this legislation in a much broader sense. I feel that we have an opportunity to look at this program in San Antonio to help sell America to the people south of the border. If there is one area where all of our programs in foreign affairs break down, it is in the lack of communication with the peoples and the governments that we are trying to reach. Through this exposition I think we have a very valuable and practical means of reversing this and therefore a worthwhile means of reaching the people south of the border who should more properly understand our history and understand our national aspirations and who should more properly understand the feeling of "sympatico" that we have for them. Therefore, Mr. Chairman, I look upon this bill as being a very practical step in the direction that the Committee on Foreign Affairs has taken. I recognize—and I see the gentleman from Pennsylvania, the chairman of our committee, there—I recognize that I am so often opposed to measures in the committee that I do not wish to upset the entire power structure of the House by suddenly supporting this measure.

Mr. Chairman, I noticed that the President of the United States, in a very brief but eloquent message, supports this bill.

Therefore, as I look at it, based upon the international effects, the value, the residual value about which the gentleman from Texas [Mr. WRIGHT] has spoken and has emphasized, I feel that this bill, in comparison with the others that we have passed, merits our support.

I too, Mr. Chairman, recognize the questions that people have as to the cost involved. The gentleman from Texas [Mr. WRIGHT] pointed out to us previous examples wherein we have followed this pattern and that, therefore, there is no departure. The gentleman from Texas especially emphasized the fact that in Latin America we have had this tremendous breakdown in effective communications between our Government and the governments of South America. I look upon this fair as representing a very valuable means of helping the United States to develop its hemispheric-wide program. I believe it would represent an educational investment and I would urge its support.

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

Mr. GROSS. Mr. Chairman, I yield the gentleman 1 additional minute.

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

Mr. DERWINSKI. I yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, I think the gentleman from Illinois [Mr. DERWINSKI] stated the President is for this legislation. In the report, on pages 3 and 4 thereof, there is a communique from the White House, dated May 13, 1966. Since that time there have been many statements from the White House about how Congress was passing needless and expensive legislation at a time when the money required for such programs has not been authorized or budgeted.

In view of the many statements from the White House, are we to understand that the President is "for this legislation in September as he was in May?"

Mr. DERWINSKI. Mr. Chairman, I certainly do not presume to speak for the President of the United States in great detail. But, obviously, the President does wish us to make effective cuts in the budget. The President does wish us to practice economy. I believe this investment in the HemisFair is really economy, and that is why I support the measure.

If, incidentally, the President does agree with this, that merely proves that great minds run in the same channel.

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

Mr. DERWINSKI. Of course I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Would the gentleman from Illinois have any idea as to how many billions of dollars we have spewed out to Latin America with which to win the love and affection of those people?

Mr. DERWINSKI. Too much, I will say to the gentleman from Iowa.

Mr. GROSS. If the gentleman will add it up, it may stagger the gentleman's imagination.

Mr. DERWINSKI. I would not care to argue that point with the gentleman from Iowa. The gentleman has raised a very salutary point. I share the gentleman's view to the effect that the Alliance for Progress is a great boondoggle, badly administered and badly directed. I joined the gentleman from Iowa in voting against the bill to which he affectionately refers as the "foreign giveaway bill."

But, Mr. Chairman, I look upon this bill as a practical investment on the part of the United States in an educational-type program that we should be carrying on to an even greater degree. I have found in my experience that U.S. fairs abroad have been helpful and in my opinion have represented a good investment.

However, Mr. Chairman, I do recognize the fact that my efforts and my vigorous support in behalf of this bill probably places it in jeopardy. So, Mr. Chairman, I do not apologize to the proponents but hope that in some way I have helped their very strong case.

Mr. FASCELL. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, this is a very meritorious measure and in the

strongest way I associate myself with its author and its advocates in its support.

GENERAL LEAVE TO EXTEND

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD on the bill now under consideration.

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

There was no objection.

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

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

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

H.R. 15098

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of Public Law 89-284 (79 Stat. 1026) is hereby amended by adding a new subsection (c) to read as follows:

"(c) The President is authorized to appoint, by and with the advice and consent of the Senate, a Commissioner for a Federal exhibit at HemisFair 1968 who shall be in the Department of Commerce and receive compensation at the rate prescribed for level V of the Federal Executive Salary Schedule. The Commissioner shall perform such duties in the execution of this Act as the Secretary of Commerce may assign."

SEC. 2. Subsection 3(b) of said Act is amended by (a) striking the words: "Assist the planning staff established under subsection (a)." from the end of the first sentence of clause (1) and substituting therefor the words: "carry out the provisions of this Act." and by striking the words "while engaged in the work of such planning staff" and "while so engaged" from the second sentence;

(b) Striking the words: "the members of such planning staff and such secretarial, clerical, and other staff assistants as may be necessary to enable such planning staff to perform its functions," from the first sentence of clause (2) and substituting therefor the words: "persons, other than consultants and experts, referred to in (b)(1), who perform functions to carry out the provisions of this Act,";

(c) Adding new clauses (3), (4), and (5) at the end of such subsection as follows:

"(3) The Secretary of Commerce is authorized to enter into such contracts as may be necessary to provide for United States participation in the exposition.

"(4) The Secretary of Commerce is authorized to erect such buildings and other structures as may be appropriate for the United States participation in the exposition on land (approximately four and five hundred and ninety-five thousandths acres or more and including land necessary for ingress and egress) conveyed to the United States, in consideration of the participation by the United States in the exposition, and without other consideration. The Secretary of Commerce is authorized to accept title to such land or any interest therein: *Provided, however,* That the land or interest may be accepted only if the Secretary determines that no term or condition therein will interfere with the use of the property for purposes of the United States or prevent the disposal of the property as hereinafter set out. Any building constructed by the United States Government as a part of its participation in HemisFair shall not be a 'public building' under the Public Buildings Act of 1959 (40 U.S.C. 601 et seq.). In the design and construction of such buildings and other structures, consideration, including consultation with the General Services Administration, shall be given to their utility for governmental purposes, needs, or other benefits following the close of the exposition.

"(5) The Secretary of Commerce is authorized to incur such other expenses as may be necessary to carry out the purposes of this Act, including but not limited to expenditures involved in the selection, purchase, rental, construction, and other acquisition, of exhibits and materials and equipment therefor and the actual display thereof, and including but not limited to related expenditures for costs of transportation, insurance, installation, safekeeping, maintenance, and operation, rental of space, and dismantling; and to purchase books of references, newspapers, and periodicals."

SEC. 3. Section 4(1) of said Act is amended by striking the words: "determining the manner in which and the extent to which the United States shall be a participant in and an exhibitor at the exposition" and substituting therefor the words: "carrying out any of the provisions of this Act."

SEC. 4. Section 5 of said Act is amended by designating the existing language in section 5 as subsection (a) and by adding a new subsection (b) as follows: "(b) The Secretary of Commerce shall report to the Congress within six months after the date of the official close of the exposition on the activities of the Federal Government pursuant to this Act, including a detailed statement of expenditures. Upon transmission of such report to the Congress, all appointments made under this Act shall terminate, except those which may be extended by the President for such additional period of time as he deems necessary to carry out the purposes of this Act."

SEC. 5. Section 6 of said Act is renumbered as section 8 and amended by adding a new sentence at the end thereof as follows: "In addition there are authorized to be appropriated, to remain available until expended, not to exceed $10,000,000, to carry out United States participation in the international exposition HemisFair, 1968."

SEC. 6. Said Act is further amended by inserting new sections 6 and 7 to read as follows:

"SEC. 6. After the close of the exposition, all property purchased or erected with funds provided pursuant to this Act shall be disposed of in accordance with provisions of this Act and with the Federal Property and Administrative Services Act of 1949, and other applicable Federal laws relating to the disposition of excess and surplus property."

SEC. 7. (a) The functions authorized by this Act may be performed without regard to the prohibitions and limitations of the following laws:

(1) That part of section 15 of the Administrative Expenses Act of 1946 (ch. 744, August 2, 1946; 60 Stat. 810), as amended (5 U.S.C. 55a), which read (not in excess of one year)."

(2) Section 16(a) of the Administrative Expenses Act of 1946 (ch. 744, August 2, 1946; 60 Stat. 810; 5 U.S.C. 78) to the extent that it pertains to hiring automobiles.

(3) Section 3648 of the Revised Statutes, as amended (31 U.S.C. 529), (advance of public moneys).

(4) Sections 302-305 of the Federal Property and Administrative Services Act of 1949 (June 30, 1949, ch. 288, 63 Stat. 393 et seq.), as amended (41 U.S.C. 252-255), (competitive bids; negotiated contracts, advances).

(5) Section 322 of the Act of June 30, 1932 (ch. 314, 47 Stat. 412; 40 U.S.C. 278a) (lease of buildings to Government; maximum rental).

(6) Section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) (advertisement of proposals for competitive bids).

(7) Section 3710 of the Revised Statutes (41 U.S.C. 8) (opening of bids).

(8) Section 2 of the Act of March 3, 1933 (ch. 212, 47 Stat. 1520; 41 U.S.C. 10a) (Buy American Act).

(9) Section 3735 of the Revised Statutes (41 U.S.C. 13) (contracts limited to one year).

(10) The second proviso of section 11 of the Act of March 1, 1919 (ch. 86, 40 Stat. 1270), as amended (44 U.S.C. 111), to the extent that it pertains to printing by the Government Printing Office.

(11) Section 1 of the Act of June 20, 1878 (ch. 359, 20 Stat. 216), as amended (44 U.S.C. 322) (rates of payment for advertisements).

(12) Section 3828 of the Revised Statutes (44 U.S.C. 324) (no advertisements without authority).

Mr. FASCELL. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida [Mr. FASCELL]?

There was no objection.

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. FASCELL. Mr. Chairman, since the committee amendments are technical in nature and not substantive, I ask unanimous consent that the committee amendments be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida [Mr. FASCELL]?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the committee amendments, as follows:

Page 2, line 5, strike out "Assist" and insert in lieu thereof "assist".

Page 4, line 9, strike out "Act." " and insert in lieu thereof "Act"."

Page 5, line 10, strike out "property." " and insert in lieu thereof "property." "

Page 5, line 11, strike out "Sec. 7. (a)" and insert in lieu thereof " "Sec. 7.".

Page 5, line 14, strike out "(1)" and insert in lieu thereof " "(1)".

Page 5, beginning in line 16, strike out " "(not in excess of one year)." " and insert in lieu thereof " '(not in excess of one year)'.".

Page 5, line 18, strike out "(2)" and insert in lieu thereof " "(2)".

Page 5, line 21, strike out "(3)" and insert in lieu thereof " "(3)".

Page 5, line 23, strike out "(4)" and insert in lieu thereof " "(4)".

Page 6, line 3, strike out "(5)" and insert in lieu thereof " "(5)".

Page 6, line 6, strike out "(6)" and insert in lieu thereof " "(6)".

Page 6, line 9, strike out "(7)" and insert in lieu thereof " "(7)".

Page 6, line 11, strike out "(8)" and insert in lieu thereof: " "(8)".

Page 6, line 13, strike out "(9)" and insert in lieu thereof: " "(9)".

Page 6, line 15, strike out "(10)" and insert in lieu thereof: " "(10)".

Page 6, line 19, strike out "(11)" and insert in lieu thereof " "(11)".

Page 6, line 22, strike out "(12)" and insert in lieu thereof: " "(12)".

Page 6, line 23, strike out "authority)." and insert in lieu thereof: "authority)." ".

The committee amendments were agreed to.

Mr. FASCELL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, the gentleman from Montana [Mr. OLSEN], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, H.R. 15098, to amend Public Law 89–284 relating to participation of the United States in the HemisFair 1968 Exposition to be held in San Antonio, Tex., in 1968, and for other purposes, pursuant to House Resolution 949, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

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

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

The amendments were agreed to.

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

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

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

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GROSS moves to recommit the bill, H.R. 15098, to the House Committee on Foreign Affairs.

The SPEAKER. Without objection, the previous question is ordered.

The question was taken; and the Speaker announced that the nays appeared to have it.

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

The SPEAKER. Evidently, a quorum is not present.

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

The question was taken; and there were—yeas 147, nays 184, not voting 101, as follows:

[Roll No. 262]

YEAS—147

Adair
Anderson, Ill.
Andrews, George W.
Andrews, Glenn
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ayres
Bates
Belcher
Berry
Betts
Bolton
Bow
Bray
Brock
Broomfield
Brown, Clarence J., Jr.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Byrnes, Wis.
Cahill
Callan
Cameron
Cederberg
Chamberlain
Chelf
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Collier
Conable
Conte
Cramer
Culver
Curtin
Curtis
Dague
Davis, Wis.
Devine
Dickinson
Dole
Duncan, Oreg.
Duncan, Tenn.
Dwyer
Edwards, Ala.
Ellsworth
Erlenborn
Evans, Colo.
Findley
Fino
Foley
Ford, Gerald R.
Fountain
Gathings
Goodell
Grabowski
Green, Oreg.
Grider
Griffiths
Gross
Grover
Gubser
Gurney
Haley
Hall
Halpern
Hansen, Idaho
Hansen, Iowa
Harsha
Harvey, Mich.
Henderson
Hosmer
Hutchinson
Irwin
Jarman
Joelson
Johnson, Pa.
Jonas
Keith
Kornegay
Kunkel
Laird
Langen
Latta
Lennon
Lipscomb
McCarthy
McCulloch
McDade
MacGregor
Mailliard
Marsh
Martin, Mass.
Martin, Nebr.
Mathias
May
Meeds
Michel
Minshall
Monagan
Moore
Morse
Morton
Natcher
Nelsen
Passman
Pike
Pirnie
Poff
Quie
Quillen
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Robison
Roudebush
Rumsfeld
Schneebeli
Schweiker
Shriver
Skubitz
Smith, Calif.
Smith, N.Y.
Springer
Stafford
Stalbaum
Stanton
Stratton
Talcott
Taylor
Thomson, Wis.
Todd
Tuck
Vivian
Watson
Whitener
Whitten
Widnall
Wilson, Bob
Wolff
Wydler
Younger

NAYS—184

Adams
Albert
Anderson, Tenn.
Annunzio
Aspinall
Bandstra
Barrett
Beckworth
Bennett
Bingham
Blatnik
Boland
Brademas
Brooks
Brown, Calif.
Burke
Burleson
Burton, Calif.
Byrne, Pa.
Cabell
Carey
Casey
Clark
Clevenger
Colmer
Conyers
Cooley
Craley
Daddario
Daniels
de la Garza
Delaney
Dent
Denton
Derwinski
Diggs
Dingell
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Dyal
Edwards, Calif.
Everett
Fallon
Farbstein
Farnsley
Farnum
Fascell
Feighan
Flood
Fogarty
Ford, William D.
Fraser
Frelinghuysen
Fuqua
Giaimo
Gibbons
Gilbert
Gonzalez
Gray
Green, Pa.
Greigg
Hagen, Calif.
Hamilton
Hanley
Hanna
Hardy
Hathaway
Hawkins
Hechler
Helstoski
Hicks
Holifield
Holland
Howard
Hull
Hungate
Huot
Jacobs
Jennings
Johnson, Calif.
Johnson, Okla.
Jones, Ala.
Karsten
Kastenmeier
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Kupferman
Leggett
Love
McDowell
McFall
McGrath
McVicker
Machen
Mahon
Matsunaga
Matthews
Miller
Mills
Minish
Mize
Moorhead
Morgan
Morris
Moss
Multer
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Poage
Pool
Powell
Price
Pucinski
Purcell
Race
Randall
Redlin
Resnick
Reuss
Rhodes, Pa.
Rivers, Alaska
Roberts
Rodino
Rogers, Fla.
Ronan
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Roybal
Ryan
St Germain
St. Onge
Scheuer
Schisler
Secrest
Selden
Shipley
Sikes
Sisk
Slack
Smith, Iowa
Smith, Va.
Staggers
Steed
Stubblefield
Sullivan
Teague, Tex.
Tenzer
Trimble
Tunney
Tupper
Udall
Vanik
Vigorito
Waggonner
Waldie
Walker, N. Mex.
Weltner
White, Tex.
Wright
Yates
Young

NOT VOTING—101

Abbitt
Abernethy
Addabbo
Ashmore
Baring
Battin
Bell
Boggs
Bolling
Burton, Utah
Callaway
Carter
Celler
Cohelan
Corbett
Corman
Cunningham
Davis, Ga.
Dawson
Edmondson
Edwards, La.
Evins, Tenn.
Fisher
Flynt
Friedel
Fulton, Pa.
Fulton, Tenn.
Gallagher
Garmatz
Gettys
Gilligan
Hagan, Ga.
Halleck
Hansen, Wash.
Harvey, Ind.
Hays
Hébert
Herlong
Horton
Ichord
Jones, Mo.
Jones, N.C.
Karth
Keogh
King, N.Y.
Krebs
Landrum
Long, La.
Long, Md.
McClory
McEwen
McMillan
Macdonald
Mackay
Mackie
Madden
Martin, Ala.
Mink
Moeller
Morrison
Mosher
Murphy, Ill.
Murray
O'Brien
O'Konski
Olson, Minn.
O'Neal, Ga.
O'Neill, Mass.
Rees
Reinecke
Rivers, S.C.
Rogers, Colo.
Rogers, Tex.
Rosenthal
Satterfield
Saylor
Schmidhauser
Scott
Senner
Sickles
Stephens
Sweeney
Teague, Calif.
Thomas
Thompson, N.J.
Thompson, Tex.
Toll
Tuten
Ullman
Utt
Van Deerlin
Walker, Miss.
Watkins
Watts
Whalley
White, Idaho
Williams
Willis
Wilson, Charles H.
Wyatt
Zablocki

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Scott for, with Mr. Hébert against.

Mr. Jones of North Carolina for, with Mr. O'Neill of Massachusetts against.

Mr. Battin for, with Mr. Keogh against.

Mr. King of New York for, with Mr. Addabbo against.

Mr. Utt for, with Mrs. Thomas against.

Mr. Satterfield for, with Mr. Fisher against.

Mr. Teague of California for, with Mr. Zablocki against.

Mr. Burton of Utah for, with Mr. Thompson of Texas against.

Mr. McEwen for, with Mr. Krebs against.

Mr. Cunningham for, with Mr. Macdonald against.

Mr. Reinecke for, with Mrs. Mink against.

Mr. Carter for, with Mr. Edmondson against.

Mr. Harvey of Indiana for, with Mr. Evins of Tennessee against.

Mr. Saylor for, with Mr. Fulton of Tennessee against.

Mr. McClory for, with Mr. Garmatz against.

Mr. Horton for, with Mr. Friedel against.

Mr. Fulton of Pennsylvania for, with Mr. Gilligan against.

Mr. Corbett for, with Mr. Celler against.

Mr. Mosher for, with Mr. Murphy of Illinois against.

Mr. O'Konski for, with Mr. Gallagher against.

Mr. Whalley for, with Mrs. Hansen of Washington against.

Mr. Wyatt for, with Mr. Cohelan against.

Mr. Watkins for, with Mr. Corman against.

Mr. Bell for, with Mr. Madden against.

Mr. Walker of Mississippi for, with Mr. Van Deerlin against.

Mr. Schmidhauser for, with Mr. Boggs against.

Until further notice:

Mr. Abbitt with Mr. Long of Louisiana.

Mr. Davis of Georgia with Mr. Callaway.

Mr. McMillan with Mr. Mackie.

Mr. Dawson with Mr. Charles H. Wilson.

Mr. Willis with Mr. Ichord.

Mr. Landrum with Mr. Abernethy.

Mr. Rivers of South Carolina with Mr. Flynt.

Mr. Ullman with Mr. Baring.

Mr. Sickles with Mr. Edwards of Louisiana.

Mr. Rogers of Texas with Mr. Ashmore.

Mr. Hays with Mr. Gettys.

Mr. Hagan of Georgia with Mr. Herlong.

Mr. Long of Indiana with Mr. Mackay.

Mr. Moeller with Mr. Morrison.

Mr. Olson of Minnesota with Mr. Rees.

Mr. O'Neal of Georgia with Mr. Williams.

Mr. White of Idaho with Mr. Halleck.

Mr. Stephens with Mr. Watts.

Mr. Thompson of New Jersey with Mr. Sweeney.

Mr. Rostenkowski with Mr. Rogers of Colorado.
Mr. Ullman with Mr. Tuten.
Mr. Senner with Mr. Toll.
Mr. Murray with Mr. Martin of Alabama.

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

Mr. FINDLEY, Mr. LANGEN, Mr. CURTIS, and Mr. STAFFORD changed their vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

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

So the bill was passed.

A motion to reconsider was laid on the table.

CHILD NUTRITION ACT OR 1966

Mr. SMITH of Virginia. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 990, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 990

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13361) to establish a cooperative Federal-State child nutrition program under the direction of the Department of Agriculture. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Agriculture now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of the bill (H.R. 13361), it shall be in order in the House to move to strike out all after the enacting clause of the Senate bill (S. 3467) and to insert in lieu thereof the provisions contained in H. R. 13361 as passed by the House.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself 10 minutes, and I yield to the gentleman from Tennessee [Mr. QUILLEN] 30 minutes.

The SPEAKER. The gentleman is recognized for 10 minutes.

Mr. SMITH of Virginia. Mr. Speaker, the resolution would make in order the bill commonly known as the child nutrition bill, a bill usually called the school lunch program bill.

The rule provides for 2 hours of general debate, and at the conclusion of the general debate the bill shall be read under the 5-minute rule, and upon passage of the bill it shall be in order to take up the Senate bill and insert the provisions of the House bill in lieu of the of the provisions of the Senate bill.

I support the normal school lunch bill, and I shall support this bill, but I wish to call to the attention of the House a provision that in my judgment should not be in this bill.

This bill provides not only for the lunch program, but, for the first time in the history of this legislation, it undertakes to enlarge the program to include a breakfast program.

They say this is a pilot program. This is an extension of the thing to see how it is going to work to furnish breakfast. The amount involved is $17 million for this foot in the door. That is what this is. This is a foot in the door, and one more contribution to the welfare state.

I know it is not popular to say this, but at some time or other this country is going to have to realize that there is a limit to what the Federal Government can do in the way of turning this supposedly constitutional Government into a welfare state.

I do not know any more reason why we should furnish the children breakfast than that we should furnish them supper. They say the children cannot get adequate breakfast before they go off to school. Therefore, they have to go to school hungry and wait for the free lunch. But is it any worse for them to go to school hungry in the morning than it is for them to go to bed hungry at night? What are we going to do about supper, when that comes up next year or the year after?

As I said before, I know it is not popular to say this, but I believe some people ought to speak out on some of these things once in a while.

There was considerable question this year about the lunch program. The lunch program was not included in the budget. But the lunch program is a program we have had so long in this country that is has become a fixed part of the school expenses and the States have learned to rely upon it and depend on it. It has been useful.

I believe it has been worthwhile and I believe it is worthwhile to continue it. But when we start in on breakfast and then start in on supper, then we will probably have to provide barracks so the children can sleep in the school area. Then probably the next step will be as they do in Russia, to put the children in dormitories and keep them overnight, so they will not have to bother the parents at night.

The parents will not have to feed their children. They will not have to be bothered with them, under this breakfast program, in the morning. All they have to do is throw a few clothes on the children and shoot them out the door, and then the parents have the whole day free.

Then we will come to supper and we will have to give them supper. Now, when suppertime comes, and the parents do not have to get supper, the parents can go to the movies. They will not even have to go home.

This is a pretty good scheme to break up what is left of the American home and home living, of parents taking care of their children and feeding them and funishing them clothes and giving them love and affection. Are we coming to the point where we are going to do away with all those things? Are we coming to the point where we are going to regiment the future generations of this country, just as they do in Russia? I see some of my friends on the Agriculture Committee. Of all committees in this House, I am particularly surprised that that committee should report a bill that is as far to the left as this proposal is.

When this bill came before the Rules Committee, a question was raised about it. The Rules Committee held it up for a little while, and individual members of our committee protested to the Committee on Agriculture, to take out this innovation, to not start this new experimental program at a time when we have such large programs for domestic innovations and when we are running into increasing expenses for the war in Asia.

I was told that the committee met on this subject and that there was a very close division about whether to at least postpone this program until some future and more appropriate time, if one ever comes. I do not believe the time will ever come when the Nation as such should undertake the complete nursery business. If it takes the place of the parents of the children, we will never have a solid, sound, good citizenship, if we abandon the things that have made America, the home and homelife and a realization on the part of parents that it is their sacred duty to take care of their own children. Of course, when they cannot, Lord knows we do have plenty of programs to take care of their reasonable needs.

I am not complaining about the amount of money involved in this. I am complaining about the principle—the principle of having the state raise the children of the Nation instead of having them raised in their homes.

My friends, you can do as you please about this bill. I am going to vote for it whether you take this out or not. I believe it ought to be taken out. I hope someone will offer an amendment to take it out.

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

Mr. Speaker, as the gentleman from Virginia has ably stated, House Resolution 990 permits the consideration of H.R. 13361, the Child Nutrition Act of 1966, under an open rule with 2 hours of general debate, making it in order to consider the committee substitute as an original bill for purposes of amendment under the 5 minute rule. After passage of H.R. 13361, it shall be in order to take from the Speaker's table Senate bill S. 3467 and strike out all after the enacting clause, inserting the provisions contained in H.R. 13361, as passed by the House.

The purpose of H.R. 13361 is to continue the current special milk program through which milk at reduced prices is made available to children in schools, camps and similar institutions for an additional 3 years, and to add two new child assistance programs: First, a school breakfast program as a pilot project, to be operated much the way the current

school lunch program does; second, a nonfood assistance program to assist those schools which cannot finance the installation of food preparation and serving facilities and equipment to obtain such equipment.

The authorizations for the milk program are $110 million for fiscal 1967, and $115 million for 1968, and for each of the next 2 years, $120 million.

The pilot project for school breakfasts is to run for 2 years. Authorizations for it are $7,500,000 and $10 million respectively.

Scientific studies strongly indicate that the hungry child does not learn, so all the money spent on good equipment, proper facilities, and qualified teachers would be wasted if the children who come to school hungry are not helped.

The funds for this program are to be distributed to the several States according to the apportionment formula currently used to distribute school lunch program funds, each State to disburse its funds to schools it selects, giving first consideration to poorer areas of the State, and to schools whose pupils must travel long distances to school. Public and nonprofit private schools are included under all programs authorized by the bill.

The second new program set up under the bill is not a pilot project; it is not written as an amendment to the School Lunch Act, but does affect that program. A 3-year authorization is called for to provide nonfood assistance to schools which do not have sufficient funds to set up or expand their food preparation and serving facilities and equipment.

The authorizations are: for fiscal 1967, $12 million; for 1968, $15 million; for 1969 and 1970, $18 million; and for the succeeding years, such sums as the Congress may authorize.

This program does touch the jurisdiction of the Committee on Education and Labor as it affects the School Lunch Act. Section 13 of the bill also touches the act as it provides authority for the Secretary of Agriculture to extend the benefits of all the school food programs to preschool programs operated as part of the school system.

There are no minority views expressed.

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

Mr. Speaker, I have no further requests for time and reserve the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13361) to establish a cooperative Federal-State child nutrition program under the direction of the Department of Agriculture.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13361 with Mr. OLSEN of Montana in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from North Carolina [Mr. COOLEY] will be recognized for 1 hour and the gentleman from Minnesota [Mr. QUIE] will be recognized for 1 hour. The Chair now recognizes the gentleman from North Carolina [Mr. COOLEY].

Mr. COOLEY. Mr. Chairman, I yield such time as he may desire to use to the gentleman from California [Mr. HAGEN] the chairman of the subcommittee which conducted and held the hearings on this measure.

Mr. HAGEN of California. Mr. Chairman and members of the committee, this bill and the program it establishes should be very noncontroversial and I hope we can dispense with debate here in very short order. The thrust of this legislation is to continue two existing programs of child feeding, to add another program of child feeding, and to assist school districts in implementing the existing school lunch program by helping them with the purchase of some of the equipment needed to conduct a school lunch program. We are aiming this bill at needy children. If we are going to relieve poverty, I do not think that anyone can quarrel at all with that purpose, because certainly the most dismal aspect of poverty is the lack of food or the lack of necessary nutritional requirements in food particularly children who are not guilty of sin or error. This bill is designed to assist poor kids and to assist schools in assisting poor children to get a nutritious and a balanced diet at least at noon and in some districts at breakfast.

Mr. Chairman, I shall go through this bill in order to inform the members of the Committee of the Whole House on the State of the Union as to exactly what it proposes to do.

Presently, Mr. Chairman, we have a school milk program which terminates, unless it is further authorized, on June 30, 1967. This Congress has already appropriated moneys for the operation of this program for fiscal year 1967. We are adding 3 years to the authorization of the special school milk program and have set ceilings on the amounts that can be appropriated during each of those 3 years.

For fiscal year 1968 the amount is $115 million. For fiscal year 1969 the amount is $120 million. For fiscal year 1970 the amount is $120 million.

Mr. Chairman, we do not change the details of the special school milk program.

I may say that there are many Members in this Congress, from agricultural areas principally, who have introduced separate legislation designed to extend the school milk program and much as we are extending it here. They, of course, have a vital interest in the passage of this legislation.

Further, Mr. Chairman, I may say that by far the greatest portion of the expenditure represented in this bill is attributed to the school milk program, which has been successfully in operation for these last several years.

Mr. Chairman, the second part of the bill, beginning on page 32, entitled "The School Breakfast Program," is a new child-feeding program. We have specifically designated this as a pilot program and to implement this program as a pilot program, we have limited its authorization to a period of 2 years, with a total possible appropriation in 1967 fiscal year of $7.5 million; and in fiscal year 1968, $10 million, for a total of $17.5 million for this new pilot program.

Mr. Chairman, at the end of the first year of the operation of this program, therefore, we shall be able to look at it and decide whether in our wisdom it has worked well. And if it has performed well, I am confident that it will be extended and expanded.

Mr. Chairman, the provisions of this new program are so drawn that they are targeted toward school areas which have the largest number of poor children, children who are least able, we shall say, to secure breakfast at home in areas such as some of the slum areas of our cities.

Mr. Chairman, many of these children go to school in the morning without having had anything to eat.

There is ample testimony from educators to the effect that their educational performance insofar as results are concerned with the result that not only does the child who is without a breakfast suffer in his learning, but his conduct reflects upon other children and they too suffer in their learning process.

Now, Mr. Chairman, we have established here the terms as to who is eligible for this pilot breakfast program which is based upon the apportionment formula contained in the National School Act.

Mr. Chairman, this apportionment formula has worked well for the School Lunch Act and we are confident that it will work equally well with respect to this breakfast program in apportioning among the States. Then the State agencies will have to designate needy schools or schools where children have to travel long distances to schools such as in some of our rural areas which are included in schools which would be eligible. This money will also go into those schools which have large numbers of distressed children because of the poverty of their parents. The bulk of the money will probably be granted to this last category of school.

Now in establishing this title we also have a ceiling on the amount of Federal contributions to the operation of any breakfast program.

Basically, the Federal Government will contribute the cost of the food. But we recognize that in some instances a little more help will be needed for individual school districts, so that we have provided a special category of school which might receive extra assistance up to 80 percent of the cost of that assistance.

That is the second feeding program in this bill.

A third one relates to nonfood assistance, the authorization for which appears beginning on page 34 of the bill.

Presently it is understood that there is some foggy authority under the present School Lunch Act for the Department of Agriculture to assist schools with providing a means of serving a lunch. But the criteria in the law does not direct it into the area of the needy schools and the Department feels they want explicit authorization from the Congress with some criteria that will direct this nonfood assistance money into those schools which really have need for it.

Here again we have created a program which will be reviewed by the Congress at the end of an appropriate period because we have established only a 4-year program.

The Senate has passed a bill on this subject and it is totally open end with no explicit possibility of review by the Congress. We have established a 4-year program for the nonfood assistance with a definite ceiling for each year. Our funding for the fiscal year 1967 is $12 million; for 1968 it is $15 million; for 1969 it is $18 million and for 1970 it is $18 million—for a total of $63 million.

These grants-in-aid will be made to the States to assist the schools which can prove a demonstrated inability to provide their own food serving facilities in order that these schools might participate in the school lunch program.

It is my understanding that there are some 9 million children in the United States who presently are not entitled to participate in the school lunch program because their school district does not have the necessary local resources to provide kitchen facilities, and so forth that are needed to conduct such a program.

I may say this money cannot be spent for land or buildings, merely the accouterments to go into a kitchen and cafeteria to provide service of food under the school lunch or the school breakfast programs.

We have adopted the formula for apportionment among States of this money which is the same formula that is in the school lunch program and which has worked so well.

I may say that these new programs are also available to private, nonprofit schools including parochial schools. That has been true and is true presently in the case of the school lunch and milk programs. So we are adding nothing new on the separation of church-state issue. The aid is for the child not the school, we have provided that where a private, nonprofit school receives this nonfood assistance which essentially is capital equipment, that if they cease to use it for the purposes of our different child feeding programs, then the title thereof will revert to the United States.

The next provision of the bill which you might be interested in is one that will assist the States to some extent in administering these new programs of child feeding which we are providing.

Schools around the United States generally have very ticklish financial problems, and since we are hereby imposing these new responsibilities on them, we have provided for some contribution from the Federal Government to the new responsibilities we have given to them.

There is also a provision in here for Federal direction for utilization of surplus foods so that we will do something about this program of farm surpluses in those areas where they exist through the medium of the feeding programs.

Probably the next significant provision is section 12 which provides for a centralization of all of the federally supported food feeding programs in the Secretary of Agriculture.

Presently the Secretary of Agriculture is the big operator in this area through the school lunch program and the school milk program. But apparently there are some fringe programs which presently do not come under his jurisdiction. In this bill we provide that all of them shall come under his jurisdiction.

Finally, in section 13 we spell out the fact that a preschool feeding program operated by a school district shall be considered a bon fide part of the school lunch program, and eligible for assistance under the Federal school lunch program.

Apparently there is some present doubt in the law as to whether or not a preschool feeding program, say, a kindergarten or prekindergarten feeding program conducted by a school, would be eligible for Federal assistance. We make their eligibility clear through this section of the bill.

Gentlemen, I believe that covers the bill in its entirety. I may say that there were almost no dissents on our committee when we approved it. I understand there were very few dissents on the Rules Committee when they approved the legislation. The Senate passed a companion bill by a 76 to 0 vote. I am hopeful that we can pass this bill with a minimum of discussion, and send it to the Senate for acceptance of our version or for conference.

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

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

Mr. HARSHA. As I understand it, there are going to be some pilot programs under this legislation.

Mr. HAGEN of California. Only with respect to the breakfast program.

Mr. HARSHA. Can the gentleman tell me where it is anticipated these pilot programs will be conducted?

Mr. HAGEN of California. Under our bill we would allocate this money among all the States evenly, and also to certain possessions like Samoa and the Virgin Islands. We have a special program for them. Once the money gets within a State, the State agency will approve the particular schools that will be eligible, on the basis of economic need, for a pilot breakfast program. This is a responsibility that would be left to the States.

Mr. HARSHA. Then would the gentleman advise me as to whether the sole responsibility will rest in the individual State, or is this again subject to the approval of the Secretary of Agriculture?

Mr. HAGEN of California. As far as identifying schools, that will be the sole responsibility of the State agency within the criteria that are in the bill, and we spell out that it shall be an area of low income, and so forth, and an area where children have to travel long distances in order to get to school. I assume the Secretary will have regulations to more clearly spell out the definition of distressed pupils and a distressed school district.

Mr. HARSHA. I thank the gentleman.

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

Mr. HAGEN of California. I yield to the distinguished gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's long explanation on the bill. I am sure he is to be complimented on the hearings he has produced. I do have some reservations about the pilot program, but this is like being against something that is sacred. If children are really in need, of course, most people are for it.

The question that occurred to me is based on a lot of constituent making. The gentleman will recall, I am sure, in the original budget as sent down by the administration, the school lunch program and the milk program were very drastically cut back, and we have taken action here. The Committee on Appropriations has already for one of the fiscal years restored that in this body. Does the authorization that is coming through here today under this bill now under consideration have the Presidential blessing, and is it budgeted?

Mr. HAGEN of California. In answer to the gentleman's question, I do not believe that the initial amounts of the breakfast program and the nonfood assistance are presently budgeted, but I am sure they would be immediately in a supplemental appropriation bill on the passage of this legislation.

In further answer to the gentleman's question, let me say that we conform to the position of the Congress with respect to the school milk program and the school lunch program. There was somewhat of a rebellion against the administration, the gentleman will recall, for I think he was one of the rebels. We feel that the existing levels of the school milk and lunch programs have demonstrated their value, and this bill recognizes that fact, and, in addition, supports the objective of the administration in bringing some new aid into these extremely poor school districts.

Mr. HALL. This is a tried and true program, the gentleman, who is a member of the Agriculture Committee, would agree.

Incidentally, I am glad the Committee on Agriculture is bringing this bill to the floor today instead of some other committee that might have jurisdictional aspirations, because surplus of food and produce of the land is involved here. You would agree with me that this is a tried and true program, and that it is a function of the House of Representatives to determine this and to legislate accordingly. That, as I understand, is what is being done.

Mr. HAGEN of California. I appreciate the gentleman's compliment, and I say that what he has said is absolutely correct.

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

Mr. HAGEN of California. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. As the distinguished gentleman from California knows, the Commissioner on Education and the Department of Health have established certain guidelines in which they insist upon a certain percentage of integration before they will approve schools for medicare purposes and schools for Federal aid.

Is there any authority in this legislation, or is it the intent of the committee, to authorize the Secretary of Agriculture to insist upon any kind of desegregation or integration before the children will be eligible for these programs?

Mr. HAGEN of California. In a way I am sorry the gentleman brought this up, because there is another gentleman of a very opposite persuasion who intends to bring up this issue.

To date, the position of the Department of Agriculture has been, according to their interpretation of the law, that title VI of the Civil Rights Act does not require them to deny aid to a school because the school is not integrated. That is their present position. Whether they are interpreting the law correctly is a matter for the lawyers to decide.

Mr. FOUNTAIN. I would like, if the gentleman will yield further, to say that I concur with the point of view expressed by the Secretary of Agriculture. I also feel the Commissioner of Education and the Department of Health are going beyond the authority contained in title VI when they go beyond the so-called freedom of choice plan, which has been adopted and has been approved for schools and hospitals throughout the country.

Mr. HAGEN of California. May I further answer the question of the gentleman? I have here a letter from Edward M. Shulman, Acting General Counsel for the Department of Agriculture. In essence it states the position of the Department is that if in a given area there are two schools, one black and one white, we will say, they cannot get any aid for the white school unless they help the black school, and within a student body they cannot offer school lunches only to the Caucasian and not to the Negro children. But they do not believe they should use the school lunch program as a lever to force integration. There are other measures for that, and the courts are busy with that every day.

Mr. FOUNTAIN. I thank the gentleman for his response. I believe that is a reasonable attitude to take. Regardless of whether schools are integrated or not integrated, children who are hungry have to eat. May I suggest to the gentleman that he put the letter in the RECORD.

Mr. HAGEN of California. Mr. Chairman, I will ask unanimous consent for such insertion.

The CHAIRMAN. I believe the gentleman will have to take that up in the House.

Mr. HAGEN of California. I am advised I cannot make the insertion now.

Let me answer your question further. I am not expressing my own opinions or position or sentiment. This is a legal interpretation from the Counsel's office for the Department of Agriculture.

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

Mr. HAGEN of California. I recognize the gentleman from Nebraska, a member of the committee.

Mr. CALLAN. Mr. Chairman, it is true, is it not, that the Department of Agriculture and the administration are wholeheartedly supporting this breakfast program, and that funds in the supplemental will be requested for this program?

Mr. HAGEN of California. The gentleman is entirely correct. This breakfast-lunch program is designed to reach into those areas where there are large percentages of children from poor families and as a consequence, generally, the school districts in such areas have a very small tax base for operating a proper school system.

So this breakfast program is designed to go into those areas of pockets of poverty, to see to it that those children who, in large numbers, would probably not get breakfast in the morning will be able to have breakfast. This has the wholehearted support of the administration.

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

Mr. HAGEN of California. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, some concern has been expressed by constituents in my home State,who are involved in the school lunch program, that this new breakfast program may jeopardize the school lunch program by tending to cut into and reduce the present school lunch program.

Is there any substance to this?

Mr. HAGEN of California. In answer to the gentleman let me say that this is a legitimate concern, which was the subject of concern in our committee. Actually, this decision would have to be made basically by the Appropriations Committees of the Congress and the whole Congress acting on the position of the Appropriations Committees.

We contemplate that this will be an additional expenditure, not a subtraction from the expenditure either for the school milk program or for the school lunch program.

Mr. MATSUNAGA. Do I understand the gentleman to say that this program will be over and above the present, existing program?

Mr. HAGEN of California. That is correct.

Mr. MATSUNAGA. And will in no way jeopardize the existing school lunch program?

Mr. HAGEN of California. We want to make it clear to the administration that in approving this breakfast program and nonfood assistance program we expect the administration to seek a necessary level of appropriations to properly fund both the school lunch program and the school milk program.

Mr. MATSUNAGA. And there is every likelihood that the administration will do exactly that, because the administration endorses this breakfast program?

Mr. HAGEN of California. That is correct. Congress already this year has worked its will to rebuff the once-stated position of the administration on this issue, and will have authority to do so again.

Mr. MATSUNAGA. I thank the gentleman.

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

Mr. HAGEN of California. I yield to the gentleman from Minnesota.

Mr. QUIE. Along that line, is it not true that the administration witnesses who appeared before the committee indicated that the administration no longer is pushing for a cut in the special school milk program or for a cut in the school lunch program, which was proposed at the beginning of the Congress, but now has seen the wisdom of expending the money the Appropriations Committee has put up?

Mr. HAGEN of California. I thank the gentleman for adding that. The support Congress has given these two programs by its action this year indicates their value. Probably this is the most direct application of necessary aid to alleviate the problem of poverty in this country.

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

Mr. HAGEN of California. I yield to the gentleman from Oklahoma.

Mr. BELCHER. I thought the Appropriations Committee already had cut the $110 million down to $104 million.

Mr. HAGEN of California. In answer to the question, they have. We merely set a target goal, I say to the gentleman from Oklahoma. They did increase the appropriations above what they were last year, and much above what the administration sought.

Mr. BELCHER. Then the $6 million which was cut below the authorization, the gentleman does not believe was done in contemplation of the fact that they were going to have to appropriate additional funds for the other parts of this bill that have not been programed heretofore; is that correct?

Mr. HAGEN of California. I have no knowledge of that fact; no.

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

Mr. HAGEN of California. I yield to the gentleman from Wisconsin.

Mr. STALBAUM. Is it not true that last year the administration asked for $110 million for the school milk program and it was cut to $103 million, without any contemplation of a program of this type at that time, which would indicate that there is no significance as between the present cut and the contemplation of a new program.

Mr. HAGEN of California. I would agree that is a sound conclusion.

Mr. STALBAUM. I should like to pursue the school milk matter further with the chairman of the subcommittee, but first I want to commend the gentleman from California for the excellent job he has done, in my opinion, in this draft of this bill. I realize it is considerably different from the Senate version, particularly as to the allocation of funds and some other features. Having sat on that

subcommittee, I feel the gentleman has come up with an outstanding draft, and I hope that most of it will be adopted by the two Houses in the final conference version.

I should like to pursue, very briefly, the school milk program.

Mr. HAGEN of California. If I may interrupt the gentleman at that point, I thank him for the compliment. I wish to say that it has been my observation that in the brief time the gentleman from Wisconsin has been in the Congress he has established one of the outstanding records of accomplishment of which I know. He has been particularly effective in the area of dairy legislation.

Mr. STALBAUM. I thank the gentleman very much. On the school milk program, in line with the point made briefly earlier by the gentleman from Minnesota [Mr. QUIE], the original proposal, as I recall, called for only some $21 million for school milk, and included therein a means test, so that the children who would get the use of Federal money would be the ones who had no funds with which to buy the milk, and all the other children, of course, would have to buy the milk at the regular price.

I wanted to make it clear by asking the subcommittee chairman handling this debate this question: Is it not true that section 3 as it now appears in the bill is virtually identical with the existing school milk program and in fact is word for word the present school milk program?

Mr. HAGEN of California. That is correct. And it is clear with respect to other parts of this bill that we do not intend in operating these programs that a poor child will be stigmatized by being segregated.

Mr. STALBAUM. Was it not the intent of the subcommittee and the full committee in the school milk program that we intended to continue to operate it in the future fundamentally the same as it has been in the past? In other words, we recommended no changes in the school milk program in this draft of the bill?

Mr. HAGEN of California. That is correct.

Mr. Chairman, I wish to read into the RECORD at this point the history of this subject with regard to appropriations and requests with respect to the school milk and the school lunch programs. In fiscal year 1966 the Congress appropriated $103 million for the school milk program. The administration for fiscal 1967 requested $21 million or a reduction of $82 million. Congress completed its action in fiscal 1967 and appropriated $104 million for this program, which is $1 million more than appropriated by the Congress for fiscal year 1966. Now, with respect to the school lunch program——

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

Mr. HAGEN of California. Yes.

Mr. QUIE. In order to bring the past history up to date, we should also point out while Congress appropriated in fiscal year 1966 $103 million, the administration froze $3 million of that and spent only $100 million, evidently in anticipation of the cutback and the drastic cutback that they proposed. Now, when we did appropriate $104 million and the President signed the bill, would you not expect, as I do, that the administration will use this amount of money for the school milk program and not again have a cutback or a freeze in funds?

Mr. HAGEN of California. In reply to the gentleman, I do not want to speculate on that. I hope they spend the whole amount, but with respect to the school lunch program, to continue, for fiscal year 1966, $157 million was appropriated by the Congress. The administration in its budget request for fiscal year 1967 asked for $138 million or a reduction of $19 million. Congress this year in its appropriation appropriated, as I understand it, $165,855,000 plus $45 million transferred from section 32 funds to yield a total of $210,855,000. So we have substantially increased the appropriation for the school lunch program.

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

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

Mr. KASTENMEIER. Mr. Chairman, I would like to compliment the gentleman from California, the chairman of this subcommittee, for reporting out this bill. I think it is an excellent one. However, with relation to his colloquy with the gentleman from North Carolina [Mr. FOUNTAIN], I would like to take vigorous exception to the views expressed by Mr. Shulman of the Department of Agriculture that this program does not come under title VI of the Civil Rights Act of 1964. I realize there may be some differences of opinion on this, but I think that the cold language of the act itself makes it clear it does involve the school lunch program and, rather, the language Mr. Schulman relies on is merely language expressed on the floor of the other body by a Member of that body. Indeed this program, like any other program involving the donation of Federal funds and facilities, segregated or not, is under title VI.

Mr. HAGEN of California. My reply to the gentleman would be that I was not expressing my personal feelings but merely reading the legal opinion of the counsel of the Department of Agriculture. I would like to point out to the gentleman with respect to the school lunch program that the Federal Government only contributes one-fifth of the cost on this program on an average, so they are somewhat marginally attractive compared to certain other Federal programs of grants. And, personally, I would hate to see these programs jeopardized on the floor of the House by adopting an amendment which would make the bill untenable from the standpoint of possible passage and which would deprive children of food otherwise through by action, however ill-conceived of a local school board.

Mr. Chairman, I believe there are, perhaps, better areas of imposing criteria of integration and so forth than in this area of the school milk program and the school lunch program, which reach to the most immediate demands of these children of every ethnic background for survival.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield further?

Mr. HAGEN of California. I yield further to the gentleman from Wisconsin.

Mr. KASTENMEIER. Of course, Mr. Chairman, the gentleman states the proposition which is true in almost any Federal program with reference to schools in the South, with reference to hospital facilities in the South, and any program of this type designed to be helpful to people generally, people who may or may not be subject to segregated facilities and denial of Federal funds is indeed a great problem. But the public policy stated by the Congress was to place the onus upon the local officials to comply with desegregation orders of the Court and to submit plans, consistent with Federal policy, in this matter.

Therefore, it is not our question, it is not a question for the Congress as to whether or not we deny funds to these children, but it is rather a question of the local officials in terms of compliance. It is up to them whether they want to comply and continue to receive Federal funds under the various Federal programs.

Mr. HAGEN of California. I would say to the gentleman from Wisconsin here that I feel we have to weigh the issue of principle against humanity, because the acceptance of these programs is marginal in some of these areas because of the required rather large local contribution. As I have previously said, on the average the Federal Government only contributes one-fifth of the cost. What an improper amendment might well do would be to remove this program out of large areas of the country where it is needed and the only people who would suffer would be the schoolchildren.

Mr. KASTENMEIER. Mr. Chairman, will the gentleman yield further?

Mr. HAGEN of California. I do not believe we shall use this bill to force integration through. Although the Secretary of Agriculture might be presently misinterpreting the import of the said title VI in these programs.

Mr. KASTENMEIER. Mr. Chairman, if the gentleman will yield further, that is the gentleman's personal opinion. I am not here to debate with the gentleman about that. What I am here for is to express reservations to the legal opinion to which the gentleman referred of Mr. Shulman.

Mr. HAGEN of California. I would suggest to the gentleman from Wisconsin that there are probably ways and means whereby this interpretation could be tested in the courts and I believe that is the route that should be followed.

Mr. KASTENMEIER. May I say further to the gentleman from California that I hope the Congress will not go back to the days when we had to deal in every piece of legislation with the so-called Powell amendment and on the so-called Powell amendment basis. That is what the Congress in 1964 obviously hoped to accomplish with reference to each bill passed dealing with civil rights to make

it broadly applicable to Federal programs, so that the Congress would not have to deal with the so-called Powell amendment on each and every piece of legislation and with reference to each and every program.

That is why I do not actually believe such an amendment is necessary to this program or to any other program.

Mr. HAGEN of California. I would say to the gentleman from Wisconsin that the gentleman has pointed out a problem and I do not believe it can be properly resolved through an amendment to this bill. I feel that the proper way in which to proceed, if the school lunch program is going to be made a ploy in the integration struggle, that some group, properly constituted, should bring a court action and then you will be able to resolve the problem not only with respect to this program but with respect to others.

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

Mr. HAGEN of California. I yield to the gentleman from Wisconsin.

Mr. STALBAUM. Is it not true at the present time that a considerable amount of school lunch money is disbursed to needy children in southern schools which are not yet completely integrated, and that if we were to accept this requirement of section 6 in the school lunch program rather arbitrarily, in due time we would, in effect, deny a great many needy children access to the school lunch program?

Mr. HAGEN of California. I do not believe there is any question of that.

And, Mr. Chairman, if this were a total Federal grant, the practical issue might be one thing. But when the schools, locally, and the States, are contributing up to four-fifths of the cost of the program, one can see that this is a program which could be easily abandoned in large areas of the country.

Mr. KASTENMEIER. Would the gentleman yield further?

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

Mr. KASTENMEIER. It is not a question of whether we accept anything at this point, it is a question of title VI of the 1964 civil rights law which is in full force and effect. It is not a question of whether they want to use it or not, it does apply to Federal programs—at least in my opinion it applies to this one.

Mr. HAGEN of California. I would say to the gentleman further—and he may know more about this than I do. I do not believe that the counsel of the Secretary of Agriculture is the final arbitrator on the legal position of the Federal Government. I would seek, if I were the gentleman, an opinion from the Attorney General on this issue. I do not know whether that has been done or not.

Mr. KASTENMEIER. May I say to the gentleman, I just learned about this letter today. I intend to seek a letter from the Attorney General on this question.

Mr. HAGEN of California. I would highly recommend it.

Mr. KASTENMEIER. I thank the gentleman for yielding.

Mr. HAGEN of California. Mr. Chairman, I yield to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Chairman, I want to commend the gentleman for his work on this bill. I wish to point out further that we are not only talking about poor children being denied under this kind of amendment, but we are talking about the children of low income families being the ones who are denied these things because the children of the high income families can get their meals. The children of the low income families are denied this for something that the parents in the higher income families did. It seems to me this is a poor group of people to pick on and to penalize for this kind of conduct.

Mr. HAGEN of California. I agree with the gentleman.

Mr. SMITH of Iowa. Mr. Chairman, I further wish to say that I notice we are moving on here to a breakfast program which, after 20 years with the other program, I think is a good thing. However, I do want to mention that there are a number of schools that do not even have the lunch program. That includes the one here in the District of Columbia that does not have a lunch program. We have a lot of poor children in this District.

To those who say that this is just another Federal aid program, I say, "Certainly, it is another Federal aid program, it is a Federal aid to education program." What is wrong with helping our children get a decent meal? Because food and education are certainly interrelated. There is no better place to invest our money than in our children whom we will be depending upon for our leaders of this country in the future.

Mr. HAGEN of California. I agree with the gentleman. If we are going to have a Federal aid program, this is one of the best.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. HAGEN of California. Mr. Chairman, I yield to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding to me again. I have an additional query for information only.

I appreciate again the way the gentleman and his subcommittee have brought out the various facets of this plan, because it is overt and it is right across the table.

But I wonder if the gentleman and his committee, in their wisdom, should not become worried in view of the population explosion and in view of the extension of this program, and the decrease of the surplus in our dairy products, that we might not reach a point where there may be a declining surplus and with the demands for this Federal subsidy, this increasing amount of milk, for example, might not pose a problem.

In spite of all our imports that we are bringing in, which I know our producing farmers are not very enthusiastic about, that because of all this we might not be able to furnish all this surplus food.

For instance, in my State we know that the number of dairy cows have been reduced. We have conducted a census on this in the last 6 years, throughout the principal dairy counties in the State, and particularly in my home county.

It is high time we did more to subsidize these producers of dairy products, in my opinion, as our surpluses decrease and stimulate them rather than increasing overseas imports into this country of dairy products—and I am thinking particularly of cheese—than it is that we arrange with these inter-community bond issues in competition with industrial procurement. Because all one needs to do is multiply out the cost of the per hundredweight of manufactured milk and grade A milk by the number of cows we are losing per annum. We are losing one of the biggest payrolls—to say nothing of the most nutritious products that we can give our children, the leaders of tomorrow.

Now, does the gentleman think we are coming to the point where these bar graphs will cross and we will have a deficit in these agricultural products?

Mr. HAGEN of California. I think these programs are extremely valuable and the gentleman as a physician is in a position to be most qualified to appreciate their value—these programs have proved themselves as being more than a surplus disposal program and if we had no surplus at all, I think that these would be valuable programs.

They started out as farm surplus disposal programs but they are not that now. They have made a major contribution to our national health, I think the gentleman will agree.

Mr. HALL. I certainly do agree with the gentleman. I am talking simply about the question of supplies for the expanding programs in the future, in view of the decreased supplies that are becoming available for our population.

I think maybe we have a serious problem.

For example, if the chairman will continue to yield just one moment further, for another comment about the increased use of our land.

By increasing use of our land and by expansion of production by hydroponics, chemicals, fertilizers, irrigation, and what-not, we can increase the yield of our soil and, indeed, we can increase our dairy herd ratings, and so forth. But we cannot do this to the same degree that we can do it with wheat, corn, or feed programs, especially with our population of farmers decreasing at an alarming annual rate.

Mr. HAGEN of California. With respect to your proposal to help the dairymen, I assure the gentleman we are going to listen to them in our committee.

Mr. HALL. I thank the gentleman. I think it is time, because this is one of the greatest industries our land has.

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

Mr. HAGEN of California. I yield to the gentleman from New York.

Mr. RESNICK. I am very happy to hear what our distinguished colleague from Missouri has had to say about the problems of the dairy industry. I am sure he will join with us in asking for direct payments so we can rescue the

dairy industry. I speak of direct payments to the farmers. I am sure the gentleman will be pleased to join us in that.

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

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

Mr. HARSHA. A while ago I asked my good friend from California how some of the guidelines that were expected to be enacted for the pilot programs for feeding children breakfast were going to be followed. I just want to get the record abundantly clear as to what guidelines are going to be followed, and what part our friend downtown at the Department of Agriculture is going to have, and certainly what schools are going to receive the benefits of these pilot programs.

The reason I bring up that question is that I received a letter the other day from the Department of Agriculture asking me if I supported this legislation, and informing me that there had been five of these pilot projects tried in the State of Ohio. I inquired as to where they were and, strangely enough, all five of them are in an area represented by a Member of the other party, which I suppose is understandable, but part of them are in Appalachia, which is also understandable, but though I happen to represent a number of counties in Appalachia, yet none of the schools in my particular district were selected for this program.

But one project appears in the northern part of the State in what heretofore has been looked upon as a reasonably prosperous area. I just wonder how much we are going to be able to tie down our Department of Agriculture on this problem.

Mr. HAGEN of California. I would say that if I were overly partisan, or sensitive, you might cause me to lose my cool there.

In answer to your question, each State is going to receive some money under this program, whether it has a Republican Governor and two Republican Senators, and all the Congressmen are Republican or whether the opposite is true. Each State will get some money under this pilot program, and the disbursement of that money within the State will be determined by the State educational agency. No partisanship will be involved in this so far as I am concerned. I certainly hope there is none.

Mr. HARSHA. We will not be able to slip by.

Mr. HAGEN of California. Not according to my understanding.

Mr. HARSHA. Are there any other guidelines or rules that will be established to determine who in the State itself will make the ultimate decision as to what schools will be the recipient of this program?

Mr. HAGEN of California. On page 33 of the bill the following language appears:

> In selecting schools, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist.

I may say to the gentleman that one of the most able members of our committee is the gentleman from Minnesota [Mr. QUIE], who is a member of your party, and I am certain that he would not permit us to approve a program which could be used for a partisan purpose.

Mr. HARSHA. I am sure the gentleman from Minnesota would endeavor to prohibit that, but lacking the number of duckets on the bond that are necessary, sometimes these get through the distinguished gentleman's objections, even one such as the very able gentleman from Minnesota.

But what part is our friend downtown, the Secretary of Agriculture, going to play in having control over the schools that are going to participate in this program?

Mr. HAGEN of California. To implement the specific lines of the statute, I suppose he is going to have to draw some regulations, but I am sure he could not draw a regulation that would say it would go into the area with a Democratic Congressman or into an area with a Republican Congressman. He is going to have to draw guidelines which will have universal application of need without reference to politics. I do not believe the gentleman need have concern about this.

Mr. HARSHA. Will it happen that in an area where we have Republicans, a Republican area, we may find the funds are depleted, or are there ample funds where there is to be a Member of the other party represented?

Mr. HAGEN of California. No. To answer the gentleman's question, these allocations are to be made one time to the States and then the decision in the State will be made according to the State agency on the criteria of need, which will be of general application.

Mr. HARSHA. Is the gentleman's understanding that politics will not be involved in this program in one way or another?

Mr. HAGEN of California. That is my understanding. I hope politics are not involved and are not permitted by our language.

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

Mr. HAGEN of California. I yield to the gentleman from Wisconsin.

Mr. STALBAUM. The only power the Secretary of Agriculture would have, on the point raised by the gentleman from Ohio, would be somewhat of a veto power if they do not follow the criteria. There is nothing else I can find in the language of the law that would give him any power, but only if some State administrator refused to follow these basic guidelines. Then I am sure he has some power to say the law has not been enforced. But if they have picked out schools that are needy and they follow the general criteria of the bill, then, is it not the understanding of the gentleman in the well, they would have to follow that?

Mr. HAGEN of California. Yes. That is correct. He would establish the general criteria of need only.

Mr. STALBAUM. His only power would be if there was blatant disregard of the criteria?

Mr. HAGEN of California. Yes.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota, [Mr. QUIE].

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

Mr. Chairman, the chairman of the subcommittee, the gentleman from California [Mr. HAGEN], explained the bill very well. I believe this is a good idea when the chairmen of the subcommittees do explain bills. It does not always happen in this House.

I believe we know by the excellent statement of the gentleman from California what the bill will cover. I just want to let you know how I feel, speaking for myself on the minority side. I support this bill. I support the special school milk program particularly. I believe this is one of the best programs we have. Milk is nature's most perfect food and especially for children. From what we can determine from the Department of Agriculture there is an adequate amount authorized for the special school milk program for these next 4 years. I also support the breakfast program as a pilot program. The $7.5 million for the coming fiscal year is evidently more than the USDA expects to use. I understand they expect to use about $6 million. Then $10 million will be adequate for the second year.

The breakfast program will then come back to the Committee on Agriculture for us to look over and determine whether it would be wise to extend it or whether it needs amending.

It is limited to two groups of young people: to those who live in an area of poor economic conditions and to those who travel a long distance.

I believe, from the testimony, that we have seen this will fit into the programs in the schools pretty much the way the school lunch program has worked out in the past.

We are concerned about the means test. We are opposed to the use of a means test. However, to date in the schools they have provided lunches either at a low cost to all students or at no cost to poor students, but they worked it out in such a way that the students will not be identified according to their means.

The testimony before the House from the Department of Agriculture was that the same plan will be used in these breakfast programs. The nonfood assistance will be used only in the areas where they need some special help in the purchase of equipment in order to operate a school lunch program.

About three-fourths of the children of the United States now are served by the school lunch program, but other children come from school districts which cannot afford to operate one because they do not have sufficient equipment and cannot afford to buy it. This will enable them to receive it.

Mr. Chairman, I believe this bill is worthy of the support of the House. I believe that the amendments we have adopted to the Senate version make it a much stronger and effective bill.

While I had reservations about the Senate version, I do not have those reservations about the House version.

The only note of alarm I have is the understanding that a letter has come from the acting General Counsel of the Department of Agriculture, that title VI of the Civil Rights Act shall not apply. How he ever construed this to be the case is beyond me. As I understand it, title VI of the Civil Rights Act will apply to all Federal programs and to all Federal money, whether it be a payment to a cotton farmer or to a corn farmer, or a payment of any kind to the schools. This is the way it ought to be enforced. If the purpose of the school lunch program is to feed children and therefore title IV of the Civil Rights Act does not apply or has been implied, then other educational acts, like title I of Public Law 89–10 would not be affected by title VI of the Civil Rights Act, since the purpose there is among other things, remedial education for disadvantaged children. If it is true that the Congress does not want the monies expended under the school lunch program, the school milk program, the breakfast program or the nonfood assistance program according to title VI of the Civil Rights Act, we ought to have an amendment offered and we ought to debate it, so that the people of the country could know that is the intent of the Congress. Until that time no loopholes should be permitted by administrative edict.

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

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

Mr. RYAN. I agree completely with the gentleman. Title VI, in my opinion, clearly applies to all Federal programs, including the school lunch program and the programs contemplated under this bill.

I should like to point out that on December 2, 1963, the Deputy Attorney General now the Attorney General, Nicholas Katzenbach, said in a letter to the chairman of the Judiciary Committee, the gentleman from New York [Mr. CELLER], that the school lunch program was included under title VI.

Mr. QUIE. I thank the gentleman.

Mr. Chairman, I now yield such time as she may consume to the gentlewoman from Washington [Mrs. MAY].

Mrs. MAY. Mr. Chairman, the hour is late. I shall speak briefly, because our excellent subcommittee chairman has given a complete and full description of this bill and what is in it.

I am in complete support of the bill.

I should like to point out again that when the bill was submitted to us by the administration it would have superseded the national school lunch program and the special school milk program with legislation which would have, as our report says, substantially reduced the scope of these programs and concentrated the activities in areas of economic distress.

At that time I am sure all congressional offices, as was true of mine, received much mail opposing this new approach to our school lunch and school milk programs from not only the people in the communities but also the school officials.

I would point out that in their wisdom the subcommittee, and eventually the full committee, placed in this bill a committee amendment which struck out all after the enacting clause of the original bill, H.R. 13361, and made an entirely new provision in lieu thereof. The committee amendment does not amend the National School Lunch Act in any respect. I want this spelled out clearly to the number of school people throughout all our States who have been concerned. It would permit the law to operate in the future exactly as it has in the past, at the level of appropriations determined upon by the Congress.

There have been some remarks made today about reservations on the part of several of our fellow Members concerning the two new areas in this program. One involves the setting up of a pilot program on an experimental basis for adding to our school lunch program a breakfast program in those areas where past experience has shown unusual needs. I believe the chairman of our subcommittee, the gentleman from California [Mr. HAGEN] was very honest with us when he said that we discussed this controversial matter for a number of weeks.

This is a controversial area not because we did not think there was a demonstrated need, but because we were not sure how this program would apply or how it could best be applied. That is why the committee in its wisdom decided to make this a pilot program. It is in order to be sure that we have good answers to some of the problems and some of the questions to which we presently have no answers. That is why I am supporting this bill, Mr. Chairman. It is because in this area it is merely a question of letting us see what we can do with this problem and trying to see if we can work out something where we know in extremely severely economically disadvantaged homes there are many children who go to school without breakfast.

Mr. Chairman, in conclusion I would like to say at the proper time I am going to offer an amendment. I might explain that this amendment was brought to my attention just today. It was not offered in the committee, but it was brought to me by the gentleman from Nebraska [Mr. MARTIN]. He pointed out in this amendment that at no time have our overseas dependent schools been able to participate in our school lunch program. Here, of course, we are talking about 170,000 children, and this is one of the largest school districts that we could have, bigger than most in the entire United States of America. My amendment, Mr. Chairman, will make it possible for the Department of Defense, after consulting with the Secretary of Agriculture and the administrators of the National School Lunch Act to try to set up a program for our American children who as children of our overseas personnel are attending schools run by our Department of Defense so that they, too, may participate in this luncheon program.

Mr. Chairman, there are a great many families in this group who are of low income. They have a number of children, but the schools that we provide in the Department of Defense for this purpose have not been able to let them have the same advantages as the children here in the United States do in participating in school lunches.

Mr. HAGEN of California. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman.

Mr. HAGEN of California. I discussed this amendment with you and with the gentleman from Nebraska [Mr. MARTIN], and personally I have no objection to your amendment.

Mrs. MAY. I am delighted to hear that. I thank the gentleman and hope that the amendment will be accepted at the proper time. I am glad to have your support.

In conclusion, let me say that I do give wholehearted support to this bill and hope the House will support it.

Mr. HAGEN of California. Mr. Chairman, I yield such time as he may require to the gentleman from Tennessee [Mr. GRIDER].

Mr. GRIDER. Mr. Chairman, I wish to express my support for the Child Nutrition Act of 1966 to augment the national school lunch program. I am especially pleased by the proposed school breakfast program. If the widely held statement, "You can't teach a hungry child," has any validity at all then it must apply to the morning of the schoolday as well as the afternoon.

Although there is no formal program of Federal assistance specifically aimed at school breakfast programs, there are several examples of local attempts to initiate them. Usually the only help provided by the Federal Government comes from federally donated surplus foods and some cash from the special milk program. A good example of these local programs may be seen in the case of the Grant Elementary School in Memphis, Tenn. The program was developed by the school's PTA and local financial support was supplemented by special milk reimbursement and USDA-donated foods. The principal of the school, Mr. Frank J. Lewis, reported that with the aid of the breakfast program, the school had its best year of attendance and that as many as 114 schoolchildren who would otherwise have gone without breakfast participated in the program. He also stated that every youngster in the program showed marked improvement in one or more areas of concern. He said:

> We found attendance of these children improved, behavior better, and they are now more alert and receptive. In addition, they are more prompt and are improving academically.

Examples such as this demonstrate how effective the proposed breakfast program could be. The need for such a program is clear. More and more mothers are working and often unavoidably must leave home before the child leaves for school in the morning. More and more children are traveling long distances to school, especially in rural areas where school consolidation is progressing rapidly. Finally, simple economic need often prevents the child from having a much needed breakfast. In short, I support the proposed program to meet this very clear need.

Mr. HALEY. Mr. Chairman, I rise in support of this legislation as it has

been brought to us by the committee. I sincerely hope that amendments are not presented that will make it difficult for some of us to support this legislation as enthusiastically as I favor it at this time. I am especially pleased to see section 7 in this bill, which makes it possible for the State educational agencies to receive financial assistance in the administration of these programs. In the State of Florida last year nearly 1 million people received aid from these food consumer programs. One of the greatest blessings of America is our agricultural abundance. Because of the efficiency of the American farmer, there is no need for anyone in America to go hungry.

Now, Mr. Chairman, when we conceive of these new programs I know we can understand that the educational agencies which administer them should have a little money with which to take care of their extra costs.

So, Mr. Chairman, I want particularly to commend the committee for section 7 and for the entire bill.

Let me say again, it is my hope, if this bill remains substantially as it is, to continue to support it enthusiastically.

Mr. TRIMBLE. Mr. Chairman, I wholeheartedly support H.R. 13361. It is good legislation and means much to the children of America. They deserve it.

Mr. FRASER. Mr. Chairman, I want to endorse H.R. 13361, the Child Nutrition Act of 1966. I particularly applaud the extension of the special milk program and the committee's language in providing that this program is to be administered as nearly as possible as it was in fiscal year 1966. Legislative authority for the program was to expire at the end of this fiscal year. Appropriations authorized in H.R. 13361 are adequate to fund the extended program.

Since its inception in 1954, the special milk program has been of enormous benefit to the children and the milk producers in every State. In Minnesota last year, 69.3 million half-pints of milk were consumed under the special milk program. In my district of Minneapolis, nearly 20,000 students a day drank milk under the program. The nutritional benefits are obvious.

Also obvious are the benefits to our dairy farmers. Milk consumed under the special milk program represents almost 3 percent of all nonfarm consumption of fluid whole milk. Thus it is an important stabilizing factor in an area of agriculture that is particularly vulnerable to marginal swings in production.

Mr. ANDERSON of Tennessee. Mr. Chairman, I rise in support of this very worthwhile legislation, and in behalf of my own district want to express appreciation to the chairman and the members of the Committee on Agriculture for the very excellent work they have done.

I note in particular the foresight of the committee as evidenced in section 12 whereby the Department of Agriculture is assigned authority to conduct and supervise all the Federal programs relating to food service for children.

According to the interpretation I have received, section 12 very clearly expresses the intent of Congress that this program be centrally administered under the Department of Agriculture. This is as it should be, because the Department over a period of 20 years has demonstrated its ability to competently carry out school food programs. The mutual responsibilities of the Department, the State educational agencies, and the local school authorities are thoroughly understood by all. The machinery is set up and it is working smoothly.

Mr. Chairman, the Committee on Agriculture has indeed been wise to clearly specify that the Department of Agriculture provide centralized administration of this—the largest food service program of its kind in the world. The committee has done an excellent job and I urge support of the bill in the form in which is has been brought before the House.

Mr. WALKER of New Mexico. Mr. Chairman, under section 4, the Secretary is authorized to initiate a 2-year pilot breakfast program in certain types of schools. Eligible schools would be those drawing attendance from areas in which poor economic conditions exist and also those schools where a substantial proportion of the children enrolled travel long distances.

There is no question but that thousands of children arrive at school hungry and this inevitably affects their span of attention and conduct. In rural areas, children frequently ride the buses for as much as an hour or more and then stand around and wait for school to start. These children leave home early and time often does not allow for adequate breakfast. They often must wait 6 hours for lunch. In urban areas, thousands of children from poor families—where the mother must leave for work long before the children leave for school—breakfast tends to be a neglected meal.

In determining the eligibility of "schools drawing attendance from areas in which poor economic conditions exists," the Department is expected to follow much the same criteria as they have been under the National School Lunch Act. As a matter of fact this program will be run under the same administrative machinery and in much the same manner as the present school lunch program.

In cases of very severe need in the school, the Secretary may authorize financial assistance up to 80 percent of the operating costs of the program. In most situations, however, Federal assistance will be limited to the food supplies needed for the program with local sources defraying labor and other costs.

Following the pattern and experience with the type A lunch under the national school lunch program, the Secretary is authorized to prescribe nutritional standards that must be met. The basic strength of the lunch program has been that participating schools must agree to serve a combination of foods that improve a child's nutrition in order to receive Federal assistance. A great deal of research has gone into the question of what a child needs each day and from this came the type A meal pattern followed in the school lunch program. As part of its technical assistance efforts, the U.S. Department of Agriculture has developed menu planning and buying guides that are made available to the schools; but local school lunch officials do all their own day in, day out menu planning. They may serve any food that they want as long as the total meal meets established nutritional requirements. The same techniques and procedures will be followed under this pilot breakfast program.

The pilot breakfast program also carries the provision that:

> Such breakfasts shall be served without cost or at a reduced cost only to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay.

To the extent practicable, it is expected that children determined to be needy will pay a nominal or token price. Other children attending schools approved for a breakfast program may participate on a paying basis.

Mr. HELSTOSKI. Mr. Chairman, I rise in support of the legislation pending before the House which would provide for a program to encourage schools to provide lunches for school children on a regular basis.

At this time, when our economical position is at its highest, there are still schoolchildren who do not attend classes comforted by a full and adequate meal. Too many American children come to their classes every morning without having eaten an adequate breakfast. Some do not have breakfast at all and hungry children are in no position to take advantage of the teacher's power to instruct them.

The Child Nutrition Act would provide, in addition to other things, a school breakfast program as an important part of our national school lunch program. This legislation would authorize the Secretary of Agriculture to carry out a pilot program to assist States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast feedings for schools in poor areas.

The legislation would provide for special food service programs for needy children in nonprofit institutions such as child day care centers, settlement houses, and summer camps. To assist the State school lunch agencies meet the cost of supervising these new programs, the act would appropriate funds to the agencies for the purpose of administering the provisions of this act.

Mr. Chairman, I believe that there is a great need for this type of program in many areas—especially in urban areas where there is a large segment of low-income families and numerous children, whose parents are unable to properly feed their children.

From the standpoint of education, we are not going to make much progress unless we provide healthy bodies in which we can develop healthy minds.

From the standpoint of health, we have long since passed the stage where

we embark on an extended health program without first looking at the plight of our children who are the victims of malnutrition.

Hunger is the natural enemy of all mankind on earth. This natural enemy is also the enemy of many children in our own country. A child with insufficient food will grow up to adulthood in a state of malnutrition and, while in that state we cannot utilize his most ablest capabilities if this frail body had been in a healthy state.

Mr. Chairman, I ask again that all of us in this body, who have the power and responsibility to do so, study this act very thoroughly and see for ourselves if the legislation we have before us is not the weapon which we need so desperately to stamp out hunger among our schoolchildren.

In the interest of child nutrition in general I believe that this legislation should be passed, without prolonged debate and without any dissenting votes.

Mr. EVANS of Colorado. Mr. Chairman, although the present National School Lunch Act carries authority for providing nonfood assistance, this section has not been funded for many years since the language is general and does not lend itself to concentrating funds in those specific schools that most need help in initiating or expanding a food service. For this reason, section 5 of this bill is designed to spell out the intent of Congress in this respect.

There are 9 million children who, for one reason or another, have no access to a meal at school. Many rural and urban schools built years ago have no food service facilities. In many of these schools most of the children enrolled are in families with very low income. The local tax base of these school districts and areas is limited and the many needs of the community are such that funds are inadequate to build or provide food service facilities.

Section 5 provides a means to assist State educational agencies in providing assistance to schools in this situation. Applicant schools will be required to justify their need for assistance on a project basis and to submit a detailed description of the equipment to be acquired and their proposals for its use in meeting the nutritional needs of children. In addition, State or local sources must bear one-fourth of the cost of equipment or facilities financed under this authority.

Careful, prudent administration of this section will be required to assure its full effectiveness but it may well be one of the most important provisions in this bill to help bring lunches to those children to whom they are not now available.

Mr. ROONEY of Pennsylvania. Mr. Chairman, some Congressmen may well have their doubts as to why we need to get into a breakfast program. They do not question the lunch program in any way because this type of food service is clearly needed. But breakfast and dinner are supposed to be family meals and a family responsibility. By making breakfast available are we subtly further loosening the family ties and undermining the family unit?

I do not believe so. I believe we are simply facing up to a fact of life. There are millions of working mothers throughout the country. There is no reversing this situation. Many, many of these mothers must leave for work before their children leave for school. An organized sit-down family breakfast at 6 or 6:30 a.m. is, I would guess, a rarity these days, particularly in urban areas.

In rural areas, where school consolidation is progressing rapidly, the logistics of the bus routing frequently requires that groups of children are dropped off at the school well before the actual start of the school day so that the bus can move on and pick up other groups. The distances traveled by many children are increasing. With the best will in the world, even mothers in rural areas have difficulty coping with an organized family breakfast.

In both situations, it is a long time until lunch. Some children react to hunger with apathy, others with restlessness. The teacher who stands up in front of these children is the real judge of what a good breakfast can do for them. An elementary school in one of our States started a breakfast program last winter and several teachers put their reactions on paper:

> Since the breakfast program, I have noticed a change in the attitudes of pupils participating. The pupils have shown an increase in height and weight as well as great improvement in subject matter areas. A change of social relationships has developed and they show a willingness for wanting to do their best work.
>
> The attention span is longer, and they seem less inclined to move around and disturb others.
>
> I am very happy to say that the pupils from my room, who eat breakfast in the Lunch Room have shown tremendous development in all areas. They appear to be happy and their daily attendance has improved.

The second question that seems to have arisen is that of who may participate. If a school has a breakfast program under this bill, that breakfast will be open to all children attending the school. Those who can pay, will pay. It is our hope that even some of the needy children will be able to afford a token payment.

You will recall that the National School Lunch Act requires that the needy child who gets a free or reduced-price lunch is not to be identified or set apart from his classmates. The same provision will govern the breakfast program. In this context, a breakfast program only for needy children would make no sense at all.

Mr. UDALL. Mr. Chairman, the provisions for strengthening and augmenting the school lunch program today in H.R. 13361 are good, sound, and necessary if we are to provide a comprehensive, coordinated program to improve child nutrition in this country. We have come a long way under the national school lunch program and this Child Nutrition Act of 1966 is intended to put us within reach of a goal that we have long sought and accepted as only reasonable in a country as rich as this one in agricultural resources and as expert in meeting and solving problems.

Under section 4 of H.R. 13361, provision is made for a 2-year pilot breakfast program in schools drawing attendance from children of low-income families and for schools where a substantial proportion of the children travel long distances. I want to stress here that this new activity is to be initiated on a short-term, pilot basis. This is the approach that in the long run will result in sound legislative authority and effective program operations.

There are thousands of children who arrive at school hungry for a variety of reasons. Section 4 is intended to meet two of these reasons head on. In rural areas, children frequently ride a bus for an hour or more to get to school and then wait around in the schoolyard for an extended period waiting for the bell to ring. Even if time had permitted them to have a breakfast at home, it may be 5 to 6 hours before they have lunch.

In urban areas, there are thousands of children in families where the mother must leave for work long before the children leave for school. An organized family breakfast is rare and breakfast tends to be the neglected meal.

The importance of breakfast and other efforts to improve child nutrition are stated forthrightly in a publication issued jointly by the Office of Education and the Office of Economic Opportunity, "Education: An Answer to Poverty." This publication states:

> Hungry children are nonlearning children. Scientific studies have shown conclusively that the process of learning virtually ends when a human being becomes uncomfortably hungry. When a child appears at school in the morning having had little or no breakfast, he might just well have stayed at home. The teacher's effort is wasted. The curriculum, the long hours of professional preparation, the value of textbooks and teaching aids are lost upon him. Similarly, a child without lunch loses most of the value of a school afternoon. A hungry child not only injures himself, but his discomfort may subtly disturb the teachings of a whole class.

The breakfast program proposed under H.R. 13361 is based on the experience and approaches followed in the national school lunch program. Nutritional standards are now being developed by the nutritional experts of the U.S. Department of Agriculture—not just for purposes of this bill but because of increasing interest on the part of many schools as to the best combinations of foods for a breakfast to meet the needs of children.

The program under consideration today will be available to all children in schools selected by the State educational agency for participation. Those who can afford to pay will be expected to do so. The Federal funds made available will be used to help meet the cost of underwriting the breakfast for those who can afford only a token payment or who cannot afford to pay even a few cents.

In the selection of schools, the State educational agencies will follow generally what they are now doing in regard to special assistance under the school lunch program.

In situations of very severe need, the Secretary is authorized to provide up to 80 percent of the operating costs of the

program. In most cases, however, the Federal assistance will be limited to providing the food needed for the breakfast. As in the national school lunch program, State and local sources will defray the costs of labor and overhead.

Although I have outlined only the provisions of the breakfast program, I believe every phase of H.R. 13361 warrants our support.

Mr. BENNETT. Mr. Chairman, not all Americans are fortunate enough to choose what and when they eat, and many young people today lack a basic nutritional diet, which hampers their growth to maturity. I am happy to support the objectives of the Child Nutrition Act of 1966, for this legislation strikes at one of the most important problems facing our Nation. If this program is enacted, I strongly urge that citrus products be included in the program. I have already presented this suggestion to the House Agriculture Committee, and I want to emphasize this point today in this debate.

Milk is the prime component of this worthwhile program, which is as it should be, due to the fact that milk is the best source of calcium, a nutrient needed for building strong bones in young bodies. But compared with milk, orange juice has 2 times as much carbohydrates, 5 times as much iron, 40 percent more vitamin A, 275 percent more thiamine, 9 times as much niacin, and 630 percent more vitamin C. All these nutrients are also vital to the growth processes of the child.

Citrus products are the main source of vitamin C, and the connection between vitamin C and the prevention of infection, probably is the chief reason that nutritionists in this country recommend higher intakes of citrus juices. A deficiency of vitamin C carries with it the tendency to infections, a hazard to many young people.

In talking with Dr. Glen McDonald, of the Chronic Diseases Division of the Public Health Service, he stated that vitamin C is one of the most important nutrients the body must have. Unlike other vitamins, vitamin C cannot be stored, and must be taken on a daily basis. The children to which this legislation is directed are in the low income level, at which the level of consumption of citrus products is understandably low.

My State of Florida is the source of 70 percent of the Nation's citrus products, and our citrus production is expected to double in the next 5 years, thus insuring an adequate supply of this important food. It is undisputed that few, if any, other foods hold the vitamin content of citrus, and I think all American children should have the opportunity to have the advantage of vitamin-filled citrus products in their diets. I am hopeful that the Secretary of Agriculture will make citrus products a major part of the program.

Mr. STRATTON. Mr. Chairman, I am very happy to rise in strong support of the pending legislation. Last winter when the budget message came to the Congress I was appalled to see that the very popular school milk and school hot lunch programs had been drastically cut back. As a spokesman of an important dairy area I knew the blow this recommendation, if carried out, would deal to upstate New York dairymen. I knew too the harm that would be done to so many of our school children. The people in my district, by their wires and letters to me, also strongly opposed the President's budget recommendation.

Accordingly, Mr. Chairman, I introduced legislation on March 9, 1966, H.R. 13439, to prevent the cut the President recommended and to supply legislative authority for maintaining the school milk program at its current level. My bill was to be known as the children's special milk act of 1966. I testified in favor of this legislation before the Committee on Agriculture. I also testified in support of a school milk program to be continued without damaging cuts before the Agricultural Appropriations Subcommittee.

I was delighted when the agricultural appropriations bill for 1967 continued the school milk program at the same high level as I had recommended.

And I am delighted today, Mr. Chairman, that the substance of my bill, H.R. 13439, has now been incorporated as section 3 of this bill, H.R. 13361. This legislation will protect our schoolchildren. It will protect our dairy farmers. And the two new pilot programs authorized here for schoolchildren will also be of great benefit, I believe, to the future of these young Americans.

I am proud to see this legislation favorably reported from the committee. I am proud to have been a co-sponsor of the basic substance of this bill. I hope it will be overwhelmingly approved by this House.

Mr. GILBERT. Mr. Chairman, I support and endorse H.R. 13361, to make further strides in improving nutrition among the schoolchildren of our country.

There is no one who questions or doubts that good nutrition is basic to the learning process of our search and drive for excellence in education. The first essential is sound nutrition. A hungry child is not an eager learner. He may be listless and apathetic in the classroom, or he may be edgy and disruptive of discipline. No one is more aware of this than our teachers and our school officials.

For 20 years our local schools have made good use of the national school lunch program. Here is a program that commands nationwide respect and support. It does an essential job and does it well. The school lunch program and the special milk program, which affect the health and welfare of millions of schoolchildren, are, in my opinion, two of the most valuable and needed federally subsidized programs. I have strongly opposed the proposed budget cut in the milk program for fiscal 1967. We must not curtail this program which has proved to be one that has rendered great value for the dollar spent. It has been one of our most effective means of reaching children of poverty and of insuring them a more balanced diet. In my State of New York 5,438 schools use the program, which benefits between 1.6 and 1.7 million children. Families of the lowest incomes—who most often have the largest number of children in school—are the very ones who will be hurt the most if the present milk program is cut back.

Mr. Chairman, I am pleased the special milk program will be continued for another 4 years. This program has strengthened our child nutrition efforts by making available fresh milk at a price children can afford to pay, and it is now available to 19 out of 20 children in school.

I am also pleased that the national school lunch program will continue as it has been operating, and that the bill before us will extend the school lunch program to preschool youngsters who are enrolled in activities run by the school system. This is an important provision in view of the increased emphasis being placed on reaching younger children. The Headstart program of the antipoverty program, for instance, has benefitted hundreds of thousands of deprived preschool children. So this provision of the bill before us, like the Headstart program, is very important when we consider that one of the best avenues open to us to break the cycle of poverty is by first dealing with the socially and economically deprived preschool youngster.

The bill we are considering will provide food service equipment to initiate or expand school food service in areas with a high proportion of needy children. A major problem in initiating or expanding food service in needy schools has been the lack of funds for food preparation equipment. In many areas where children are most in need of food service at school, it has not been available because local resources are inadequate to finance the necessary equipment.

I welcome the bill's provision for a 2-year pilot breakfast program for needy schoolchildren and children who must travel long distances. The breakfasts will be served without cost or at a reduced cost only to children whom local school authorities determine are unable to pay the full cost. This service has been introduced in a number of schools scattered throughout the country on the initiative of local school officials who found that all too many children of low-income families arrive at school hungry. I support the aims of this pilot breakfast program and I believe a national program is certainly worth a try.

Mr. Chairman, for the first time, assistance is provided to State educational agencies to meet the costs of undertaking this new drive to improve child nutrition. The hardest part of the job is yet before these agencies—to reach those children who most need improved nutrition.

The Child Nutrition Act places responsibility for our total national effort in this respect in the hands of the U.S. Department of Agriculture. We have seen an outstanding job done over the years in developing a sound cooperative relationship with State educational agencies and our school systems in the administration of the national school lunch and the special milk programs. These programs are frequently cited as

examples of the best in intergovernmental relationships that spur local initiative and operate with a minimum of problems and friction.

Mr. Chairman, I support the aims of H.R. 13361 to provide better nutrition to every schoolchild, with particular emphasis on the needy. We must take advantage of this opportunity to assure good nutrition for our schoolchildren.

Mrs. MINK. Mr. Chairman, on several occasions this year, I have expressed my fervent hope that this Congress would not reduce the important school lunch and special milk programs which have been of such inestimable benefit to children all over America. I was dismayed to hear that budget cuts in "nonessential" areas could conceivably affect federally initiated and sponsored programs whose effect in improving the nutrition of our children is important not only in the present but far into the future with their long-range health benefits.

It is therefore with a profound sense of gratitude that I today express my support of the Child Nutrition Act of 1966 any my appreciation for the vision of Chairman COOLEY and the Committee on Agriculture for reporting out this bill, H.R. 13361, which not only continues the school lunch and special milk programs, but adds Federal aid in other areas to increase the opportunities for the children of America to have nutritious meals at low cost.

When we learn that there are still 9 million children who have no food service in their schools, with approximately a million of them coming from low-income families, we cannot help realizing that our task for the future is not to reduce our commitment to child nutrition but to expand and improve these programs just as much as we possibly can. The Child Nutrition Act will help to meet a pressing national need, and I sincerely hope that we will look to the welfare of our children, our most precious asset for a better future, in passing this needed legislation.

The Child Nutrition Act will extend the special milk program, with a scale of increasing appropriations, through fiscal 1970. It permits the school lunch program to operate in full force, and one of its significant innovations is the authorization of funds for a school breakfast program for needy children who come to school hungry and for children who must travel a long way to school. Educators have testified to the lack of attentiveness and alertness on the part of children who begin the schoolday with empty stomachs, and I believe implicitly that the school breakfast program will be one that all of us will be proud to have supported.

Another vital need to be met by H.R. 13361 is the financial assistance to be provided for schools which do not have adequate food service facilities. We may tend to forget that many of our neediest children are those who cannot participate in the lunch and milk programs for the very basic reason that the schools they attend are in low-income districts and cannot afford to install minimal kitchen facilities. I cannot overemphasize my belief that this nonfood assistance program will contribute manifold benefits not only in the health but also in the educational achievement of the students in such schools.

I urge the acceptance of the Child Nutrition Act of 1966 both in the interest of the children who will benefit and in the national interest. We all stand to gain from these programs along with the students who will be the direct beneficiaries. Let us look to the future today by insuring enactment of this important legislation.

Mr. DONOHUE. Mr. Chairman, I most earnestly hope and urge this House will promptly and overwhelmingly approve this measure before us, H.R. 13361, the Child Nutrition Act of 1966.

The basic purpose of this bill is to safeguard the health and well-being of this Nation's children and to encourage the domestic consumption of agricultural and other foods, by assisting the various States through grants-in-aid and other means, to more effectively meet the nutritional needs of our children.

Mr. Chairman, all recognized medical authorities are in agreement on the research finding that "a poor diet is a root cause of disease." The testimony of recognized experts warns us that, under the harassments of our modern complex living conditions and because of the large number of impoverished families a dangerously large number of our schoolchildren are not experiencing the benefits of a proper balanced diet and, therefore, are more susceptible to the attacks of childhood diseases. Certainly this is a danger and a condition that we must meet and overcome and this bill will do it.

In summary, its provisions will continue the invaluable special milk program in our schools for an additional 3 years while also establishing a new school breakfast program and assistance for the installation of food preparation and serving facilities to certain schools in areas which do not now have this essential equipment.

These additional programs, together with supplementing the universally commended special school milk and lunch programs, in concern for the improved health and alertness of our schoolchildren are certainly conducive to the general welfare and development of this country. The foods to be provided to our children under these programs will be guaranteed to contain nutrients essential for good health; they will give the schoolchild a healthy start each morning for a wholesome day of the fullest accomplishment and instruct each individual in the formation of proper diet habits. It is axiomatic that a healthy child is a happy child and that a well-nourished child learns better than an undernourished child.

In brief this bill represents a most prudent investment in the future of America through the encouragement of a healthy, well-nourished, wholesome American youth in the best educational environment we can devise. Let us approve this patriotic investment without further delay.

Mr. SCHISLER. Mr. Chairman, I wish to express my support for H.R. 13361, the Child Nutrition Act of 1966. The Child Nutrition Act is legislation which I wholeheartedly endorse.

Earlier this year I introduced a special bill to establish a permanent milk program for our schoolchildren because of my opposition to original administration proposals for cutbacks in the milk and lunch programs.

The Child Nutrition Act of 1966 will not only extend the successful school milk and lunch programs, but it will also initiate a pilot breakfast program directed toward our needy children, and it will provide assistance to school districts with the purchase of some of the equipment needed to conduct a school lunch program.

No better nutritional programs have ever been undertaken by the Federal Government than the milk and hot lunch projects, and I am delighted that their continuance for the next 3 years will be assured. These programs are designed to meet the nutritional needs of our schoolchildren, and I have personally seen their good effects during my years of teaching. Children simply cannot learn on an empty stomach, and in a number of cases the milk and hot food consumed at school are the only major nutritional benefits available to many students during the day.

I am anxious that the proposed pilot breakfast program aimed at those children who come to school without the benefit of a healthful breakfast be given a chance to prove itself. I am delighted that the provision to give this program a try for 2 years is included in H.R. 13361. Our school lunch and milk programs were granted a trial period initially and their success today is unquestioned.

Many schoolteachers and administrators have expressed their enthusiastic support of the existing nutritional programs, despite the fact that the programs require extra work and effort on their part.

I am convinced of the value of the established school lunch and milk programs supported by the Child Nutrition Act of 1966 and I approve this legislation's attempt to try out new aids to benefit our schoolchildren.

GENERAL LEAVE TO EXTEND

Mr. HAGEN of California. Mr. Chairman, I ask unanimous consent that all Members may have leave to revise and extend their remarks at this point in the RECORD.

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

There was no objection.

Mr. MATSUNAGA. Mr. Chairman, I rise in support of H.R. 13361, the Child Nutrition Act of 1966.

As a measure to safeguard the health and well-being of the Nation's children by means of proper and adequate food, the bill on the floor is one of the most significant pieces of legislation to emerge in this session of the 89th Congress. By assisting States through grants-in-aid and other means, H.R. 13361 provides the vehicle which will meet more effectively the special nutritional needs of our children. The close relationship between food and good nutrition, on the

one hand, and the capacity of children to develop and learn, on the other, has been demonstrated in a convincing manner under the highly successful national school lunch program. The enactment of this bill would be the logical sequel to the two existing programs, the national school lunch program and the special school milk program, both of which have been highly acclaimed for their valuable contributions to the health and well-being of boys and girls in elementary and secondary schools.

H.R. 13361 would permit the National School Lunch Act to operate in the future exactly as it has in the past. However, the measure specifically provides for the continuation for an additional 3 years the special milk program, through which milk at reduced prices is made available to children in schools, summer camps, and similar institutions.

In addition, the measure provides for two new programs. The first, the school breakfast program, would be carried out in substantially the same manner that the schools are now carrying out the lunch and milk programs. The new program will be the means of getting hungry children off to a good nutritional start for the day. It will be carried out as a pilot program for 2 years.

The second new program, the so-called nonfood assistance program, would provide schools in low-income areas with funds to acquire equipment for the purpose of establishing, maintaining, and expanding school food service. This program will provide, on a cost-sharing basis with the State and local sources, the necessary school food service in areas where children are most in need of help.

Mr. Chairman, the future of America lies in the hands of our children. It is important that we provide for their proper nutrition today to help their ability to learn, to grow, and to become healthy, effective adults. This bill contains such provisions. I urge unanimous support for H.R. 13361.

Mr. HAGEN of California. Mr. Chairman, I yield such time as he may require to the gentleman from Florida [Mr. MATTHEWS].

Mr. MATTHEWS. Mr. Chairman, I am particularly interested in section 7 of H.R. 13361 which provides authority for assistance to State educational agencies in meeting the additional costs they will incur if they are to do a proper job in this comprehensive program to improve child nutrition.

I recognize that some people may well question the need for such assistance. The national school lunch program has done very well over the past 20 years without a penny of Federal funds going for State administration and how can we be sure that Federal funds will not simply be substituted for State funds?

I would suggest on this score that the State school lunch staffs have done a tremendous job over the years—understaffed and underfinanced as they are. We are now asking them to undertake the toughest job of all—to reach those hardest to reach—to reach those children who have been bypassed in the growth of the program. We are asking these State people to analyze local situations to determine which schools are eligible for special assistance under the lunch program; to analyze the needs of a school or school system for equipment assistance and to review proposals for the procurement of equipment and to help determine the need for and help set up pilot breakfast programs.

These are schools, too, that will need extra attention, extra expert assistance in every phase of their operations from budgeting to storage space to menu planning. These are schools that will have to trim costs at every corner because these are schools where the children in attendance cannot afford that extra nickel or extra dime per meal that can give the school lunch manager a little elbow room. Nevertheless, these are also schools that will be expected to meet the same meal-type requirements as those in the affluent suburbs.

It is clear to me that the State staffs will need and are entitled to some help in meeting the personnel and other costs that will be involved in these activities if we are to demand of them the supervisory and technical capabilities required to meet this new challenge.

One of the great blessings of American agriculture is the consumer food programs which in my State of Florida last year made possible the feeding of 740,000 schoolchildren, 29,000 persons in institutions, and nearly 92,000 other needy persons. In addition 22,500 persons were recipients of disaster relief food.

In the breakdown of the consumer food programs in Florida which follows this statement, I am sure that we can see the new programs of H.R. 13361 will add to the burden of the State educational agencies in meeting the additional costs they will incur. It is most proper, I think, to provide for financial assistance to these agencies as we have done in this bill:

Florida consumer food programs, fiscal year 1965, summary

NATIONAL SCHOOL LUNCH PROGRAM	
Number of schools	1,627
Number of children	643,659
Total lunches served (millions)	114.1
Free lunches (percent)	8.9
Local food purchases	$25,665,000
Federal payments	$4,718,000
SPECIAL MILK PROGRAM	
Number of outlets	1,589
Number of half-pints served (millions)	58.3
Federal expenditures	$1,441,000
COMMODITY DISTRIBUTION PROGRAM	
Quantity and cost of foods distributed:	
Schools (secs. 32 and 416) (20,911,000 pounds)	$6,982,000
Schools (sec. 6) (12,034,000 pounds)	2,286,000
Institutions (3,226,000 pounds)	572,000
Needy persons (23,520,000 pounds)	4,688,000
Total (59,691,000 pounds)	14,528,000
Number of participants:	*Persons*
Schools (all)	740,329
Institutions	29,169
Needy persons	91,947
Total	861,445

A total of 22,513 disaster relief recipients received 9,087 pounds of food.

Mr. HAGEN of California. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I am glad once again to have the opportunity to support legislation to provide food and milk to the young people of this Nation, through their schools and through their summer camps, at the time in their lives and in their days when it will most help them to develop and learn.

Throughout my years in Congress, I have been an unyielding supporter of both the school milk and the school lunch programs. On February 10 of this year, when the funding of these programs was threatened, I insisted that the country could continue to fund these programs fully, whatever the cost of our commitments elsewhere in the world.

The present bill is a sound extension of these programs. Besides extending the special milk program for another 4 years, the bill would add a new school breakfast program and a nonfood assistance program. Teachers have often told me about children who could not concentrate on studies in the morning because their stomachs were empty. Hopefully, the school breakfast program will make it possible for communities to help children to start each schoolday with a satisfied stomach and a fresh mind.

However, I am concerned about the subject which has been discussed this afternoon, and that is the question of the application of title VI to the programs under this bill and to the school lunch program.

Mr. Chairman, despite the clear intent of the Congress and the clear wording of Federal statues, the Department of Agriculture, I am afraid, will twist this bill by some strange reasoning so as to exempt it from title VI. This is what happened under the school lunch program.

Mr. Chairman, I was startled to learn that the Department of Agriculture has not applied title VI to the school lunch program and has issued regulations which exempt the school lunch program from title VI and which permit segregated public schools to receive assistance under the program—7 CFR 15.3. This was confirmed in a letter to me which was referred to earlier this afternoon, a letter from the Acting General Counsel of the Agriculture Department.

Indeed, the Department of Agriculture has distributed a memorandum to State school officers which says that:

For the present the school lunch program will continue to operate in segregated and nonsegregated schools.

Mr. Chairman, I should like to read that language again because I think it is very important for us to see how the law has been flaunted by the Department. The memorandum by the Department of Agriculture to State school officials says, and I quote:

The present school lunch program will continue to operate in segregated and nonsegregated schools.

Mr. Chairman, I agree with the gentleman from Minnesota [Mr. QUIE] who

says that this is clearly in violation of the intent of the Congress.

Mr. Chairman, the explanation for these regulations offered by the Department of Agriculture is totally untenable. So long as children of every race have equal access to the school lunches, the Department contends, there is no discrimination. That logic, of course, is the reasoning of Plessy against Ferguson. It maintains that, so long as the food programs are equal, they may be separate. That is the logic which for three quarters of a century permitted separate schools, separate lunch counters, separate facilities.

Mr. Chairman, this Nation is now dedicated to the proposition that all men are created equal and endowed with certain inalienable rights. Congress has finally declared that separate facilities cannot be equal. In the Civil Rights Act of 1964 it determined to end discrimination in public programs and in public places.

We have made it illegal for there to be separate eating places for whites and Negroes. How then can a department of this Federal Government contend that Congress would permit a Federal program to serve children in segregated eating places?

Mr. Chairman, the School Lunch Act—and the amendments which we discuss today—are concerned with more than filling empty stomachs. They are concerned with "the health and well being of the Nation's children." Those words come from the declaration of policy in the first School Lunch Act. The same policy is engraved into the act which we vote on today. Moreover, the Child Nutrition Act points to the "demonstrated relationship between food and good nutrition and the capacity of children to develop and learn."

Mr. Chairman, it was the historic holding of the Supreme Court in Brown against Board of Education a dozen years ago that segregated schools are injurious to both the health and education of the Negro child. To quote the language of the Court:

> To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone.

It went on to point out that:

> Segregation with the sanction of law, therefore, has a tendency to retard the educational and mental development of Negro children.

It concluded:

> Separate educational facilities are inherently unequal.

Mr. Chairman, it is time that the Department of Agriculture began to apply title VI to the School Lunch Act. The history of title VI makes it clear that, as other methods of enforcement of desegregation fail, the school lunch program should begin to be used toward that end. The history and language of that title also make it clear that Federal funds should not be sent into school districts where the officials flout the law of the land with respect to the desegregation of schools, and where they make no effort to comply with desegregation orders.

When we passed the historic Civil Rights Act of 1964, it was hoped that title IV of that act would be enough to desegregate the Nation's schools. But those hopes have not been justified. In the majority of school districts throughout the South, neither title IV, nor the threat of the cutoff of Federal funds for education have proved sufficient to end segregation.

The figures on the degree of desegregation are striking. On May 24, 1966, the Christian Science Monitor reported the estimated statistics of school desegregation for the year starting in September 1965. The Office of Education estimated, according to the report, that only 7.5 percent of the Negro pupils in the 11 Southern States are in school with whites. The Southern Regional Council in Atlanta put the figure even lower. It maintained that only 5.2 percent of the South's Negro pupils are in desegregated classes.

When the Justice Department came before Congress this spring with a request for a new Civil Rights Act, one of the measures which it said that it needed was a stronger school desegregation provision. The Attorney General had found that title IV was simply not strong enough to do the job.

Mr. Chairman, section 602 of the Civil Rights Act of 1964 authorizes "each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty," to effectuate compliance with the nondiscrimination requirement of section 601 "by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement."

There can be absolutely no question that the school lunch program was intended to be covered by this title. In a letter of December 2, 1963, to the distinguished chairman of the Judiciary Committee, the gentleman from New York [Mr. CELLER], Attorney General Katzenbach, who was then Deputy Attorney General, included a list of programs which may involve Federal financial assistance and which, insofar as they do involve such assistance to any program or activity, would be covered by title VI. The list includes the school lunch program.

On March 30, 1964, Vice President HUMPHREY, who was then a Senator and one of the managers of the bill, stated during the Senate debate on the Civil Rights Act of 1964, that:

> In the administration of the school lunch program title VI would also authorize a requirement that the schools receiving school lunch money not engage in racial discrimination.

Mr. Chairman, the Department of Agriculture has explained its legal position in a letter to me dated August 31, 1966, by Edward M. Shulman, Acting General Counsel of the Department. Mr. Shulman maintains that:

> The legislative history of title VI evidences a clear intent that, since the objective of the national school lunch program is to feed school children, the title should not be applied so as to deny participation in the program to schools in segregated school systems.

As evidence, he cites a speech by Senator PASTORE, one of the managers of the bill.

But as one of the first advocates of title VI, I am appalled to find that the Agriculture Department would give so much weight to Senator PASTORE's observations. His comments were sandwiched in between statements by Senator LONG of Louisiana who completely disagreed with Senator PASTORE's interpretation. To quote Senator LONG:

> Mr. President, the Senator from Rhode Island has made a speech based on a view in direct conflict with the plain language of this bill.

A few minutes later, Senator YARBOROUGH lined up with Senator LONG's interpretation of the bill. And still later in the debate that afternoon, Senator JAVITS said that, as he understood the title:

> Where the objective of the statute is to feed children rather than to educate children, those funds will not be cut off if there is good faith compliance with the other parts of the law with relation to desegregation.

Thus Senator JAVITS, too, understood that the title required "good faith compliance with other parts of the law." Obviously, the deliberate obstruction of the Supreme Court desegregation decision in the Southern States is not "good faith compliance."

It is clear, therefore, that on the day when Senator PASTORE presented his view of title VI, totally different and contradictory views were presented by other Members of that body, some of whom favored the bill and some of whom opposed it.

The only discussion of the school lunch program and title VI on the floor of the House indicates that the Members of this body, in voting for the title, believed that it would apply to school lunches. The following colloquy between Congressman POFF and Congressman Lindsay took place on February 7, 1964:

> Mr. POFF. It is my understanding that title IV is intended to deal only with public schools. May I inquire with reference to title VI? If school lunch benefits or school milk benefits are extended to private schools, could the Department of Agriculture cut off such assistance to private schools under title VI?
>
> Mr. LINDSAY. As I understood it, the gentleman's question was, are those cases where Federal funds are supplied for school milk to private schools covered? The answer is "yes."

Mr. Chairman, the language of title VI is plain. It makes no exception for the school lunch program. The intent of the Members of this body is clear: the school lunch program was expected to be covered by title VI. The legislative history in the other body may, I concede, be a bit cloudy due to the comment of Senator PASTORE, but the Senate debate, too, makes it clear that most of the Members of that body expected the school lunch program to be covered by title VI.

Mr. Chairman, practically every program reached by title VI concerns an area of need to human beings. If noncompliance with the law makes it necessary to cut off funds, the responsibility rests with the local officials who defy the Constitution and the statutes passed by the Congress.

I have been a consistant supporter of Aid for Dependent Children, and I am greatly disturbed when the discriminatory policies of local officials make it necessary to cut off or suspend welfare aid which may be of critical importance to its recipients. I am a firm supporter of medicare and I am greatly disturbed to discover that some local officials have made it necessary to withhold medicare benefits from some communities.

However, the elimination of segregation throughout this country is a national goal which can bow before no other. It is the responsibility of the administrators of Federal programs to use those programs to help to achieve desegregation. In the field of school desegregation, where other Federal efforts appear to have failed in large measure, there can be no excuse for the continued failure of the administration to use the school lunch program—and the programs which we will vote on this afternoon to end discrimination.

Mr. Chairman, the importance of the school lunch program as a lever for school desegregation has been underlined by the action of the Alabama Senate which last night approved Governor Wallace's plan to prohibit the State's public schools from desegregating voluntarily under the guidelines established by the Office of Education. If the bill passes the Alabama House, as is expected, and is signed by the Governor, then the funds dispersed by the Office of Education will no longer serve as a lever to persuade Alabama schools to desegregate. In that situation it would seem clear that the administration should do what it can to use the funds dispersed under the school lunch program to achieve desegregation in Alabama.

Therefore, today I have sent a letter to the Vice President, urging him to take immediate steps to assure that programs administered by the Agriculture Department are utilized to achieve the objectives of the Civil Rights Act of 1964. I have asked him to convene a meeting of representatives of the Justice Department, the Department of Agriculture, and the Department of Health, Education, and Welfare to explore ways in which the programs administered by the Department of Agriculture can best be utilized to achieve desegregation of the Nation's schools. I have also called upon the Attorney General to take immediate action.

Mr. Chairman, it is time that the Agriculture Department ended a policy which, in effect, makes the Federal Government a catering service for segregated eating facilities. It is time that the Agriculture Department recognized that a program designed to promote the "health and well-being of the Nation's children" cannot successfully operate through segregated schools—for a segregated climate is inherently unhealthy. It is time that the administration recognized that a program designed to improve education by improving nutrition, cannot be divorced from the other educational policies of the Government.

Mr. Chairman, in short I believe it is high time that the Secretary of the Department of Agriculture enforced the law as we wrote it.

Mr. HAGEN of California. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. RESNICK].

Mr. RESNICK. Mr. Chairman, as one of the cosponsors of this piece of legislation, I rise in wholehearted support of it.

Mr. Chairman, I believe that this legislation can be held as landmark legislation. I believe especially that the breakfast program deserves our commendation and our attention.

Mr. Chairman, I was particularly impressed by the studies done in one children's program wherein it was pointed out that when the children came to school on Monday they ate approximately twice as much for breakfast as they did on Friday. This was true because they were so starved over the weekend that they required this extra food at the beginning of the week.

I think I can add in parentheses, that it is a very sad commentary that this, in the richest Nation in the world, can have this happen. That young children who through no fault of their own, and who do not have a choice of parents or where they are going to live, have to go to school hungry.

I think this bill will go a long way in bringing quality into education to the children because, as we have heard many times this afternoon, a child who is hungry finds it very difficult to study.

As a Member who has been very interested in the struggle for human rights and civil rights, I feel that this act and the money spent under this act certainly come under title VI.

I disagree with my friend from New York that it is a question of separate but equal. That we, here in this bill, cannot attempt to straighten out all the wrongs in all the school systems throughout the United States. We are interested in this bill not with schools but we are interested in schoolchildren. We want to see that these children get fed and get fed properly. I think this is our overwhelming desire in this particular legislation.

I believe that there is other legislation that we have passed this session and there will be other legislation in Congresses to come.

Mr. CONYERS. Mr. Chairman, I think there is no question, and it has been expressed by members of the committee and by members of the House Judiciary Committee who were here when title VI of the 1964 Civil Rights Act was debated and passed, that the school lunch program, of course, comes under the provisions of that civil rights bill.

I concur with all that has been said in commendation to this committee for attempting to extend such a worthwhile program. I would especially like to commend Chairman COOLEY and Subcommittee Chairman HARLAN HAGAN for their sincere efforts in supporting this program. I think that the efforts to expand this program are certainly such as to receive the commendations from people in every walk of life.

In the ghettos and in the poverty-stricken rural areas, it seems to me we are addressing a question, my colleagues, which in some way can answer some of the civil disturbances that we have found to be going on recently. I particularly support the nonfood assistance program, and would like to elaborate upon its importance in the Child Nutrition Act.

Despite the expansion of the school lunch program in the last 20 years, there are large numbers of children who do not receive a complete lunch at school each day—and many of these children are those who need it the most. Those 9 million youngsters, a significant proportion of whom are in the needy category attend schools where lunch facilities are not available. Frequently, the schools which have been unable to have a lunch program are small ones, located in rural areas. The same problem exists in the older schools in the economically distressed areas of our cities where limited financial resources make it impossible to provide a lunch service. In contrast, the suburban areas have been able to finance lunch rooms in their schools.

This lack of food service facilities is not a problem which exists in only a few States or in only a few areas. Rather, it is an extensive problem and steps need to be taken to help provide food service in these schools where the local communities need this help.

Since the National School Lunch Program is locally oriented, the responsibility for providing food service equipment is likewise a local one. However, many of the economically distressed areas are not financially able to bear the whole of this burden. Further, educators have found that "You can't teach a hungry child"—and the noticeable improvement in attendance, attention span and academic achievements when a lunch service is initiated attest to the validity of this principle.

It is for these reasons, therefore, that I firmly believe that every schoolchild regardless of his parent's income or his neighborhood, should have the opportunity to have an adequate nutritious school lunch and strongly support section 5 to assist the schools in low-income areas to acquire food service equipment.

This section does not completely relieve the local community of either its financial responsibility or its social obligations for providing nutritious lunches to its children. To the contrary, it contemplates the supplementation of the Federal funds because one-fourth of the cost of any new food service equipment must be borne locally. Also involved is the determination of local needs, the development of a project type application, and justification of need for such assistance by the community.

Mr. HAGEN of California. Mr. Chairman, while I still have this extra time, I wish to commend the members of this committee who have worked on this and

other programs—for example, the gentlewoman from Washington [Mrs. MAY], who was a most valuable member of the Committee on Agriculture and of this Congress; the gentleman from New York [Mr. RESNICK], who is a relative freshman and who has expressed great interest in the economic welfare not only of the poor and handicapped around the country but also in the welfare of his farmer constituents.

I have already mentioned the gentleman from Minnesota [Mr. QUIE] and the gentleman from Illinois [Mr. FINDLEY], who has also contributed a great deal to the program. There are others—I cannot name all of them.

I hope we may get an almost unanimous vote on the passage of this legislation. I think it is one of the major pieces of legislation in this session.

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

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

The CHAIRMAN. The Chair will count. [After counting.] Eighty-nine members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 263]

Abbitt	Hagan, Ga.	Powell
Abernethy	Halleck	Rees
Addabbo	Hansen, Wash.	Reid, Ill.
Anderson, Ill.	Harvey, Ind.	Reid, N.Y.
Ashbrook	Hays	Reinecke
Ashmore	Hébert	Rhodes, Ariz.
Baring	Herlong	Rivers, S.C.
Battin	Horton	Roberts
Beckworth	Hosmer	Robison
Bell	Howard	Rogers, Colo.
Berry	Jones, Mo.	Rogers, Tex.
Bolling	Jones, N.C.	Rostenkowski
Bolton	Kelly	Roush
Bow	Keogh	Satterfield
Burleson	King, N.Y.	St Germain
Burton, Utah	Kluczynski	Saylor
Callaway	Kornegay	Schisler
Carter	Krebs	Schmidhauser
Celler	Laird	Scott
Clark	Landrum	Senner
Cohelan	Leggett	Sickles
Corbett	Long, La.	Stephens
Corman	Long, Md.	Sweeney
Cunningham	McClory	Taylor
Curtis	McEwen	Teague, Calif.
Dague	McMillan	Teague, Tex.
Davis, Ga.	Machen	Thomas
Dawson	Mackay	Thompson, Tex.
Diggs	Mackie	Toll
Dulski	Madden	Tunney
Duncan, Oreg.	Martin, Ala.	Tupper
Edmondson	Martin, Mass.	Tuten
Edwards, La.	Martin, Nebr.	Ullman
Evins, Tenn.	Mathias	Utt
Fallon	Mink	Van Deerlin
Fascell	Minshall	Waggonner
Fino	Moeller	Walker, Miss.
Fisher	Morrison	Watkins
Flynt	Mosher	Watts
Frelinghuysen	Multer	Whalley
Friedel	Murphy, Ill.	Williams
Fulton, Tenn.	Murray	Willis
Gallagher	O'Brien	Wilson, Bob
Garmatz	O'Konski	Wilson, Charles H.
Gettys	Olson, Minn.	Wyatt
Gilligan	O'Neill, Ga.	Yates
Green, Oreg.	O'Neill, Mass.	Zablocki
Griffiths	Pool	

Accordingly, the Committee rose; and the Speaker pro tempore, Mr. ALBERT, having assumed the chair, Mr. OLSEN of Montana, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee having had under consideration the bill, H.R. 13361, and finding itself wtihout a quorum, he had directed the roll to be called when 292 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. There being no further requests for time, pursuant to the rule the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1966".

DECLARATION OF PURPOSE

SEC. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.

SPECIAL MILK PROGRAM AUTHORIZATION

SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed $110,000,000; for the fiscal year ending June 30, 1968, not to exceed $115,000,000; and for each of the two succeeding fiscal years not to exceed $120,000,000, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purpose of this section "United States" means the fifty States and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 85-478, as amended, during the fiscal year ended June 30, 1966.

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

SEC. 4. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed $7,500,000; and for the fiscal year ending June 30, 1968, not to exceed $10,000,000, to enable the Secretary to formulate and carry out a pilot program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit breakfast programs in schools.

APPORTIONMENT TO STATES

(b) Of the funds appropriated for the purposes of this section, the Secretary shall for each fiscal year, (1) apportion $2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa, and $45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency, to reimburse such schools for the cost of obtaining agricultural and other foods for consumption by needy children in a breakfast program and for the purpose of subsection (e). Such food costs many include, in addition to the purchase price, the cost of processing, distributing, transporting, storing and handling. Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist and to those schools to which a substantial proportion of the children enrolled must travel long distances daily.

(d) In circumstances of severe need where the rate per meal estabilshed by the Secretary is deemed by him insufficient to carry on an effective breakfast program in a school, the Secretary may authorize financial assistance up to 80 per centum of the operating costs of such a program, including cost of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

(e) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served without cost or at a reduced cost only to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay.

NONPROFIT PRIVATE SCHOOLS

(f) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provision thereof.

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

SEC. 5. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed $12,000,000, for the fiscal year ending June 30, 1968, not to exceed $15,000,000, for each of the two fiscal years ending June 30, 1969, and June 30, 1970, not to exceed $18,000,000, and for each fiscal year thereafter such sums as the Congress may hereafter authorize, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with facilities, other than land and buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of nonprofit private schools, such facilities shall be for use of such schools principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event the facilities are no longer so used, that part of such facilities financed with Federal funds, or the residual value thereof, shall revert to the United States.

APPORTIONMENTS TO STATES

(b) The Secretary shall apportion the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of the National School Lunch Act, as amended, for supplying agricultural and other foods, except that apportionment to American Samoa for any fiscal year shall be on the same basis as the apportionment to the other States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that at least one-fourth of the cost of any facilities financed under this subsection shall be borne by State or local funds.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, facilities, to conduct a school food service program, and to acquire such facilities. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment and facilities needed. Disbursements to any school may be made, by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the facilities to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

NONPROFIT PRIVATE SCHOOLS

(d) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provision thereof.

PAYMENTS TO STATES

SEC. 6. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 3 through 7 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE ADMINISTRATIVE EXPENSES

SEC. 7. The Secretary may utilize funds appropriated under this section for advances to each State educational agency for use for its administrative expenses in supervising and giving technical assistance to the local school districts in their conducting of programs under this Act. Such funds shall be advanced only in amounts and to the extent determined necessary by the Secretary to assist such State agencies in the administration of additional activities undertaken by them under section 11 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act. There are hereby authorized to be appropriated such sums as may be necessary for the purposes this section.

UTILIZATION OF FOODS

SEC. 8. Each school participating under section 4 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in their feeding programs under this Act.

NONPROFIT PROGRAMS

SEC. 9. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a nonprofit basis.

REGULATIONS

SEC. 10. The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act.

PROHIBITIONS

SEC. 11. (a) In carrying out the provisions of sections 3 through 5 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

(b) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

CENTRALIZATION OF ADMINISTRATION

SEC. 12. Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act and the National School Lunch Act.

PRESCHOOL PROGRAMS

SEC. 13. The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

SEC. 14. There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expense under this Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 15. For the purposes of this Act—

(a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(b) "State educational agency" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education.

(c) "Nonprofit private school" means any private school excempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

(d) "School" means any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

(e) "Secretary" means the Secretary of Agriculture.

ACCOUNTS AND RECORDS

SEC. 16. States, State educational agencies, schools, and nonprofit institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this Act and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

Mr. HAGEN of California (during the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 35, lines 8 and 9, strike out the words "facilities, other than land and buildings," and insert in lieu thereof the word "equipment".

On page 35, line 12, strike out the word "facilities" and insert in lieu thereof the word "equipment".

On page 35, line 15, strike out the words "the facilities are" and insert in lieu thereof the words "such equipment is".

On page 35, line 16, strike out the word "facilities" and insert in lieu thereof the word "equipment".

Mr. QUIE. Mr. Chairman, I would like to explain to the membership what this amendment does.

Mr. Chairman, it makes a change exactly like we did in the Committee on Education and Labor when we considered this legislation.

Since the administration needs the equipment, we decided to write the word "equipment" in rather than the words "facilities other than buildings and land".

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. HAGEN of California. Mr. Chairman, I understand that this amendment merely clarifies the intent of the committee and I accept the amendment.

Mr. QUIE. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. MAY

Mrs. MAY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. MAY: On page 39, after line 25, insert:

"OVERSEAS DEPENDENT SCHOOLS

"SEC. 15. (a) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to extend to children attending overseas dependent schools administered by the Department of Defense the benefits of this Act and of the National School Lunch Act, as amended.

"(b) The Secretary, after appropriate consultation with the Secretary of Defense, is authorized to make such rules and regulations as he deems necessary to carry out the purposes of this section."

On page 40, lines 2 and 21, strike out "SEC. 15." and "SEC. 16" and insert respectively "SEC. 16" and "SEC. 17".

Mrs. MAY. Mr. Chairman, during general debate I spoke about the 170,000 of our children who are overseas.

Mr. HAGEN of California. Mr. Chairman, will the gentlewoman yield?

Mrs. MAY. I yield to the gentleman.

Mr. HAGEN of California. In the interest of time, I wish to say that this is not an amendment which was considered in our committee. I understand it is the subject of a bill which is before another standing committee of the House. However, as far as I personally am concerned, I am willing to accept the amendment.

Mrs. MAY. I thank the gentleman very much.

Mr. HAGEN of California. Mr. Chairman, I would like to ask one clarifying question. As I understand your amendment to implement this extension program, there would have to be separate appropriations?

Mrs. MAY. Yes, that is correct. Up until now they have not had the right to the benefits of our school lunch program. I refer to our American children overseas.

Mr. HAGEN of California. Mr. Chairman, on the basis of that understanding, I accept the amendment.

AMENDMENT OFFERED BY MR. PUCINSKI

Mr. PUCINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PUCINSKI: On page 32, line 20, insert after "Virgin Islands" the following: "Trust Territory of the Pacific Islands."

On page 32, line 21, insert after "Virgin Islands" the following: "Trust Territory of the Pacific Islands."

On page 40, line 5, insert after "Virgin Islands" the following: "Trust Territory of the Pacific Islands."

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. PUCINSKI. Mr. Chairman, I shall not take my full 5 minutes——

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield for a moment before you proceed further?

I would like to say that we accept your amendment.

Mr. PUCINSKI. I would like the RECORD to show that this amendment was offered by our colleague from Hawaii [Mrs. MINK] who could not be here today. She is a member of my subcommittee, the Select Committee on Education of the House Committee on Education and Labor. We have reported out a bill similar to the one that is before us here. Our bill was an amendment to the school lunch program, which comes under the jurisdiction of the House Committee on Education and Labor. The pilot programs in this bill are incorporated as a new part of this Nutrition Act. Mrs. MINK had requested that this amendment be offered today so that the youngsters living in the Trust Territories, which include the Caroline Islands, the Marshall Islands, and the Marianas, with the exception of Guam, which had been mandated to the United States after World War II, would come within the provisions of this act.

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

Mr. PUCINSKI. I yield to the gentleman from Minnesota.

Mr. QUIE. I just want to say to my colleague from Illinois that we will accept the amendment on this side.

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

Mr. PUCINSKI. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, probably more consideration should be given to this amendment. We are operating the Trust Territories under a mandate from the United Nations, and I am afraid that we are treading in fields in which we really do not have authority.

Mr. PUCINSKI. Mr. Chairman, I might point out to the House that the subject has been before my committee. We had testimony on this amendment. This amendment has been approved by the agencies involved, and it is an amendment that will indeed not only serve a good purpose, but is one that is needed, just as this whole bill is presently needed.

I am grateful to the majority and minority for accepting the amendment.

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

Mr. PUCINSKI. I yield to the gentleman from Indiana.

Mr. DENTON. I am very much in favor of the amendment. I am a member of the Appropriations Committee that will deal with the subject of the amendment, and I do not know why the islands to which the amendment refers should be treated any differently from any others.

Mr. PUCINSKI. I thank the gentleman.

The CHAIRMAN. Without objection, the amendment is agreed to.

There was no objection.

AMENDMENT OFFERED BY MR. FINDLEY

Mr. FINDLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 32, line 7, strike out all the provisions authorizing the establishment of a school breakfast program, including lines 7 through 24 on page 32, lines 1 through 24 on page 33, and lines 1 through 20 on page 34, and renumber the subsequent sections accordingly.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

Mr. FINDLEY. Mr. Chairman, the effect of this amendment would be to strike from the bill the authorization for the breakfast feeding program. This bill provides a total of $17.5 million during the next 2 years.

The school milk and the school lunch programs are successful and well-accepted programs which I support, but we have an entirely untried and untested program before us with this proposed school breakfast plan.

There may well be some young people in the country who are not now getting an adequate breakfast. But I raise the question as to whether this is the fault of the Federal Government. I call attention to the fact that the food stamp program is a Federal program, which makes available food to needy families on a wide basis, almost a nationwide basis now. We still have the program under which food is distributed directly, apart from the food stamp program.

There is no reason I can think of why any children need be denied a good breakfast for want of food. In addition to the entitlement in most areas of extreme need under the food stamp program for free food, needy families have access to free food under the direct distribution program.

Then we have the community action program under the poverty program which involves some child feeding entitlement. Of course, there are a multitude of public assistance programs, both at State and local levels, which would make food available to needy families.

This bill, of course, provides only a pilot program, but we have seen from experience that pilot programs tend to become permanent and to grow.

This is a good time to ask ourselves whether the Federal Government really wants to embark upon a nationwide Federal program to provide breakfast for schoolchildren. This could become quite a project.

We might be interested to note that this authorization provides for equipment for such cafeterias. As the demand for breakfast grows, as it certainly would once the schoolbus route gets scheduled on that basis, we are going to be buying an awful lot of equipment and a lot of food to serve through that facility.

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

Mr. FINDLEY. I yield to the gentleman from Kansas.

Mr. DOLE. Mr. Chairman, at the outset I want to make it clear that I strongly support the purpose of this bill but as a member of the committee, I would like to briefly turn to the hearings on this bill. The record shows that the so-called pilot breakfast program was not very thoroughly considered, at least during the hearings before the full committee.

I believe the Secretary himself had at least some doubts about how the program would operate. Certainly there is no clear-cut guideline in the bill itself or in the language of the report about how to operate a successful school breakfast program. In the first place, it talks about distances in rural areas, and then it talks about the working mothers in the urban areas who have to go to work and not give their children breakfast.

I believe we all agree that children have to be fed—maybe by the Federal Government. The next step could be school dinners, and the next step could be school dormitories with rights of visitation over the weekend by the parents.

I believe we have gone a long way from the intent of the program.

Certainly we all support the school lunch program and the school milk program. I wonder if we all know what the effect of the school breakfast program will be? We did not know in the committee. I have the full hearings here.

I support the gentleman from Illinois because the question of how this new breakfast program will operate in rural areas where children travel long dis-

tances by bus after leaving their homes very early in the morning simply has not been answered. No one seems to know whether these children will have to get up even earlier to get to school in time for breakfast or whether there will be a need for additional bus service, or what.

Mr. FINDLEY. Mr. Chairman, I do not believe either of us—and I am sure I speak for the gentleman from Kansas—are without concern for needy children and for hungry children particularly. I do call attention to the fact that we do have a multitude of feeding programs to provide food to these needy families. I might also point out that the Johnson administration asked for a 10-percent cut in the school lunch program and an 80-percent cut in the school milk program for fiscal year 1967.

I also raise the question whether or not the heads of educational institutions have been asking for this type of service. There is doubt in the minds of some I have heard from as to whether it is a practical idea and whether it may create more problems than it would possibly solve.

I do suggest that we support this amendment and take it out of the legislation and perhaps give this more study.

Mr. RESNICK. Mr. Chairman, I rise in opposition to the amendment.

I have been in the House a very short period of time, but during that short period of time I have been here I have heard my distinguished colleague from Illinois and fellow committee members rise up to speak against highway beautification, against helping the old folks, and against helping just about anything or anybody. But I never thought that he would stand up to start on the children who need food.

It may well be true that we have a multiplicity of programs today and that all children should be fed, but the sad fact is that today the evidence shows all children are not being fed.

If we are going to err in this House, I would prefer to err on the side of justice and charity.

The pilot program might waste a few dollars. That is conceivable. I have yet to see any program, whether in Government or in business, that does not waste a few dollars.

Are we to say, in the face of overwhelming evidence that young children are coming to school Monday morning so hungry that they eat twice as much as they do on Friday for breakfast, that this is not needed? It seems to me the evidence is ample and clear.

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

Mr. RESNICK. I am happy to yield to the gentleman from Kansas.

Mr. DOLE. As I pointed out when I believe the gentleman was present, when we had the hearings, the thing which bothers me and which bothers the gentleman from Illinois is the lack of any of the evidence the gentleman speaks about as to the Monday morning hunger. I am certain that may exist, if the children have not been fed on Friday or Saturday.

I do not believe the gentleman from Illinois or the gentleman from Kansas quarrel with the lofty objective stated. We merely feel it has not had adequate consideration in our committee for the launching of an entirely new program without adequate consideration.

Mr. RESNICK. If I understood the gentleman from Illinois correctly—and the gentleman joined in his remarks—basically you want to cut this program out without giving it a chance. I say we should give it a chance. Let us see how it works. The worst that can happen is that some hungry children will get fed. You want this House to vote against hungry children. That is your position. That is exactly your position.

Mr. DOLE. Will the gentleman yield?

Mr. RESNICK. I decline to yield further.

As I say, I am unskilled in parliamentary procedure and oratory, but I believe I still understand English, and I believe I understand the gentleman's amendment, which would take out the breakfast feeding program. The only ones who would be affected and hurt by that would be the hungry children.

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

Mr. RESNICK. I am glad to yield to the gentleman from Illinois.

Mr. PUCINSKI. My subcommittee held hearings on this subject.

Would the gentleman agree that probably the most successful single program in this country has been the hot lunch program and the milk program, being served to children of America, both in public and parochial private schools?

It seems to me, when the gentleman talks about all the agencies capable of doing this, the agency which has proved most capable over the years has been the Department of Agriculture. That is what we would try to do in this pilot program. We would put it in the agency which has had the most experience, to save the most money for us and yet make the program work where it is needed.

There are children in this country who do not get adequate diets. If we talk to any school teacher in the poverty area, we learn it a rather futile effort on her part to try to teach a youngster in class all day when the youngster has not had breakfast.

This is a program for poor youngsters in poverty areas. This is not a program to spread out all over the country. There is ample evidence in many schools, where we are spending vast sums of Federal money in Federal aid in poverty areas, that the youngsters come into the classroom unable to keep up with the teacher simply because they have not had breakfast. It is not important why they did not have breakfast. The fact is they did not have breakfast.

We are spending a lot of money not doing the job as we should.

Mr. RESNICK. I thank my colleague.

Mr. SMITH of Virginia. Mr. Chairman, I rise in support of the amendment.

I shall not consume 5 minutes, Mr. Chairman, because I do not like repetitions. I did speak on this subject when the rule was under consideration.

I opposed this new program at that time, and I oppose it now. I believe it would be a grave mistake for us during a time when we are at war and having so many expenses, when we are so far behind on our budget, to launch upon new welfare programs.

That is just what this is doing. Everybody in this House I believe is pretty much in favor of the lunch program. However, you are now proceeding to load it down with a breakfast program. When you get your foot in the door on that and these people who believe in the welfare state get it going good, then you are going to have a supper program. Then you are going to argue that we must not let the children go to bed hungry. Now, I have sympathy with the children, as all of us do, but there is a limit to what you can do. When you break this wagon down with all of the welfare programs you are going to load onto it—and I do not yield to the gentleman from Illinois at this moment because he and I differ very much on many things as to what is suitable and proper and appropriate for the Federal Government to do, but I think this is just getting out of hand. The program is new, it is half-baked, and there are no guidelines. How do you know whether a child has had breakfast or not when he comes in and applies? Nobody is going to mark him down if he has had two breakfasts befor he got to school.

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

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

Mr. FINDLEY. I wonder if the gentleman or anybody in this body can cite any educators who have asked for the establishment of a breakfast feeding program at the Federal level.

Mr. SMITH of Virginia I do not know of anybody, but it is not necessary. If somebody comes in here and tells us about hungry children, whether they are hungry or not, it has a great appeal. I am trying to be sensible about these things. Some of these programs are good, but I do not think they should be jeopardized by loading the wagon down too much. Just as sure as you are sitting here, you will have a program to serve supper and then a program to put the children in barracks so that their parents will not have to bother about them at all after they beget them. And you will have all public nurses pretty soon in this program in the poverty bill. I do not think I am going to have enough time to yield to everyone, but I will sit here all evening in order to defeat this thing if I can get time enough. I yield first to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, earlier today I am sure the gentleman and I were not too far apart when we voted for a $600 million cut in the foreign aid program. I think we have made cuts in many expenditures, but certainly you are not going to deny a very worthwhile project——

Mr. SMITH of Virginia I did not yield for another speech. I know the gentleman's views. If you want to ask me a question, all right.

Mr. PUCINSKI. The answer to the gentleman is that there are educators who have asked for this bill.

Mr. SMITH of Virginia. I now yield to the gentleman from New York.

Mr. RYAN. Mr. Chairman, if the gentleman will yield to me so I may answer the gentleman from Illinois who asked whether there was any educator——

Mr. SMITH of Virginia. No, I will not yield for that.

Mr. RYAN. Who asked for this program, let me say that I know of a school, PS–165, which is in my own district, where an experimental breakfast program has been carried out very successfully. Prominent educators at Teacher's College at Columbia University have recommended this in order to help children in poor and deprived neighborhoods.

Mr. RESNICK. I would like to point out to the gentleman that this bill calls for $17 million over 2 years, which amounts to 5 cents from each and every American. I do not think that is too big a price.

Mr. SMITH of Virginia. But it is a foot in the door, and that is what this program is. It is a foot in the door for a specialized program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FINDLEY].

The question was taken; and on a division (demanded by Mr. FINDLEY) there were—ayes 52, noes 95.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. RYAN

Mr. RYAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RYAN: On page 39, line 22, insert after "system" the following: ", or operated by nonprofit institutions or organizations and draw attendance from areas in which poor economic conditions exist".

Mr. HAGEN of California. Mr. Chairman, I rise to make a point of order against the amendment.

The CHAIRMAN. The gentleman from California will state his point of order.

Mr. HAGEN of California. Mr. Chairman, reluctantly I do this because I sympathize with the purpose of the gentleman from New York. However, I make the point of order that this amendment is not germane to the section sought to be amended.

Mr. Chairman, the entire thrust of this bill deals with programs administered by the public schools of the United States.

Mr. Chairman, the gentleman from New York offers an amendment, which if adopted, would extend these programs en masse into operations by nonprofit institutions or organizations.

Mr. Chairman, it has nothing to do with the substance of this bill, which is to implement programs administered by the public schools.

The CHAIRMAN. Does the gentleman from New York desire to be heard on the point of order?

Mr. RYAN. Yes, Mr. Chairman.

Mr. Chairman, I believe that the amendment which I have offered is quite relevant to section 13 which it would amend.

Mr. Chairman, section 13 provides that the Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

My amendment would extend that to include preschool programs operated by nonprofit institutions or organizations which draw attendance from areas in which poor economic conditions exist.

In other words, Mr. Chairman, this would deal with those children enrolled in those Headstart programs which are not a part of the local school system.

Mr. Chairman, some 46 percent of the children enrolled in the Headstart programs today are without the local school system. The balance are in it.

In my opinion this is a fair amendment which, if adopted, would give the Secretary authority to include those children. The very purpose of this act under the declaration of policy is to safeguard the health and well-being of the Nation's children by providing nutrition for needy children.

I might also point out that other sections of the bill do cover nonprofit institutions. For instance, section 3 authorizes the special milk program for nonprofit institutions and section 9 specifically refers to food and milk service programs in schools and nonprofit institutions. This bill is clearly not restricted to school systems.

Mr. Chairman, all I ask is that we include nonprofit institutions and organizations operating in areas of concentrated poverty where preschool children most desperately need preparation for school. Project Headstart is operated both within and without local school systems. This widely acclaimed program, which operates in all 50 States plus Puerto Rico and Guam, is only partially affiliated with school systems. Of the 150,000 children it reached in fiscal year 1966, 69,000, or 46 percent, were in programs not affiliated with school systems; in fiscal year 1967, Headstart will reach 170,000 children, of which 78,000, or 46 percent, will not benefit from this act.

The importance of the food and milk programs to the children is inherent in the nature of Project Headstart itself. The Headstart programs are directed at helping children from families of low income or no income to adapt and adjust to the organization of school life. Needless to say, a sound nutritional program is necessary to provide such motivation. Since Project Headstart is both educational and directed at the needy, it fits precisely into the goals of this act as the Committee on Agriculture stated in its declaration of purpose. There is a "demonstrated relationship between food and good nutrition and the capacity of children to develop and learn." Thus, providing these children with a good nutritional base is prerequisite to providing them with a good educational base. I urge the chairman to overrule the point of order.

The CHAIRMAN (Mr. OLSEN of Montana). The Chair is ready to rule.

In the opinion of the Chair, section 13 on page 39 is confined to school feeding programs including preschool programs as part of these school systems. Therefore, the Chair sustains the point of order.

AMENDMENT OFFERED BY MR. HARSHA

Mr. HARSHA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARSHA: On page 32, line 13, after the words "carry out" insert the words "on a nonpartisan basis".

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HARSHA].

Mr. HAGEN of California. Mr. Chairman, will the gentleman yield?

Mr. HARSHA. I yield to the gentleman.

Mr. HAGEN of California. Mr. Chairman, I want to say to the gentleman that I do not accept the implication that this would not be done on a nonpartisan basis. I accept the amendment.

Mr. HARSHA. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. HARSHA].

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. OLSEN of Montana, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13361) to establish a cooperative Federal-State child nutrition program under the direction of the Department of Agriculture, pursuant to the resolution, House Resolution 990, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

The question is on agreeing to the amendment.

The amendment was agreed to.

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the resolution, House Resolution 990, the Chair lays before the House the bill (S. 3467) to amend the National School Lunch Act, as amended, to strengthen and expand food service programs for children, which the Clerk will report by title.

The Clerk read the title of the Senate bill.

Mr. HAGEN of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAGEN of California moves to strike out all after the enacting clause of the bill, S. 3467, and insert in lieu thereof the provisions of the bill, H.R. 13361, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill, H.R. 13361, was laid on the table.

GENERAL LEAVE TO EXTEND

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

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SOLUTION OF LOWER RIO GRANDE SALINITY PROBLEM

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up the resolution, House Resolution 977, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 977

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11880) to authorize conclusion of an agreement with Mexico for joint measures for solution of the Lower Rio Grande salinity problem. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 11880, it shall be in order in the House to take from the Speaker's table the bill S. 2747 and to move to strike out all after the enacting clause of the said Senate bill and insert in lieu thereof the provisions contained in H.R. 11880 as passed by the House.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. SMITH], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 977 provides an open rule with 1 hour of general debate for consideration of H.R. 11880, a bill to authorize conclusion of an agreement with Mexico for joint measures for solution of the lower Rio Grande salinity problem. The resolution further provides that, after passage of H.R. 11880, it shall be in order to take S. 2747 from the Speaker's table, move to strike out all after the enacting clause and insert in lieu thereof the provisions of H.R. 11880 as passed by the House.

For several years, highly saline drainage from a Mexican irrigation project has entered the Rio Grande above Mission, Tex., and above the points where water is diverted from the river for irrigation of about 580,000 acres in the lower Rio Grande Valley of Texas. During the periods of low flows this drainage made the river so saline that damage was caused to the valuable crops in the area. Emergency measures in the past have helped to remove the threat of severe damage. The International Boundary and Water Commission, United States and Mexico, now recommends a solution that will eliminate the problem permanently and completely.

Under the supervision of the Commission, Mexico would construct, operate, and maintain a canal or drain through Mexican territory to convey practically all waters from Mexico's El Morillo drain directly to the Gulf of Mexico. The waters would be diverted from the drain by a gated control structure and would flow by canal or drain southeasterly for a total distance of about 75 miles to discharge into the Gulf of Mexico.

Since it is estimated that at least half the benefits of the solution will accrue to the United States, the plan contemplates that this country pay half the cost of construction of the project, and half the cost of operation and maintenance. Of the cost allocated to the United States, H.R. 11880 provides that half would be paid by the local beneficiaries and half by the Federal Government. The local beneficiaries have expressed their willingness to assume one-half the costs allocated to the United States and they have already deposited $300,000 in the U.S. Treasury toward covering their estimated share of the construction costs.

Mr. Speaker, I urge the adoption of House Resolution 977.

Mr. SMITH of California. Mr. Speaker, the purpose of the bill is to authorize Federal funds to be used to pay part of the costs of construction and maintenance of a drainage ditch which will remove from the lower Rio Grande River a saline discharge from a Mexican irrigation project which discharges into the river near Mission, Tex.

For several years this discharge has been damaging American crops which are below Mission, Tex. The drainage ditch will be built entirely in Mexico and will flow directly into the Gulf of Mexico.

It is estimated that at least one-half of the benefits of the removal of the discharge into the Rio Grande will accrue to the United States. The bill provides that one-half the cost and maintenance will be borne by the United States. Of this amount, one-half will be borne by local beneficiaries of the project, who have already deposited $300,000 in the Treasury toward covering their estimated share of the construction costs.

The total construction costs are estimated at $1,380,000, the yearly maintenance costs at $40,000.

The bill provides that the authorization ceiling on the construction costs for the United States is $690,000. The authorization ceiling on maintenance is $20,000 annually.

There are no minority views; the bill has administration support.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SELDEN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

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

There was no objection.

The Clerk read the title of the bill.

The Clerk read the bill, as follows:

H.R. 11880

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That the Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized, notwithstanding any other provision of law and subject to the conditions provided in this Act, to conclude an agreement or agreements with the appropriate official or officials of the Government of the United Mexican States for the construction, operation, and maintenance by the United Mexican States under the supervision of the International Boundary and Water Commission, United States and Mexico, of a drainage conveyance canal through Mexican territory for the discharge of waters of El Morillo and other drains in the United Mexican States into the Gulf of Mexico in the manner, and having substantially the characteristics, described in said Commission's minute numbered 223, dated November 30, 1965. The agreement or agreements shall provide that the costs of construction, including costs of design and right-of-way, and the costs of operation and maintenance, shall be equally divided between the United Mexican States and the United States. Before concluding the agreement or agreements, the Secretary of State shall receive satisfactory assurances from private citizens or a responsible local group that they or it will pay to the United States Treasury one-half of the actual United States costs of such construction, including costs of design and right-of-way, and so long as such agreement or agreements remain in force, one-half of the actual costs of operation and maintenance allocated under such agreement or agreements to the United States.

SEC. 2. There is authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, without fiscal limitation, such sums as may be necessary to defray costs that accrue to the United States under such agreement or agreements for the construction, operation, and maintenance of such drainage conveyance canal projects.

With the following committee amendments:

Page 2, beginning in line 17, strike out "so long as such agreement or agreements remain in force,".

Page 2, line 20, immediately after the period insert the following:

"Payments to the United States Treasury under this section shall be covered into the Treasury as miscellaneous receipts."

Page 2, strike out line 21 and all that follows down through page 3, line 3, and insert in lieu thereof the following:

"SEC. 2. To defray costs that accrue to the United States under the agreement or agreements referred to in the first section of this Act for the construction, operation, and maintenance of drainage conveyance canal projects, there are authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, the following amounts:

"(1) Not to exceed $690,000 for costs of construction.

"(2) Upon completion of construction, not to exceed $20,000 annually for costs of operation and maintenance."

The committee amendments were agreed to.

Mr. SELDEN. Mr. Speaker, I move to strike the requisite number of words.

The SPEAKER. The gentleman from Alabama is recognized for 5 minutes.

Mr. SELDEN. Mr. Speaker, H.R. 11880 is a bill which will authorize conclusion of an agreement with Mexico for joint measures for solution of the Lower Rio Grande salinity problem.

Solution of the problem involves construction of a canal or a drain that will divert salt water from the Rio Grande into the Gulf of Mexico. This water salinity occurs in Mexico, but it definitely affects waters used by both countries. Under the agreement, the United States and Mexico will share in the project on a 50–50 basis. The total construction cost will be $1,385,000, half of which will be paid for by Mexican interests. The cost to us will be $690,000 of which the U.S. Government will pay half and farmers in the area affected will pay the other half. These local beneficiaries, by a letter of intent, have expressed their willingness to enter into a contract with the United States and have already deposited $300,000 in the U.S. Treasury to cover their estimated share of construction costs.

Our share of the annual cost of operation and maintenance is estimated at $20,000 annually, of which local interests will also pay half. The full amount of $690,000 which is the total cost to both the U.S. Government and local U.S. interests is authorized because the amount deposited by such local interests in the miscellaneous receipts account of the U.S. Treasury cannot be appropriated. Actually, however, the total construction cost to the U.S. taxpayer will be $345,000.

The committee was satisfied by the testimony given that the productivity of the land in the United States on the lower Rio Grande has been adversely affected by the salinity of the water and that the provisions of H.R. 11880 will solve the problem and greatly benefit the area. The International Boundary and Water Commission has worked for a number of years to attempt to eliminate the problem and strongly believes that the solution presented in this measure will take care of the situation.

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. DE LA GARZA. Mr. Speaker, my colleagues, passage of this bill is a milestone for this country, for the Republic of Mexico, and for the people of the Lower Rio Grande Valley of Texas. It is, again, another example of how two peoples, working together, as friends and as neighbors with one purpose in mind, can overcome any obstacle, any difficulty.

This is the type of legislation, Mr. Speaker, that I favor, where two nations share jointly the costs of a project, and where the local people also share. This is truly democracy at work; this is truly the good neighbor policy at work.

I cannot give enough credit to the Commissioners of the International Boundary and Water Commission, Joe Freidkin for the American Section and David Herrera Jordan for the Mexican Section, for their wonderful job on this project.

To you, Mr. Speaker, and to the leadership on both sides of the aisle, I very humbly say thank you for your patience and your understanding of our problem.

To my colleagues, who have endured and have stood by me throughout this long afternoon, thank you; to the Chairman of the great Committee on Foreign Affairs, Dr. MORGAN, and to my distinguished and very able friend from Alabama, Mr. SELDEN, thank you from the people of the Lower Rio Grande Valley of Texas.

Of the people of the Rio Grande Valley, I can only say that I am proud, terribly proud, of their cooperation, of their devotion to their area and to their country.

When this project is finished, Mr. Speaker, and the thirsty lands of the Rio Grande Valley once again receive clear, pure water, and as the trees, and the grass, and the crops of our area flourish, and provide beauty, and food for all who come there, and for all who would taste our produce, and our products, I shall forever remind them, this we owe, in great part to the men and women who serve in the Congress of the United States.

So, Mr. Speaker, again to all my colleagues, from the very bottom of my heart, thank you.

Mr. MAILLIARD. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I will take only a moment. The distinguished chairman of the subcommittee has explained the bill. Of the many bills of this type we have before this committee, it seems to me this provides more benefits for the cost involved to the Treasury than any I have seen. I strongly recommend passage of the bill.

Mr. GROSS. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, this is a problem that ought to be taken care of by the Government of Mexico, because the problem is created in that country. The salting of the water of the lower Rio Grande is caused exclusively by the flow of water out of Mexico.

If there is any other responsibility, it devolves upon the landholders in the State of Texas whose property will be benefited. The Federal Government has no business spending its taxpayers' money on this particular problem because, I say again, it originates in Mexico.

I do realize the facts of life as they exist in the House now, and apparently will exist for the foreseeable future. I simply want to make my position clear. I oppose this bill, but I am not going to argue it further for I know it would be futile.

Mr. HALL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, having been one of the official objectors who probably had this bill put over when it was on the Consent Calendar, I want to submit that this is additional information which has come, and I shall not object to the bill at this time.

This information is in the form of additional evidence, plus a correction to the misconception about the total amount of expenditure involved, including the maintenance and upkeep.

I would like to ask the sponsor of the bill if it is not true that the drainage ditch, which will empty into the Gulf of Mexico, traverses Mexican territory in order to drain the salt, which is being dumped into the upper Rio Grande prior to irrigation waters being taken, according to our international agreement, for use of our U.S. farmlands?

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

Mr. HALL. I am glad to yield to the gentleman from Alabama.

Mr. SELDEN. It does traverse the Republic of Mexico. The drainage ditch will do so, and it will divert saline water from the headwaters of the Rio Grande, which irrigates both the United States and Mexico.

Mr. HALL. Mr. Speaker, as I understand it, this land is being furnished not in kind but in addition to the 50-percent responsibility of the cost of construction and reclaiming the waters of the Rio Grande which will be used in the reclamation project at the lower point of the toe, so to speak, counties and farm areas of Texas. Is that correct?

Mr. SELDEN. That is correct.

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

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

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

The bill was passed.

A motion to reconsider was laid on the table.

Mr. SELDEN. Mr. Speaker, pursuant to House Resolution 977, I call up from the Speaker's table for immediate consideration the bill S. 2747.

The Clerk read the Senate bill, as follows:

S. 2747

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized, notwithstanding any other provision of law and subject to the conditions provided in this Act, to conclude an agreement or agreements with the appropriate official or officials of the Government of the United Mexican States for the construction, operation, and maintenance by the United Mexican States under the supervision of the International Boundary and Water Commission, United States and Mexico, of a drainage conveyance canal through Mexican territory for the discharge of waters of El Morillo and other drains in the United Mexican States into the Gulf of Mexico in the manner, and having substantially the characteristics, described in said Commission's Minute Numbered 223, dated November 30, 1965. The agreement or agree-

ments shall provide that the costs of construction, including costs of design and right-of-way, and the costs of operation and maintenance, shall be equally divided between the United Mexican States and the United States. Before concluding the agreement or agreements, the Secretary of State shall receive satisfactory assurances from private citizens or a responsible local group that they or it will pay to the United States Treasury one-half of the actual United States costs of such construction, including costs of design and right-of-way, and so long as such agreement or agreements remain in force, one-half of the actual costs of operation and maintenance allocated under such agreement or agreements to the United States.

SEC. 2. There is authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, without fiscal year limitation, such sums as may be necessary to defray costs that accrue to the United States under such agreement or agreements for the construction, operation, and maintenance of such drainage conveyance canal project.

MOTION OFFERED BY MR. SELDEN

Mr. SELDEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SELDEN moves to strike out all after the enacting clause of S. 2747 and insert in lieu thereof the text of H.R. 11880, as passed, as follows:

"That the Secretary of State, acting through the United States Commissioner, International Boundary and Water Commission, United States and Mexico, is authorized, notwithstanding any other provision of law and subject to the conditions provided in this Act, to conclude an agreement or agreements with the appropriate official or officials of the Government of the United Mexican States for the construction, operation, and maintenance by the United Mexican States under the supervision of the International Boundary and Water Commission, United States and Mexico, of a drainage conveyance canal through Mexican territory for the discharge of waters of El Morillo and other drains in the United Mexican States into the Gulf of Mexico in the manner, and having substantially the characteristics, described in said Commission's minute numbered 223, dated November 30, 1965. The agreement or agreements shall provide that the costs of construction, including costs of design and right-of-way, and the costs of operation and maintenance, shall be equally divided between the United Mexican States and the United States. Before concluding the agreement or agreements, the Secretary of State shall receive satisfactory assurances from private citizens or a responsible local group that they or it will pay to the United States Treasury one-half of the actual United States costs of such construction, including costs of design and right-of-way, and one-half of the actual costs of operation and maintenance allocated under such agreement or agreements to the United States. Payments to the United States Treasury under this section shall be covered into the Treasury as miscellaneous receipts.

"SEC. 2. To defray costs that accrue to the United States under the agreement or agreements referred to in the first section of this Act for the construction, operation, and maintenance of drainage conveyance canal projects, there are authorized to be appropriated to the Department of State for use of the United States Section, International Boundary and Water Commission, United States and Mexico, the following amounts:

"(1) Not to exceed $690,000 for costs of construction.

"(2) Upon completion of construction, not to exceed $20,000 annually for costs of operation and maintenance."

The SPEAKER. The question is on the motion.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 11880) was laid on the table.

LEGISLATIVE PROGRAM

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the remainder of this week and the program for Tuesday and the remainder of next week.

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

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader, we have finished the legislative business for the week. We will meet tomorrow only for the purpose of adjourning over until Tuesday.

The program for next week is as follows:

Monday is Labor Day. There will be no session.

On Tuesday there will be a call of the Consent Calendar and of the Private Calendar, and seven suspensions, as follows:

H.R. 13551, to amend the Law Enforcement Assistance Act of 1965.

H.R. 15766, to establish a National Commission on Reform of Federal Criminal Laws.

H.R. 9332, providing for guarantee and insurance loans to Indians and Indian organizations.

H.R. 9323, to amend the law establishing the Indian revolving loan fund.

H.R. 8034, authorizing certain grants to the Menominee Indian people of Menominee County, Wis.

H.R. 13508, relating to the Hudson River Basin Compact.

H.R. 6958, filing of tax returns directly with Internal Revenue Service centers.

For Wednesday and the balance of the week:

H.R. 14026, temporary interest rate controls, under an open rule with 4 hours of general debate, making it in order to consider the committee substitute as an original bill for the purpose of amendment and to consider H.R. 17255 as a substitute for the committee amendment.

H.R. 14604, authorizing a study for a Capitol Visitors Center, under an open rule with 1 hour of general debate.

And H.R. 16559, authorizing establishment of sea grant colleges, under an open rule with 1 hour of general debate.

This announcement is made subject to the usual reservation that any further program may be announced later and that conference reports may be brought up at any time.

I have been advised by the chairman of the Committee on Education and Labor that the conference report on the minimum wage bill, H.R. 13712, will be called up on Wednesday next.

Mr. GERALD R. FORD. Will that be the first order of business on Wednesday?

Mr. ALBERT. The gentleman is correct; that will be the first order of business.

TRANSFERRING CONSENT CALENDAR AND BILLS UNDER SUSPENSION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar and the consideration of motions to suspend the rules, in order for Monday, September 5, 1966, may be transferred to Tuesday, September 6, 1966.

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

There was no objection.

PERMISSION TO ADJOURN FROM SEPTEMBER 2 TO SEPTEMBER 6

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, September 2, it adjourn to meet on Tuesday next.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object, I take this time only to make the observation, growing out of the legislation on yesterday when a bill to amend the charter of the American Legion swept through the House in about 3 minutes. It was sent to the other body and the report came back to the House, almost within the hour, that it had been approved. How nice it would be if we could only get a sine die adjournment resolution passed in about the same amount of time in the next few days.

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

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week may be dispensed with.

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

There was no objection.

A GOEBBELS PRIZE FOR READER'S DIGEST

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

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

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, the attack by Reader's Digest in its current issue on the National Council of Senior Citizens is part of a continuing effort on the part of its publishers to confuse and deceive its readers and to create a political climate favorable to its own reactionary political and economic philosophy.

Reader's Digest opposes Federal spending for progressive and humanitarian legislation that helps the average citizen. Yet Reader's Digest is one of the Nation's largest beneficiaries of Federal subsidies. The Digest subsidy through its below-cost mailing privileges costs American taxpayers millions of dollars every year.

The people are being heavily taxed for Digest propaganda aimed against the public welfare.

Mr. Speaker, I suggest the need for a reverse Pulitzer Prize—maybe we could call it the Goebbels prize after Hitler's infamous propaganda minister—to go to the publication adjudged by an impartial jury to contain the most slanted and distorted information on current political and economic questions.

If there were a prize of this kind, I would surely nominate for it the Reader's Digest, the tiny magazine with the big circulation.

This magazine is engaged year in and year out in a savage campaign to discredit Democratic Party legislation such as unemployment compensation, old-age and survivors benefits under social security, and medicare.

The name, Reader's Digest, conjures up the image of a magazine largely given over to the presentation of articles and opinions appearing in leading journals of the land—in brief, an image of impartiality.

The facts are altogether different. The editors of the Reader's Digest have over a long period demonstrated a dedication to reactionary rightwing political and economic ideas and proposals.

There is nothing wrong with the editors of a journal of opinion giving their readers only the information that the editors want the readers to have, but I say it is the height of duplicity and cunning to give readers highly colored and one-sided reports on political and economic questions under the guise of a generous and openminded impartiality.

That the Reader's Digest does this is attested by a lengthening list of governmental agencies and private organizations that have been targets for that publication's innuendoes, distortions, and errors of fact.

These agencies and organizations have often asked the Reader's Digest for equal space in which to correct these distortions and inaccuracies but they ask in vain. The Reader's Digest refuses to print corrections of its factual errors and never gives both sides of pet political or economic discussions it goes in for.

The National Council of Senior Citizens is the latest organization to become a target for the Reader's Digest.

The National Council, with more than 2 million members from coast to coast, spearheaded the legislative battle for medicare and is currently campaigning for realistic old-age and survivors benefits under social security. One of the leaders of the National Council is former Democratic Congressman Arnie Forand, who served many years in the Congress where he was a leader in the fight for improved social security legislation.

The National Council's effectiveness in channeling the hopes and wishes of America's elderly poor undoubtedly is the reason the Reader's Digest made it the target for a highly partisan attack appearing in the magazine's September issue.

The National Council of Senior Citizens has not taken this lying down. The latest issue of the Senior Citizens News, the National Council's newspaper, carries a factual report on the Reader's Digest under the heading: "Here Is the True Story That Reader's Digest Will Not Print."

It would be a healthy departure for the Reader's Digest to publish the Senior Citizens News report but, knowing the attitude of the Reader's Digest, I do not expect this will happen. Therefore, I ask permission to reprint the Senior Citizens News report on the Reader's Digest in the CONGRESSIONAL RECORD.

HERE IS THE TRUE STORY THAT READER'S DIGEST WILL NOT PRINT

Reader's Digest, the multi-million circulation magazine with the avowedly conservative philosophy, attacked Medicare in one article after another during the years before the U.S. Congress finally enacted the bill and granted health care under social security for millions of elderly Americans.

While this magazine was printing anti-Medicare articles and selling millions of reprints for the propaganda use of the American Medical Association and other opponents of Medicare, the editors of *Reader's Digest* rejected every appeal which was made to them to print the other side of the story—to tell the truth about Medicare.

Like many other articles published by the *Digest*, the anti-Medicare articles made many inaccurate statements and twisted the facts to present unwarranted conclusions. But the *Digest* policy remains firm and unchanged. It refuses to allow rebuttal or correction. It does not publish facts which are contrary to the conservative philosophies of its publishers.

A powerful article supporting Medicare written by Dr. Arthur Larson, a former member of the Eisenhower cabinet and a Board member of the National Council of Senior Citizens was rejected by *Reader's Digest*. But it was published in the Republican magazine *Advance*. Larson was former Under Secretary of Labor and director of USIA.

"MANY THINGS ARE LEFT UNSAID"

In 1944 the editors of the Catholic magazine *Commonweal* observed that "the millions of people who depend largely on the *Digest* are in danger of intellectual malnourishment and ideological deficiency diseases." Twenty-two years later there seems no reason to revise that judgment.

The dominant editorial theme of the *Digest* is that deficit spending and the national debt threaten disaster, that federal taxes are an unsupportable burden, etc. The magazine's many assaults against Democratic Administrations are reprinted by the millions for all who can use this propaganda.

Most of these articles employ similar distortion and misinformation. The U.S. Bureau of the Budget described one *Reader's Digest* article as "essentially a compilation of half-truths which together sum up a very misleading view of the Federal financial situation. An extravagant use is made in the article of the color words, and many things are left unsaid which would not serve the writer's purpose."

The *Digest*, over the years, has criticized the Social Security system or some aspect of it at least five times. Five articles have dwelt on abuses of unemployment compensation (magnified out of all proportion to reality) while the *Digest* editors have shut their eyes to the two-hundred-million-dollar problem that confronts the U.S. Treasury in trying to recover money deducted from employees' wages for unemployment, social security and income taxes which was not paid to the Treasury by employers.

OPPOSES SOCIAL WELFARE CONCEPTS

A search of *Digest* stories over the past twenty years failed to turn up a single article which presents social welfare concepts in a favorable light.

The fact that the *Digest* includes reprints of many articles from other magazines is no indication that it offers readers a true cross section of magazine opinion. Actually about 70 percent of its articles, including a high percentage of those dealing with public affairs, are either staff written for the *Digest*, or planned and planted by the *Digest* in other magazines, then reprinted in the *Digest*. These practices help insure the *Digest* offers its own philosophy—not a sampling of American editorial opinion.

But despite its consistent tone against the Democratic Administration, against social welfare and against labor unions, the *Digest* occasionally prints articles pleasing its critics—supporting self-government for District of Columbia, statehood for Alaska, against highway billboards, for conservation, etc. This helps to foster the false impression that it is a reputable magazine.

ATTACKED VETERANS' HOSPITALS

The *Digest* attacked the Veterans' hospitals in an article entitled "Government Medicine in Action." John S. Gleason, Jr., Administrator of Veterans' Affairs, wrote *Digest* editor DeWitt Wallace: "The article reminded me of the story about the backwoods judge who listened only to the prosecution—never to the defense. His reasoning was simple, as the story goes, for he said hearing just one side of the case didn't confuse him, and it made rendering the verdict easy."

VA Administrator Gleason also told Wallace that the Veterans' Administration had made available a complete and detailed analysis of the subject two months in advance of publication of the *Digest* story—but the editors of the *Digest* had ignored the VA material. Gleason's detailed criticism of the *Digest* article—including exposure of its falsehoods—was, as might be expected, ignored by the *Digest*.

The *Digest* articles attacking Medicare, like most of its political articles, were carefully timed. They were included to reach the *Digest's* fifteen million American readers while the Medicare bill was importantly being discussed in committee or when an election campaign was warming up.

AGAINST UNEMPLOYMENT COMPENSATION BILL

Early this year while the House Ways and Means Committee was working on the labor-supported unemployment compensation bill the *Reader's Digest* published an article "New Grab for Federal Power." The *Digest* attack was not unexpected. A similar piece, in 1960, appeared just as the Senate Committee on Unemployment completed its work under the leadership of Senator Eugene McCarthy, who is also a sponsor of the unemployment compensation bill.

Before the *Digest* article appeared the executive director of an employer lobby in

Washington known as Unemployment Benefit Advisers, Inc., sent an advance reprint to his clients praising the article as "must reading for all who are enlisted in the fight against Federal take-over of unemployment compensation."

The *Digest* article opposing the unemployment compensation bill is replete with hysterical distortion, yet it omits any reference to the basic provisions of the bill.

The *Digest's* staunchly conservative Republican point of view, expressed in articles which assure that millions of reprints can be made available for political propaganda purposes, has made the magazine one of the principal tools of the conservative Republican campaign effort. As every magazine has a right to follow its own editorial preference, there is nothing reprehensible in this. The pity is that many of its readers do not know this, nor do they know that the *Digest* adamantly refused to print any truth which might be critical of *Digest* philosophies.

SUPPORT FOR RIGHTIST GROUPS

Nor, perhaps, do many readers know that the *Reader's Digest* publishers, DeWitt and Lela Wallace, have been leading financial angels to several right-wing organizations.

The Wallaces have contributed heavily to Americans for Constitutional Action. The Reader's Digest Foundation reported substantial grants to the American Economic Foundation and contributions to such organizations as Freedoms Foundation, Liebman's American-Afro Educational Exchange, Harding College—a center of right-wing propaganda—and the Foundation for Economic Education.

ATTACK ON THE NATIONAL COUNCIL

Because the election campaigns are about to warm up and because of its hysterical opposition to social welfare programs, it is not surprising that the *Reader's Digest* has finally launched an attack on the National Council of Senior Citizens.

Using its standard techniques of misstatements, inaccuracies and twisting facts, *Reader's Digest* September issue aims its guns at the National Council in an article entitled "Let's Stop Exploiting People over 65!"

If *Senior Citizens News* spent an entire page correcting all the phony conclusions drawn from this article, we would be merely reprinting facts with which members of the National Council of Senior Citizens are already familiar. But—though we will certainly send this material to the *Reader's Digest*—it is a foregone conclusion that the truth will never be printed.

In a way, we might feel honored about being singled out for attack by this notorious magazine. Clearly those who guide and direct its conservative philosophies fear the National Council of Senior Citizens is beginning to unite a powerful senior citizens movement—capable of developing the support for progressive social welfare legislation which will bring a better life for all older Americans.

HURT BY OUR GROWING PRESTIGE

The *Reader's Digest* and its allies were clearly miffed when President Lyndon B. Johnson honored the National Council's convention delegates with a special visit to the White House for a major speech. They were equally unhappy when Vice President HUBERT HUMPHREY addressed our gala luncheon on the very same day.

But if any of our senior citizen members feel they are "on a political treadmill that keeps them panting in pursuit of federal handouts so long as they deliver votes"—as the *Reader's Digest* claim—then they have failed to write us about it.

Reader's Digest claims the National Council supported the repeal of Section 14(b) of the Taft-Hartley law, authorizing so-called "right to work" legislation because of a debt to organized labor. What the *Digest* failed to report—though they examined the *Senior Citizens News* which carried the story—was the reasoning behind our decision.

We found that the elderly poor have a much more difficult struggle for existence in the 19 states which have so-called right-to-work laws. The roll call of these states includes the most backward states in America. Average payments of old age assistance, aid to the blind, aid to the permanently disabled are much lower in the right-to-work states than in the free bargaining states. Thus the elderly have very pertinent reasons for repealing 14(b) of Taft-Hartley—but *Reader's Digest* doesn't want those elderly who are not members of the National Council to know what these reasons are.

The *Digest* charges the National Council with receiving money during the campaign for Medicare from organized labor and from the Democratic National Committee. We have always been grateful for this financial aid.

These gifts enabled us to print pamphlets and brochures and make films containing the truth about the Medicare proposals and get them to millions of older people. At the same time the *Reader's Digest* was trying to confuse older people and the American Medical Association was spending millions of dollars to defeat the bill by creating similar confusion.

None of the gifts we have ever received had any strings attached. We told the story about the need for Medicare in our own way—and we relied heavily on the real-life experiences of our membership.

Perhaps if *Reader's Digest* and other opponents had told the truth about the bill—or helped the National Council of Senior Citizens with contributions to enable us to do it—we would not now have so many elderly who are still confused about the program.

NONPARTISAN, NONPROFIT

The National Council of Senior Citizens is an organization not organized for profit and it is operated exclusively for the promotion of social welfare. Contributions to the National Council are *not* tax deductible.

We've promised our membership nothing but blood, sweat and tears if they are prepared to work to achieve a better life for all older Americans. Medicare and a first small increase in social security have been enacted—but there is still a long road to travel.

We'll progress along that road with the help of both Republican and Democratic lawmakers. We would have been in a bad shape on Medicare but for the continuous support given us by such outstanding Republicans of Senators JACOB JAVITS, CLIFFORD CASE, THOMAS KUCHEL, JOHN SHERMAN COOPER, MARGARET CHASE SMITH and Congressman SEYMOUR HALPERN to name just a few.

Members of the National Council's affiliated clubs—registered Republicans and registered Democrats—believe that building a better life for the elderly should be a nonpartisan effort.

GROWING PROBLEMS IN EDUCATION

Mr. KORNEGAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. KORNEGAY. Mr. Speaker, I lay no claim to any power of clairvoyance and it probably never serves any useful purpose to say "I told you so." But, as we view the activities of the Department of Health, Education, and Welfare—and the Office of Education, in particular—we see coming into clearer focus the Big Brother I have predicted here in this Chamber on previous occasions.

The Federal hand, as wielded by U.S. Commissioner of Education Harold Howe II, is large, heavy, and powerful. The Congress has armed Commissioner Howe with men, money, and material it had intended for use only as means to improve the educational systems of this Nation. However, the Office of Education now has almost abandoned the field of education to put its vast machinery to work on a gigantic sociological experiment.

Commissioner Howe has already served clear notice he is both willing and ready to use title VI of the Civil Rights Act as a bludgeon to achieve that end. And, while the Southern school systems are crumbling by reason of his unreasonable and illegal actions, he is looking north and west toward new, more challenging victories.

There can be no doubt that Commissioner Howe has reduced the local public school officials, at least in the South—at present, to but mere minions of his own bureaucratic stronghold. No longer can they use their energies, their training and their skills in the function that they have been hired by the taxpayers to perform—the education and training of young minds and bodies. Now, public school administrators must look to Washington and Harold Howe for approval of any administrative action they may wish to take.

One of the most able and competent school administrators in the State of North Carolina, a dedicated educator who has determinedly and conscientiously attempted to give all children under his supervision a better education is now but a figurehead for the Federal Government, to use his own self-description.

He, admittedly, is no longer the superintendent of thousands of children who attend public schools there. Harold Howe has put himself in charge of this public school system hundreds of miles from the District of Columbia.

Howe has assumed command. He uses the force of law, shaped and bent to suit his whim and aims in the nature of so-called guidelines. He also has a lot of the taxpayers' money, along with vast discretion to use it—or not to use it. Twisting the law as far as he deems desirable, Commissioner Howe uses these funds as a further weapon.

Mr. Howe views Federal aid to education as Federal control of education. That much is evident.

It did not take a crystal ball to see several years ago the developing trend of Federal control of our public school systems. All one needed to determine the future—or where we almost are today—was to review the past. The schools in the old Confederacy were first to fall to his controls, because Mr. Howe admittedly said they were easier to deal with. Now, he is looking for new fields of education to conquer, to subdue, to control.

And, the most alarming and discordant note in this cacophony is his abandonment and desertion of duty to his appointed task. Education and the improvement of the learning process are no

longer in the scope of activity of the U.S. Commissioner of Education. For, he said, in a recent speech that "if I have my way" schools in the future will be built for the primary purpose of social and economic integration.

Included in Commissioner Howe's blueprint for a planned social and economic order are his plans to "alter political boundaries, to break up, rather than to continue, segregation of both the racial and the economic sort." He plans to create a system of vast educational parks. He is even willing to use Office of Education funds to do this, he says.

Commissioner Howe, by his own admission, is much more concerned about the suburban "world of wall-to-wall carpeting, pleasant back yards, and summers at camp" than he is about the quality of today's teaching or the ability of a child to learn the things he will need in this complex world we live in.

Mr. Howe has a master plan to change the makeup of this Nation, even its political and geographical boundaries. And, no area, no political district in this land is out of reach of this far-reaching individual whose urban renewal plans are far more extensive than any which have yet emanated from the Department of Housing and Urban Development, which I had thought was the unit of Government responsible for programs designed to revamp our cities.

Some of us who represent sections of the South have come to you here before with pleas and predictions and we have not been heard. You had better heed us soon before your public school systems are also strangled in Commissioner Howe's guidelines and master planning.

I would like to call your attention to four editorials which shed strong light on the dangerous desires of Mr. Howe. The first is an editorial column written by James J. Kilpatrick and published in the Washington Evening Star on August 2. The second is an editorial opinion broadcast on August 8 by WBT and WBTV in Charlotte, N.C. The third is an editorial published in the Washington Star on August 12 and the fourth is another Evening Star editorial, printed on August 31.

[From the Washington (D.C.) Evening Star, Aug. 2, 1966]

EDUCATION COMMISSIONER GETS AN UNOFFICIAL TITLE

(By James J. Kilpatrick)

In the six months since he succeeded Francis Keppel as U.S. commissioner of education, Harold Howe II has achieved a singular distinction. He has replaced Robert Kennedy as the Yankee most hated in the South. He also has acquired a new and unofficial title. He is the U.S. commissioner of integration.

Neither the honor nor the title is likely to impress the Connecticut born educator. He has told Southern school administrators in coldly unequivocal terms what he expects of them. They will comply with his harsh and exacting "guidelines" for school desegregation, or they will lose their federal aid. He has told audiences everywhere that in his view, the "most crucial" or "most critical" problem of American education today is to achieve total integration in the public schools.

Thus far most of Howe's effort has been directed toward imposing his will upon the South, where many segregated schools still operate as a continuing result of nullified laws, old customs and individual choice. The rest of the country will hear from him soon. Speaking in Chicago on May 13, the commissioner made it clear that he does not intend to tolerate all-white schools in suburban neighborhoods, and all-Negro schools in the city "ghetto." He is contemplating some "drastic" measures to achieve his ends.

Howe has some powerful tools to work with. His office administers 100 major programs in the field of education. He has large discretion over the disbursement of $3.3 billion a year in federal aid. Under Title VI of the Civil Rights Act of 1964, he has broad authority to issues rules and regulations having the force and effect of law. And the rationale of Title VI, as he remarked in New York on June 18, is beautifully simple: "No desegregation, no federal money."

In a series of speeches in recent weeks, Howe has hinted strongly that his next major step, once he whips the Southern school officials into line, will be to take aim on those "fortunate white families who flee to the suburbs to avoid integrated schools." He does not propose to let them escape. He has a number of ideas in mind.

"For example," Howe said at Chicago, "traditional school district boundaries often serve education badly and may have to be changed. New York and New Jersey surrendered state prerogatives to form the Port of New York Authority in the interest of improved transportation. If we can make such concessions for transportation, I suggest that we can make them for education."

"We could for example, alter political boundaries to bring the social, economic and intellectual strengths of the suburbs to bear on the problems of the city schools. Building programs for the future could be planned so that new schools break up, rather than continue, segregation of both the racial and economic sort. The Office of Education will provide federal planning funds for such efforts right now, and if I have my way, the office will provide construction funds before long."

Howe used the identical phrase in a speech at Columbia University on May 3. "If I have my way," he said schools will be built for the primary purpose of social and economic integration. True enough, he said in another address on July 19, this would abolish the concept of neighborhood schools in many areas of the nation, but the concept ought to be abandoned anyhow:

"To a disturbing degree it has come to mean the polarization of families according to the size of their split-level homes or the size of their welfare checks. We are faced with the fact we are becoming a nation of plush suburbs on one hand and mid-city slums on the other."

Howe's anger is directed at those "who live in a world of wall-to-wall carpeting, pleasant back yards, and summers at camp." Such affluent families "forget that their neighbors in the central city have children who play in alleys and live six to a room." By the judicious use of federal funds, the commissioner will compel them to remember. His thought is to contrive "new boundary lines" that ignore county and city limits. He would bring ghetto children to the suburbs and suburban children to the ghetto. Or he would develop "educational parks" of perhaps 20,000 students, where a proper "cultural mix" could be imposed.

As he travels about the country, Howe gives lip service to the idea of local control of education, but these affirmations have no real steam behind them. The one theme that runs insistently through all his public statements is that the leverage of federal aid must be exerted to achieve a racial and economic balance in the schools. "School desegregation is the single point on which we who call ourselves educational leaders prove that we really are so."

This is Harold Howe II, Yale '40, Washington's leading zealot. The whole country should know him better. It is immaterial whether his title is commissioner of education, or commissioner of integration. In his eyes, the two functions are quite the same thing.

[A Charlotte, N.C., WBT, WBTV editorial, Aug. 8, 1966]

THE EDUCATION CZAR

We are grateful in a strange sort of way to Commissioner of Education Harold Howe II. He has made the point more plainly than we have ever been able to do it, that Federal aid to education means Federal control of education. Mr. Howe's whiplash approach to the uses of Federal aid has brought many people now to the place where they are asking if we are not paying too high a price in freedom of choice in exchange for a few million dollars.

Howe has made it clear that he believes the primary purpose of the public schools is not education, but integration; that the main mission of the educators is not to teach children, bu to bring about the greatest possible mixture of races within schools and districts; and that Federal aid is not being used to help local schools with their urgent problems so much as to bludgeon them into complying with arbitrary standards drawn up by Howe himself.

It has not been easy to convince people that Federal aid is a very mixed blessing. Schools across the country have pressing needs for more money and more facilities, the Federal government has billions of dollars it can divert to these purposes if it wishes to do so, and so it has seemed to many people a natural way out to put the two together. But now Commissioner Howe has come out with statements that show the autocratic control is going to be more sweeping than imagined during the years we have been warning against Federal aid to education.

The education czar lets it be known that he will not be satisfied with mere integration of faculty and pupils within existing school districts. If they do not reach the racial mixture that he considers desirable, the boundaries of the distrcts will be designed in Washington.

In a speech at Columbia University, he served notice that he will not stop there. Most of the suburbs, he said, have too many white children and not enough colored children. After ridiculing the way of life that suburban dwellers have chosen, he went on to say, "if I have my way" (those are his very words) the suburban school districts will be gerrymandered so that they reach into the inner city and include some of the slums. And of course, the process will be worked in reverse to gerrymander city districts to take in suburban areas.

Let us quote again Mr. Howe's exact words: "If I have my way, schools will be built for the primary purpose of social and economic integration."

He could hardly have stated in plainer words that public schools exist first of all to mix children, not to teach them. And if any community does not like his personal redistricting, he will use the same old club on them—take away their Federal aid.

So if Mr. Howe "has his way" that Federal money will be used to increase the quantity of integration rather than the quality of education. And those who are beginning to ask whether the price is too high can be grateful to him—in a strange sort of way!

Invitation to respond has been sent to: Mr. Harold Howe II, Commissioner of Education.

[From the Evening Star, Aug. 12, 1966]

RESTRAINING A BUREAUCRAT

The Callaway amendment to the House-approved civil rights bill of 1966 has not received the attention it deserves. For this amendment, if it becomes law, will or at least should preserve the neighborhood school concept which certain federal bureaucrats will destroy if they can.

In adopting this amendment by an overwhelming voice vote, the House was aiming primarily at Harold Howe II, federal commissioner of education. The criticism, however, was also directed to HEW Secretary Gardner and, indirectly, to the President who is ultimately responsible for the activities of these appointed officials.

The thrust of the amendment is in this sentence: "Nothing in this title shall be construed to authorize action by any department or agency to require the assignment of students to public schools to overcome racial imbalance." The purpose of this was made clear enough during the debate. The House believes that Howe supported by Gardner, has grossly distorted the plain intent of the 1964 Civil Rights Act in order to impose on the country his own notion of what constitutes a desirable racial mix in the public schools. And he proposes to do this by withholding federal funds from any school district which does not conform to integration standards imposed by his agency.

Here are a few excerpts taken at random from the debate: "We ought to make it crystal clear here today that this Congress does not approve of the blatant violations of Title VI of the 1964 Civil Rights Act that have occurred in the office of the commissioner of education." "Let us put a stop to arbitrary and unauthorized actions by the commissioner of education to force acceptance of his solution to de facto segregation." "This amendment is absolutely necessary in order to prevent a dictatorship of education at the federal level." And finally: "If you move to the suburbs of Washington and Commissioner Howe decides it suits his plan for social rule to send your children to school back in the District, that is where they will go, transported across state lines if necessary for him to achieve what he thinks are proper social conditions."

Exaggerations? We do not think so. And the best evidence will be found in what HEW already has done in some areas and in what Howe says he intends to do in the future if he "has his way."

What he intends to do, in brief, is to bus school children back and forth to achieve a racial mix satisfactory to himself, and if necessary to abolish the neighborhood schools in the process. This has never been required by the Supreme Court nor intended by Congress. Hence, the purpose of the Callaway amendment is to restrain and rebuke the commissioner of education, and we trust the message gets through to the proper authorities in the federal establishment.

[From the Evening Star, Aug. 31, 1966]

MR. HOWE'S ADVENTURE

Harold Howe II, the new U.S. Commissioner of Education, had no sooner assumed that office earlier this year when he disclosed a strong personal antipathy to the concept of neighborhood schools.

Rather than grapple with the hard, practical frustrations of educational deficiencies in American cities, he launched into fanciful visions of panaceas, among them systems of vast "educational parks," each of which would accommodate perhaps 20,000 public school pupils of varying ages, some transported great distances from their homes in order to cut across "all geographic, economic and cultural boundaries." One of Howe's first offerings was federal dollars in the form of grants to cities "adventurous enough to join us" in planning such enterprises.

It reflects no credit whatever on the new District of Columbia school board that its members now have accepted this invitation.

The idea of applying such "parks" as a substitute for Washington's traditional system of neighborhood schools strikes us as nothing but a pipe dream. The sheer enormity of the scheme, in terms of dollars and land requirements, is enough to chill the wildest optimist. The need for new and replacement schools in Washington is urgent. But many, many of the existing structures provide fine new modern facilities. To propose seriously, as has been proposed, that these buildings might be scrapped as schools and converted to some other public use is simply incomprehensible.

In the minds of Howe and others, the educational parks are seen as a means of establishing racial and economic "balance," of moving the children of low-income families, during their classroom hours, out of the ghetto.

In all candor, however, what advantage, educational or otherwise, could accrue to the deprived child, desperately in need of personal attention, who became only one of 20,000 on a single campus? Education is the process of doing something with an individual child, in the context of the teacher-pupil relationship. It is not the process of dealing with great masses of children. From the viewpoint of sound education, the theory is not supported by a single demonstrable justification.

The racial mix in the classroom, of which Howe speaks, could not be substantially affected by educational parks in a city with a school population already over 90 percent Negro. In the Washington Metropolitan Area, the goal of a more sensible, reasonable racial balance in the schools will remain an illusion until more Negro families locate in the suburbs, and until more white families with children return to the city.

No doubt we will be told that the proposed educational-park study is after all only a study, and that we need as never before to seek out new, improved techniques of teaching.

Quite so. Innovation and experimentation are essential, within the sound, proven concept of neighborhood schools. The advocates of educational parks are following a will-o'-the-wisp, which should not be allowed to divert attention from the tough job at hand.

J. P. STEVENS DEFENSE CONTRACTS UPHELD

Mr. DORN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. DORN. Mr. Speaker, on May 23 I wired the President urging that defense contracts with J. P. Stevens Co. be continued. I did so after learning that the AFL–CIO had asked the President to cancel all Government defense contracts with the Stevens Co.

I am pleased, Mr. Speaker, to report that the Department of Defense has informed me that it has rejected the request of the AFL–CIO.

I commend the Department of Defense for making a thorough evaluation and review of the legality of complying with the AFL–CIO request that all defense contracts with Stevens be canceled.

Mr. Speaker, the Department of Defense further informed me that it did not have the authority to deny Government contracts to the J. P. Stevens Co., as requested by the AFL–CIO. The Comptroller General of the United States has ruled that there is no authority for a contracting agency to cancel or even reject bids of a company for alleged noncompliance with the National Labor Relations Act. Several legislative proposals in this area have been considered by Congress over a period of many years but have not been enacted.

Mr. Speaker, I say again that the record of the J. P. Stevens Co. in service to country and national defense is unsurpassed.

My telegram of May 23, to the President, follows:

MAY 23, 1966.

The PRESIDENT,
The White House:

The J. P. Stevens Company headed by the Honorable Robert T. Stevens has contributed in superb fashion to the winning of every war since the War of 1812. This great company is devoted to its employees, to high standards of ethics, and to the principles and ideals that made this nation great. The J. P. Stevens Company is contributing to our war effort in South Viet Nam in a magnificent way. J. P. Stevens Company efforts are outstanding in supplying the necessary fiber to our defense forces throughout the world. Therefore, I was greatly distressed to learn from the newspapers that the AFL–CIO is making plans to ask you to issue an executive order withholding Federal contracts from the J. P. Stevens Company because of alleged violation of the National Labor Relations Act. The NLRB decision charging J. P. Stevens Company with "unfair labor practices" is under appeal in an orderly legal manner through the courts. The NLRB decision, charging the Stevens Company with "unfair practices," is the most shocking and unbelievable decision of its nature in the history of our country. It strikes at the very foundation of our private enterprise system and is a threat to every industry in every section of our country. This decision would force the J. P. Stevens Company to plead guilty openly before its employees in called meetings, also in writing to each, and permit the bulletin boards in its various plants to be made available to nonemployees of the plant. Mr. President, I feel confident that you will reject any request to penalize J. P. Stevens Company and its employees for only operating under our free enterprise concept as guaranteed by our Constitution.

WM. JENNINGS BRYAN DORN,
Member of Congress.

THE MACHINE TOOL INDUSTRY IS AN ESSENTIAL INDUSTRY

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

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

There was no objection.

Mr. STAFFORD. Mr. Speaker, I would like to call to the attention of my colleagues a situation which is both inexplainable and, in my judgment, unfair.

Recently, the Federal administration has summarily dismissed a request by the machine tool industry of this country to be designated as an essential industry. After 5 months of inaction, the request was rejected by the administration without even the courtesy of giving

any reasons for such rejection. According to an article in the New York Times on August 14, this decision was made at the Cabinet level.

The machine tool industry is the backbone of our industrial capacity here in the United States, and, of course, is vital to defense production. Defense industries, whose output depends on the tools produced by this industry, are automatically classified as essential industries. Yet, by some unknown reasoning, for which no explanation is given, the basic machine tool industry itself is refused classification as an essential industry.

The result of this action is that a severe shortage of skilled help is now critically affecting the machine tool industry, as young workers move to those industries which have an essential classification.

In my own State of Vermont, we have some of the outstanding and most productive units of the machine-tool industry. I know that these firms are doing everything possible to train young skilled workers. One firm in Springfield, Vt., has operated for 50 years a co-op training plan with the local high school to give young students the opportunity to acquire skills at company expense. Several of the firms are participating in the job entry training program, partially supported by the Federal Government.

The machine-tool industry in my State, and I am sure the same is true in other areas of the country, is trying its best to recruit and train skilled help. But the industry is being put in an unfair position with other vital defense industries by virtue of the administration's unexplained refusal to classify it as "essential."

On August 22, the National Machine Tool Builders' Association renewed its request for reconsideration and rehearing in a letter to the Secretary of Commerce, the Honorable John T. Connor. I certainly trust that this request will be given full consideration, that the administration's position will be clearly stated and explained, and that in the final analysis, the decision will be made to classify this industry as "essential." Such a decision is vital to our continued capacity to produce defense materials.

THE FILM "JOHN F. KENNEDY—YEARS OF LIGHTNING, DAY OF DRUMS"

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

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

There was no objection.

Mr. ADAIR. Mr. Speaker, I rise today to speak of the recent incident in Wisconsin, where the film "John F. Kennedy—Years of Lightning, Day of Drums," was to have been shown for a political fundraising affair. The morning press reports that this plan has been withdrawn. I hope this is true. It is further my hope that this question will not have to be raised again. This matter of possible political use of this film has been previously discussed. I would recall the language contained in House Report No. 1093 on this bill. It reads as follows:

> One final stipulation should be added: the Committee continues in the convictions expressed in the earlier report, that private enrichment should not become the goal of the domestic distribution of the Kennedy film and that nonpartisanship should be the rule in all arrangements for its distribution in this country. The film ought not to be used, for example, for partisan political fundraising.

It is obvious that had this film been shown as first scheduled, it would have been a flagrant disregard of the intent of the Congress.

We might also recall what House Report No. 139 said in part:

> . . . Fourth, in light of the fact that this film belongs to all the people of the United States, without regard to political affiliation, nonpartisanship should be the rule in all arrangements for its distribution in this country.

In the Senate Report, No. 647, we find this statement:

> The Committee agreed that there should be no partisan political consideration in the arrangements made for distributing the film in the United States and that there should be no showing of the film, as at a political convention for example, which would serve a partisan political purpose.

During the debate on June 9, my friend and colleague, Mr. FRELINGHUYSEN said:

> We should have nonpartisanship the rule for the showing of this film. All these, however, are suggestions only. The resolution itself imposes none of these limitations.

Also recall that in order to avoid this problem, another distinguished member of the House Foreign Affairs Committee, Mr. MAILLIARD offered an amendment to require that all viewing of this film be without charge. The amendment, unfortunately, did not carry.

As many of you are now aware, this incident was at first compounded by the refusal of the party in question to change his plans. He was quoted in the press as saying: "the bulk of the profits will go to the club." He also mentioned, perhaps as an afterthought, that a probable contribution of 5 to 10 percent was to be sent to the Kennedy Center. What does Public Law 89–274 say on this matter? It says:

> The net proceeds resulting from any such distribution shall be covered into the Treasury for the benefit of the John F. Kennedy Center for the Performing Arts. . . .

Mr. Speaker, today I am requesting a full report from the U.S. Information Agency on this whole unpleasant matter with a view to possibly proposing remedial legislation in order to prevent a recurrence of anything of this nature in the future.

THE SALE OF NAUTICAL CHARTS TO THE SOVIET UNION

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

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

There was no objection.

Mr. LIPSCOMB. Mr. Speaker, I want to bring to the attention of the House of Representatives a matter which I view with alarm because of its importance to the welfare and security of the United States.

I have learned that recently an export license was granted by the Department of Commerce authorizing shipment to the Soviet Union of 2,000 Coast and Geodetic Survey charts for use by Soviet fishing trawlers. The charts, which cover areas off the coast of the State of Washington and an area south of Alaska, have already been shipped.

Coast and Geodetic Survey charts contain valuable information and data concerning offshore areas of significance and are valuable both for intelligence and fishing purposes. In view of present world conditions, it is incredible that this has taken place.

The Soviet Union operates a huge fleet of so-called fishing trawlers. The size of the fleet, it is estimated, numbers up to 25,000 vessels. These vessels operate in waters throughout the world and it is widely recognized that in addition to fishing, the Soviet trawlers have many other intelligence gathering and military type duties.

Many Soviet trawlers have electronic equipment capable of gathering much intelligence of military and scientific value. Soviet trawlers have been spotted off our coasts and nearby areas many times. It is believed that they perform a wide range of duties such as observe weapons testing, monitor military communications, observe fleet exercises, perform surveillances of our military defenses and observe our space program activities.

Reports are that radioactive devices of Soviet manufacture have been discovered embedded on the ocean floor along both the Atlantic and Pacific coasts of North America. These markers, it is explained, are position markers placed there by trawlers which could be used by Soviet submarines to aid in firing at inland targets.

Trawlers can be used to put foreign agents and equipment ashore in remote, unpatrolled areas.

Soviet trawlers are stationed off Guam and in the area of Formosa and Vietnam, where they can report American air formations and amphibious landings.

Also, the Soviet Union is currently enlarging its fishing program. They are taking heavy catches off the west coast of the United States, along Washington and Oregon. It is expected they may soon be fishing off the coast of California.

In view of this, why should the United States issue a license to ship 2,000 Coast and Geodetic Survey charts to the U.S.S.R., charts which undoubtedly will be of assistance to the Soviets in their many intelligence and fishing activities?

If a representative of the Soviet government marched into a government office and requested a quantity of charts such as this he would be refused.

The charts in question cover two areas. One covers a portion of the Washington coast at Vancouver Island. The other area covered by the charts lies to the north of that along British Columbia, south of Alaska.

The Department of Commerce states that the applicant says that the charts are being furnished to the Soviet Union "in the interest of assisting Russian fishing trawlers to avoid the cutting of A.T. & T. undersea telephone cables." Incidentally, the applicant for the license is not known to me for the Department of Commerce does not reveal this information.

Could anyone imagine the Soviet Union placing its approval on sending to the United States of similar type maps? Is this part of a deal under which the United States is sending a supply of maps to the U.S.S.R. in return for maps of equal value and strategic importance to the United States? The Commerce Department has not indicated this was the case and knowing of the policies of the Soviet Union it seems sure we would get a flat no from any such proposal.

It seems obvious that the use of these maps by the Soviet could be detrimental to our national security and I believe this entire matter needs to be thoroughly investigated by the Congress.

THE 27TH ANNIVERSARY OF THE INVASION OF POLAND

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

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

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, 27 years ago, on September 1, 1939, an infamous crime was committed against the Polish people by the invasion of their country by Hitler's forces. The Soviets became the Germans' accomplices when they invaded Poland from the east 16 days later.

This tragedy electrified the world, a world slumbering in optimism, appeasing rather than preparing for battle. The holocaust which followed for the next 5 years might have at least been diminished in its destructiveness had the world foreseen the ineffectiveness of appeasement and inaction.

The Polish people were among the most highly taxed of those who suffered from the inhumanity of World War II—not only did they lose approximately 6 million of their population, but they have continued to pay in their loss of freedom and individual rights under the postwar Soviet regime. In addition to the 6 million Polish people who lost their lives, an estimated 2 million suffered permanent damage to their health. Warsaw and other major Polish cities were about 70 percent destroyed, and one-fourth of the homes in Poland were demolished.

The Polish people may justly take pride, as may all who love freedom and respect the price man has paid throughout the centuries for the attainment of freedom, in the bravery and resilience displayed by the Poles at the time of the invasion, during the war, and following the war. Unaided and unprepared, the brave Poles fought against the invaders, to succumb in a matter of days, but only because of the enormity of Hitler's military machine attacking them from the west and the pressure of the Soviet forces moving in on the Poles from the east.

Following the fall of Poland, over 300,000 Poles, including those who were in the Polish underground army, served in Allied armed forces during World War II. This figure gave Poland the distinction of having the third largest army, after the United States and Great Britain, involved in the fighting in World War II.

Following the end of the war, after the German troops were expelled, the only foreign troops left in Poland were those from the Soviet Union. The Soviets, therefore, had little difficulty in establishing a Communist-dominated government by relying on the coercive presence of its military forces. The brutal techniques of coercion used by the Soviet Union to subdue the Polish population were similar to those it has employed to subordinate other East European nations—mass killings, deportations, and severe deprivations. The indomitable Polish spirit, however, has not been crushed. It has remained steadfast and has demonstrated itself time and again, as evidenced in particular by the Poznan uprising in June 1956. As a result of this uprising, the Poles won a few token liberties from the Soviet Communists, although most of these have since been rescinded.

On this, the anniversary of the invasion of Poland and the beginning of World War II, the world is fully cognizant of the toll exacted by a policy of appeasement. World War II was not avoided through the sacrificial offering of Poland. Moreover, the power vacuum in Europe at the end of the war paved the way for the expansion of communism as the Soviet curtain of terror dropped—separating Poland and other Eastern European countries from the democratic Western European nations.

Mr. Speaker, I know I speak not only for myself but for many of my colleagues when I express the hope that the Polish people may one day be fully rewarded for the heroism and patriotism they have demonstrated since September 1, 1939. Our hearts go out to the courageous Poles as we review in our memories the terrible fate that has befallen them since that infamous date. We extend to them our heartfelt sympathy and look forward to the day when they may again join the community of free nations in the world.

THE 14TH ANNIVERSARY OF LABOR DAY MASS

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

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

There was no objection.

Mr. DADDARIO. Mr. Speaker, more than a decade of years ago, the Most Reverend Archbishop of Washington Patrick A. O'Boyle, D.D., invited the leaders of labor, management and government to join him in a solemn prayer to our Heavenly Father, to ask His divine guidance on the Nation and its citizens and his blessing on all who shared a common goal. On September 5, of this year, Labor Day, the 14th annual observance will be held at the Shrine of the Sacred Heart Church, 16th Street and Park Road NW., at 10 o'clock in the morning. The most reverend archbishop of Washington will preside at this mass; the Most Reverend Edward J. Herrmann, D.C., auxiliary bishop of Washington will offer the mass and the Most Reverend Peter L. Gerety, D.D., coadjutor bishop of Portland, Maine, will deliver the sermon. Invitations have been extended by the archbishop of Washington to all the leaders of government, to the distinguished Members of this body, to the leaders of labor who are centered in Washington, and to all who are prominent in the area of management.

Following the ceremony in the church, a wreath will be placed at the statue of his eminence, James Cardinal Gibbons, late cardinal archbishop of Baltimore which stands in a small park immediately adjacent to Sacred Heart Church. This wreath will be placed by Mr. J. C. Turner, president of the Central Labor Council of the greater metropolitan area who will then address the audience in the name of organized labor. It is most fitting that this tribute be paid to the late Cardinal Gibbons.

In the latter part of the 19th and the early part of the 20th century, the laboring men of this country were struggling to organize themselves into associations and unions which would further their interests and provide them with some bargaining rights. Because of the hostility at that time of some of the employers, these newly established labor organizations, such as Knights of Labor, were secret in character and, as such, caused some suspicion on the part of various churchmen. Events in a neighboring country led the leaders of the labor organizations to fear that the labor movement in the United States might be interdicted by the church. It was at this time that Archbishop Gibbons, later the cardinal archbishop of Baltimore, raised his voice in favor of the laboring man and his rights, counseled the leaders of the labor movement and made known to the authorities of the church in Rome his concern for both the men and the movement. It was his intervention, more than any other single factor, that gave the new labor movement status in this country. His Eminence of Baltimore established himself as a true friend of the laboring man, a great citizen and an even greater churchman. I am delighted to rise to this occasion and bring this distinguished ceremony to the attention of this august body. In the years that have passed, labor, management and government as well have prospered in this country. The system of free enterprise has been tried and tested over and over again. Bargaining teams of management and labor have met on countless occasions and have come to decisions that were beneficial to all parties concerned. Nowhere else in the world has there been such progress, such freedom,

such prosperity shared by all. It is fitting that we pause on Labor Day to give thanks to our Heavenly Father and to ask His guidance again for the years and the tasks that lie ahead. Certainly, one fine way to do this is to join the archbishop of Washington, to accept his invitation to be present on the occasion of the 14th annual Labor Day mass on Monday, September 5.

Last year, the distinguished Chaplain of the U.S. Senate assisted at the celebration. Following the observance, he wrote an article that appeared in the public press and which gives voice to his impressions of this splendid occasion. I quote from the article of Dr. Frederick Brown Harris:

[From the Washington (D.C.) Sunday Star, Sept. 19, 1965]

A LOFTY LABOR SPIRE

(By Dr. Frederick Brown Harris, Chaplain, U.S. Senate)

September's annual Labor Day, which was set up as an altar where the cause of the toiling millions of this free land could be sanctified and glorified, has largely degenerated into a mania for miles and speed where leisure-mad multitudes burn up the roads, invade the resorts, and end up with a hectic race home.

Any meaningful remembrance of the day set aside to emphasize the vital significance of honest labor in the pattern of the Republic's life might well bring to mind the childhood question, "Here are the people but where is the steeple?"

A spectacular yet devout reply to that query, in a fitting observance of Labor Day 1965, is glimpsed in an inspiring "steeple emphasis" in one of the Capital City's most magnificent edifices, The Shrine of the Sacred Heart, a dream of Byzantine loveliness! Here on Labor Day a secular holiday was transformed into a holy day, as there leaped to the sky a spiritual Spire tall enough to be a heavenly vision to all Americans who have eyes to see. On this occasion, brilliant with the impressive liturgy of Roman Catholicism, there was proclaimed a pertinent message freighted with deep concern for the vital questions that have to do with the complicated relationships of labor and management.

What a setting it all was for so solemn a witness! At the very portal of this imposing edifice stands one of the most exquisite statues in the Capital of the Free World. It is the brooding figure of a great religious leader, a dedicated American, James Cardinal Gibbons, who was a prophet of the rightful place of the toilers in the expanding economy of this vital experiment in freedom. Following the church service, at the feet of this great servant of God and of man, on this day dedicated to St. Joseph, the workman, a reverent crowd gathered around the sculptured likeness of the beloved cardinal as if waiting for his benediction.

From the high pulpit of the sanctuary the sermon was brought by an outstanding theologian and a searching preacher, Reverend John C. Selner, of Catholic University. He spoke with all the riches of the past, and with a compelling sense of the relevance of Jesus Christ for the problems of this volcanic day. Frankly, he faced the charge so often made in the glare of the false lights of a materialistic day that on the stage of the second half of the 20th century, the Christian Church is no longer relevant. This unashamed apostle of the Carpenter of Nazareth forcefully presented the mission of the church in the surging light of today. He made it unequivocally plain that its objective is to train men and women to toil in these fields of time in the sense of the eternal. This proclaimer of the unchanging gospel made that great throng vividly aware that the Christ, exalted in the Sacramental Mass, and in the hearts of those who really heed his call—Follow Me—is the one hope of mankind and that the world is not through with Jesus Christ, it is through without Him!

The other prophetic voice from that high pulpit was that of the Most Reverend Patrick A. O'Boyle, archbishop of Washington, who presided. To that Labor Day throng he tied the relevance of the Christian message to the practical problems of wages, housing, and education for those now shut out of the plenty of our affluent society. He made clear that the essential relationship of what is labeled management, and what is referred to as labor, is becoming more and more as it should be, a cooperative partnership of all who toil, whether the worker directs from an office or lifts bricks for rising walls.

And now for a moment let us listen to the undersecretary of labor for the United States, Honorable John F. Henning, a devoted church layman, as he addressed the large group surrounding the statue of Cardinal Gibbons. We can capture but a few sentences from a message rich in its discernment of union labor's attitude to today's global struggle between Christ and anti-Christ: "Democracy and dictatorship struggle to the death in today's world. Labor unionism and slavery share no common hopes, no common values, no common destiny. American labor struck at slavery when it gave instant endorsement to the action of President Johnson in the Dominican Republic and Viet Nam. The program of labor in Latin America and Africa in an age of change offers the enduring values of social democracy and political freedom. Here at home American labor is today sharing, in the most dramatic era of social advance in the nation's history. American labor acts on the conviction that humanity deserves a society of economic abundance, social equality, and political liberty."

In this high hour all that was uttered inside The Shrine, and outside, can well be summed up in Henry Van Dyke's lines:

This is the gospel of labor;
Ring it, ye bells of the kirk—
The Lord of love left his home above
To dwell with the men who work.

MRS. RYAN GUIDES WOMEN'S AUXILIARY OF THE AMERICAN LEGION

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, I would like to point with pride to the achievements of two women from the Sixth Congressional District of Florida.

Mrs. A. J. Ryan, Sr., of Dania, long a worker in the Women's Auxiliary of the American Legion, will be installed today as the national president and Mrs. John Lawlor of Fort Lauderdale will assume the post of department president.

For Mrs. Ryan, it is the zenith of 37 years of service to the national organization and attests to her loyal and efficient service.

I have been a personal friend of the Ryan family for many years and during that time I have seen each member help build the community. Mrs. Ryan's son, A. J. Ryan, Jr., is a State senator now after serving as a State representative.

Each member of the Ryan family has taken an active part in the affairs of Broward County. The responsibilities they have taken on in the civic world has resulted in a better and more prosperous south Florida.

In the past year Mrs. Ryan has served as Florida's department president and has held such national offices as vice president, historian, chairman of the rehabilitation committee, chairman of the child welfare committee while also serving on the legislative and finance committees. Four times she was chairman of the national convention.

Mrs. Ryan's term as national president will mark the first time the office has been held by a Floridian. Based on the record she has established, the women's auxiliary will be guided to an outstanding year.

MORE ON THE W. E. B. DUBOIS CLUBS

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ASHBROOK. Mr. Speaker, for those interested in the activities of the W. E. B. DuBois Clubs I inserted in the RECORD yesterday an excerpt from the Mutual Network's news program, "Robert R. Siegrist and the News," which dealt with the DuBois Clubs. That this organization is deadly serious about recruiting and training American youth for their own subversive purposes can be easily verified from the following article from the New York Daily News of September 1. I place the article, "Young Reds Bud in Upstate Valley," in the RECORD at this point:

[From the New York (N.Y.) Daily News, Sept. 1, 1966]

YOUNG REDS BUD IN UPSTATE VALLEY

(By Frank Mazza)

Deep in the forest of New York's Harlem Valley, News photographer Dennis Caruso and I crashed into a "summer" camp where the Communist Party was holding a two-week training course on how to direct civil rights workers and young radicals of the "new left" into the Communist Party.

The camp reminiscent of an old Western ghost town sprawls across 80 acres of dense woodland on Lake Ellis about 80 miles north of the city.

The camp, known as Camp Webatuck, used to accommodate up to 800 persons before World War II. Today no more than 200 could be accommodated. Most of its 80 bungalows and buildings have seen years of abuse. Some are reduced to lean-tos.

To the Communists, the camp is known as Camp Unity. To the local residents it is called Camp Commie.

Most of the enrollment in the two-week indoctrination course is made up of members of the W. E. B. DuBois Clubs which American Communist Party leader Gus Hall recently called "the most influential youth organization in the U.S."

COME FROM ALL OVER

Handpicked by the party as good prospects to infiltrate America's young in search for new members, the youths come from many sections of the country. Some from as far as San Francisco.

No student, while undergoing training, may receive phone calls or mail addressed to the camp. Instead, letters must be addressed to a secret mail drop in Brooklyn and from there delivered by courier to the camp.

The party is bringing in some of its top lecturers to the camp. National organizational secretary of the party, Danny Rubin, and Mrs. Helen Winters, wife of Carl Winters, one of the first convicted under the Smith Act, will be on hand. Others are George Meyers, Henry Winston, Hy Lumer and James Edward Jackson, publisher of the Worker.

Dennis and I spent two days ploughing through the tangle of trees and underbrush and observed more than 80 young people ranging in age from 17 to 25 sitting around in clusters listening to lectures on Marxist-Leninist concepts, the Negro question, including black power, and the role of the working class.

Yesterday was a particularly hot day and two of the classes were held outside. In one class on the patio of the main building, a man about 45 and bald, questioned a group of 20 youngsters on the idea of whether it is better to work with one ethnic group to foster upheavals or to gain the confidence of several minority groups.

One squeaky-voiced youngster gave an inaudible answer and then sat down to thunderous applause from the class. A young girl, who looked about 17 then gave her opinion.

Dressed in T-shirts and shorts, most of the youths looked hardly old enough to shave. There were only about six girls in the class being observed. Among the boys were about five Negro and Spanish-speaking youths.

Because of the dense foliage, Dennis had to crawl daringly close to get pictures of the groups. He had shot about three rolls of film with two cameras one fixed with a long lens, when he was discovered.

Dennis was spotted by two youths who were on their way to another class.

A cry for help from the two brought all the students charging up the hill. Dennis temporarily escaped by hiding under a ledge. During the time the youths were searching for him, he changed rolls in his cameras and hid the exposed ones in tall grass.

The youths, now armed with thick branches, uncovered Dennis after a 15-minute search in which they attempted to flush him out with warnings that snakes were in the area.

THEY FIND THE FILM

Knowing his exposed film was hidden, Dennis offered no resistance. He figured he'd be ejected but would come back in the evening and retrieve the film. However, the youth searched the area and found the film.

"You s.o.b.," a big youth said. "We ought to kill you." He waved a club over his head while several others held Dennis.

"Hang him, kill him," shouted two others. One girl suggested a more vulgar punishment as the others laughed. Then, one youth who appeared somewhat of a leader balked: "Shut up, Ann," he said.

After 15 minutes of harassment, Dennis was set free and met me at a designated spot.

In our car parked a mile away, Dennis had a couple of shots which he had taken on Tuesday. Another thing they couldn't take from us was what we had heard and seen in our two-day visit.

WAVE TO WOMAN

On Tuesday, we darted in and out of the woods along a dirt road which leads to Camp Webatuck. After about a mile we came to a large wooden gate. Tacked on the gate was a bright red sign: "Private Property—No Trespassing." The gate was opened and we scurried in.

Built on the side of a mountain, the camp is divided in half by a macadam road. On the high side are about 40 bungalows, most of them run-down. Here the help is housed. The main mess hall is also situated here. We worked our way behind the bungalows and across the road to the lake front area. At one time, a woman about 40 saw us. We simply waved. She did nothing.

It was in bungalows along the waterfront where the Marxist-Leninist indoctrination was going on. There is a central meeting hall and several small bungalows where the girls are housed. The young men are quartered in bungalows about 200 yards away.

CLASSES ARE SMALL

Divided into group of 15 to 20, the young people are given lectures, both theoretical and practical, in ways to bring about a "radical change" in the United States and to end the "aggressive foreign policy" of the U.S. Beginning at 9. A.M. and ending at 2:15 P.M., the classes offer specific instructions on the Role of the Working Class, the Negro Question and Black Power, and Marxist-Leninist Concepts.

At 2:15 P.M. classes break for a swim or other recreation. The softball field, basketball, tennis and handball courts however, are all overgrown with weeds.

They are hoping that Gus Hall, ostensibly in Moscow on a vacation, will be back in time to make an appearance at the camp on closing day, Sept. 11.

Hall said last week: "The fact that youths are coming into the Communist Party of the United States is a most important distinguishing feature of our time."

The camp is run by a Victor and Pearl Fink, who live at 500 West End Ave.

MAJ. DONALD J. REILLY, U.S. MARINE CORPS

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

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

There was no objection.

Mr. GRIDER. Mr. Speaker, this morning I had the honor of attending ceremonies honoring the late Maj. Donald J. Reilly, U.S. Marine Corps, the most decorated marine of the Vietnamese war.

His widow, Mrs. Emily Reilly from Memphis, Tenn., and her two daughters, age 8 and 3, accepted the awards.

It was not only an inspiring experience but a humbling one. Major Reilly was posthumously awarded the Navy Cross, the Silver Star, the Distinguished Flying Cross, the Bronze Star, and the Air Medal—with gold stars in lieu of the 2d through 14th additional awards.

Major Reilly was a helicopter pilot with Marine Observations Squadron II in Vietnam from April until December of 1965. On December 9, after having flown over 7 hours of armed helicopter flights in support of ground operations that day, Major Reilly responded at nightfall in marginal weather to a request of evacuation of 11 wounded marines. Attempting to bring his helicopter into the landing zone under intense ground fire, guided only by a flashlight, Major Reilly was hit with a .50-caliber round, crashed, and later died.

Time does not permit me to tell the whole thrilling story of Major Reilly's courage and sacrifice. This is what his commanding officer said:

He was not fearless but he always had the courage to do what he thought must be done in spite of the risks involved. He was an excellent pilot and always contributed more than his share to the efforts here. I believe that this was not his "personal" war, but that he believed that he should give a full measure of himself in order to win the peace so desperately desired by everyone. His actions against the enemy were highly effective, but he derived his satisfaction from saving lives of our wounded troops by flying them out of the front lines, and not from the devastations he was forced to wreak on the enemy.

Mr. Speaker, Major Reilly is not only the most decorated marine, but the way he lived his life and gave his life perfectly symbolizes the meaning and the purpose of our presence in that wartorn land. For we Americans are there not to wreak havoc on the enemy but to save all mankind from a fate, a devastation, a future, which is, to those of us who love freedom, worth the harsh sacrifices that we are making.

The day will surely come when America can leave that wartorn peninsula in peace, secure against the cruel aggressor and master of its own destiny. When that day comes, the world will know that history has made one of its great turning points and that the cause of freedom will be more secure everywhere.

Then, Mr. Speaker, those of us who today grieve the loss of this brave hero will surely know that he did not die in vain. And his two daughters Ellen and Catherine, as they grow into maturity, will grasp the great magnitude of their father's gift to mankind.

My heart goes out especially to these two young ladies, Mr. Speaker, because a half century ago my father lost his life in aerial combat in another struggle against tyranny. American owes these children and this brave widow a great debt. Let us see that we discharge it. And finally, Mr. Speaker, let us persevere in that noble cause of freedom for which Major Reilly so gallantly made the final sacrifice.

Mr. Speaker, under unanimous consent I insert at this point in the RECORD, the citations awarded Major Reilly.

The President of the United States takes pride in presenting the Silver Star Medal posthumously to Major Donald J. Reilly, United States Marine Corps, for service as set forth in the following Citation:

For conspicuous gallantry and intrepidity in action while serving with Marine Observation Squadron Two in the Republic of Vietnam on 18 November 1965 and on the night of 21–22 November 1965. Major Reilly's mission was flying armed UH–1E helicopters in flights escorting UH–34D helicopters into unsecure landing zones. On 18 November, near Hiep Dup, the armament panel of his aircraft was knocked out by a .50 caliber round rendering his primary armament system useless. Though the aircraft was partially disabled he continued to fly along the flanks of the transport helicopters to draw enemy fire away from them. Then he reduced the weight of his craft by dropping the external rocket pods in order to medically evacuate wounded. Because of the rough, broken terrain he was unable to land his craft and the loading of the wounded was accomplished only through his skillful airmanship as he hovered a few feet from the ground with intense enemy mortar and machine-gun fire grazing the helicopter throughout the operation. On the night of 21–22 November, during a medical evacuation he descended into an unsecure zone

after the rescue helicopter was forced to abort the mission because of lack of fuel after several unsuccessful attempts at landing. Major Reilly elected to remain in the area, alone, for another try. With the help of mortar illumination he located the zone, but, on descending found that landing was impossible due to rough terrain. With great skill he hovered the aircraft on one skid and coolly maintained his position until pickup of the wounded was completed although the zone was under heavy fire. His uncommon valor, extraordinary initiative, coolness under fire, and superior flying ability reflected great credit upon himself and the Marine Corps and upheld the highest traditions of the United States Naval Service.

For the President:

PAUL H. NITZE,
Secretary of the Navy.

The President of the United States takes pride in presenting the Navy Cross posthumously to Major Donald J. Reilly, United States Marine Corps, for service as set forth in the following Citation:

For extraordinary heroism as a Helicopter Pilot in Marine Observation Squadron TWO in the Republic of Vietnam on 9 December 1965. With his squadron engaged in air support operations for Task Force Delta in Quang Tin Province, Major Reilly was designated as Tactical Aircraft Coordinator (Airborne). Reporting on station about 1800, he immediately answered an emergency request for support from a Marine company which was part of a mobile alert force that had been helicopter-lifted into a hostile area where it was heavily engaged by the Viet Cong using mortars, automatic weapons, and small arms. Although exposed to hostile rifle and machine-gun fire, he, with selfless determination and skill, fearlessly delivered devastating fire from low altitudes upon the Viet Cong who were encircling the company. Later, in response to a request for evacuation of eleven of the company wounded, he prepared to land. In darkness and under a 1200 foot overcast with three miles visibility he arranged for the company to guide him on the final approach with a flashlight. Directing his wingman to remain aloft and assist only if he were successful, he turned off aircraft lights and resolutely commenced his approach. Although encountering intense small-arms fire, he pressed on with determination and while slowing for landing, received a severe bullet wound. His copilot was unable to take over in time and the aircraft crashed on landing in the friendly zone. No further evacuations could be attempted due to enemy resistance until several hours later that night and by that time Major Reilly had succumbed to his grievous wound. His self-sacrificing action in the face of overwhelming odds sustained and enhanced the finest traditions of the Marine Corps and the United States Naval Service. He gallantly gave his life in the cause of freedom.

For the President:

PAUL H. NITZE,
Secretary of the Navy.

The President of the United States takes pride in presenting the Distinguished Flying Cross posthumously to Major Donald J. Reilly, United States Marine Corps, for service as set forth in the following Citation:

For heroism and extraordinary achievement in aerial flight as the Pilot of a UH-1E helicopter serving with Marine Observation Squadron TWO in the Republic of Vietnam on 18 August 1965. Major Reilly was flying armed escort and combat missions in support of Operation Starlite near Chu Lai when, while actively engaging insurgent communist (Viet Cong) forces during his first sortie, his aircraft was hit by intense ground fire necessitating an immediate emergency landing in the battle area. After hasty repairs, he was able to return the aircraft to the air base. Boarding a second aircraft, he courageously returned to the battle zone and, assuming the role of a forward air controller, boldly attempted to mark enemy positions for jet aircraft in order to relieve a friendly beleaguered amphibian tractor supply column. His aircraft was severely damaged by incessant enemy ground fire and his aerial gunner was wounded, requiring another return to the base. He boarded another aircraft and continued the mission. Arriving at the battle area, he received a request for emergency evacuation of three wounded Marines. In the absence of medical evacuation helicopters, he decided to land and rescue the casualties. He set down amid heavy fire, sustaining several hits to his aircraft. Because he had no communication with the ground forces and being uncertain of the extent of damage of his aircraft, he was forced to return to the air base. Major Reilly's calm courage under fire and inspiring devotion to duty reflected great credit upon himself and the Marine Corps and were in keeping with the highest traditions of the United States Naval Service.

For the President:

PAUL H. NITZE,
Secretary of the Navy.

The President of the United States takes pride in presenting the Bronze Star Medal with Combat "V" posthumously to Major Donald J. Reilly, United States Marine Corps, for service as set forth in the following citation:

For heroic achievement during operations against the enemy while serving with Marine Observation Squadron Two in the Republic of Vietnam on the morning of 28 October 1965. Major Reilly, in charge of the medical evacuation crew, demonstrated a high degree of courage and initiative when the Marble Mountain Air Facility was attacked and subsequently overrun by insurgent communist guerrilla forces (Viet Cong). While still under attack and with the Viet Cong running rampant in the aircraft parking area, Major Reilly, without thought for his personal safety, moved out into the mat to assess damage in order to determine whether any aircraft were capable of taking off. Finding none, he returned to the maintenance area to organize a search for the wounded. He continually exposed himself to enemy fire as he moved from tent to tent aiding the wounded until reinforcements arrived. Major Reilly's leadership and presence of mind throughout the attack served as an inspiration to all who observed him. His courage and initiative reflected great credit upon himself and the Marine Corps and were in keeping with the highest traditions of the United States Naval Service.

For the President:

PAUL H. NITZE,
Secretary of the Navy.

The President of the United States takes pride in presenting the Air Medal with Gold Stars in lieu of the second through fourteenth Air Medal posthumously to Major Donald J. Reilly, United States Marine Corps, for service as set forth in the following citation:

For meritorious achievement in aerial flights as a Naval Aviator in Marine Observation Squadron Two during combat support missions in the Republic of Vietnam against communist forces from 21 April to 25 November 1965. Completing numerous missions during this period, while often exposed to hostile fire at close range, Major Reilly contributed materially to the success of his squadron. His courage and devotion to duty in the face of hazardous flying conditions were in keeping with the highest traditions of the United States Naval Service.

For the President:

PAUL H. NITZE,
Secretary of the Navy.

COMMISSIONER HOWE'S LSD EXPERIMENT

Mr. WAGGONNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

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

There was no objection.

Mr. WAGGONNER. Mr. Speaker, the Washington Star carried an excellent editorial in yesterday's edition, headed "Mr. Howe's Adventure," which in a few brief paragraphs completely demolished the latest assininity of the Office of Education.

I think it would be appropriate to refer to Commissioner Howe's "educational parks" folly as his LSD experiment: the latest school debacle.

For those of you who think you have heard every wild scheme man can dream up, I invite you to sample the following editorial:

MR. HOWE'S ADVENTURE

Harold Howe, II, the new U.S. Commissioner of Education, had no sooner assumed that office earlier this year when he disclosed a strong personal antipathy to the concept of neighborhood schools.

Rather than grapple with the hard, practical frustrations of educational deficiencies in American cities, he launched into fanciful visions of panaceas, among them systems of vast "educational parks," each of which would accommodate perhaps 20,000 public school pupils of varying ages, some transported great distances from their homes in order to cut across "all geographic, economic and cultural boundaries." One of Howe's first offerings was federal dollars in the form of grants to cities "adventurous enough to join us" in planning such enterprises.

It reflects no credit whatever on the new District of Columbia school board that its members now have accepted this invitation.

The idea of applying such "parks" as a substitute for Washington's traditional system of neighborhood schools strikes us as nothing but a pipe dream. The sheer enormity of the scheme, in terms of dollars and land requirements, is enough to chill the wildest optimist. The need for new and replacement schools in Washington is urgent. But many, many of the existing structures provide fine new modern facilities. To propose seriously, as has been proposed, that these buildings might be scrapped as schools and converted to some other public use is simply incomprehensible.

In the minds of Howe and others, the educational parks are seen as a means of establishing racial and economic "balance," of moving the children of low-income families, during their classroom hours, out of the ghetto.

In all candor, however, what advantage, educational or otherwise, could accrue to the deprived child, desperately in need of personal attention, who became only one of 20,000 on a single campus? Education is the process of doing something with an individual child, in the context of the teacher-pupil relationship. It is not the process of dealing with great masses of children. From the viewpoint of sound education, the theory is not supported by a single demonstrable justification.

The racial mix in the classroom, of which Howe speaks, could not be substantially affected by educational parks in a city with a school population already over 90 percent Negro. In the Washington Metropolitan Area, the goal of a more sensible, reasonable racial balance in the schools will remain an illusion until more Negro families locate in

the suburbs, and until more white families with children return to the city.

No doubt we will be told that the proposed educational-park study is after all only a study, and that we need as never before to seek out new, improved techniques of teaching.

Quite so. Innovation and experimentation are essential, within the sound, proven concept of neighborhood schools. The advocates of educational parks are following a will-o'-the-wisp, which should not be allowed to divert attention from the tough job at hand.

H.R. 16947 INEQUITABLE IN ITS EFFECT

Mr. KING of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter and tables.

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

There was no objection.

Mr. KING of Utah. Mr. Speaker, I am sure that my colleagues on both sides of the aisle share my hope that governments on all levels can work together to assure superior educational and health facilities for the American people. It is gratifying to see how hard the Members of Congress and the executive branch are working to find means to finance and manage our educational, health, and welfare programs.

I note that a number of tax-rebate plans have been proposed, in which the Federal Government would return to the States a certain percentage of Federal income tax collected each year. Any plan will have to be carefully scrutinized to make certain that all States and areas of the country will substantially benefit from its operation.

Mr. Speaker, I would like to call the attention of the House to a bill which would be extremely inequitable in its effect and which would actually aid wealthier States and penalize poorer ones. I refer to H.R. 16947, which would return to each State a total of 5 percent of all Federal personal and corporate income taxes collected. This money would then be used by the State for education, health, and welfare.

The National Education Association Research Division has recently prepared statistical tables on the effects of this proposal on each State. First, the amount of each State's rebate was computed. Then the rebate was divided by the number of people in the State, which gave the amount of rebate per person. Another table shows the amount of rebate per school-age child aged 5 to 17.

Mr. Speaker, I insert these two National Education Association tables at this point in the RECORD:

TABLE 1.—*Amount of 5 percent income tax rebate, per person*

	Personal and corporate income tax collections (in thousands), 1965 [1] (1)	Amount of rebate (col. 1 times $0.05) (2)	Rebate per person (3)		Personal and corporate income tax collections (in thousands), 1965 [1] (1)	Amount of rebate (col. 1 times $0.05) (2)	Rebate per person (3)
Alabama	$691,372	$34,568,600	$9.99	Nebraska	$522,389	$26,119,450	$17.68
Alaska	80,024	4,001,200	15.82	Nevada	199,739	9,986,950	22.70
Arizona	374,495	18,724,750	11.64	New Hampshire	215,011	10,750,550	16.07
Arkansas	316,667	15,833,350	8.08	New Jersey	3,265,323	163,266,150	24.10
California	8,944,765	447,238,250	24.04	New Mexico	219,793	10,989,650	10.68
Colorado	1,175,805	58,790,250	29.86	New York	16,948,318	847,415,900	46.89
Connecticut	1,622,888	81,144,400	28.65	North Carolina	1,494,092	74,704,600	15.20
Delaware	1,004,161	50,208,050	99.42	North Dakota	119,364	5,968,200	9.15
Florida	1,651,229	82,561,450	14.22	Ohio	5,865,374	293,268,700	28.63
Georgia	1,275,886	63,794,300	14.64	Oklahoma	740,450	37,022,500	14.92
Hawaii	271,173	13,558,650	19.07	Oregon	705,222	35,261,100	18.57
Idaho	201,270	10,063,500	14.54	Pennsylvania	5,786,754	289,337,700	25.12
Illinois	7,353,661	367,683,050	34.54	Rhode Island	418,153	20,907,650	22.73
Indiana	2,114,721	105,736,050	21.65	South Carolina	492,043	24,602,150	9.68
Iowa	802,343	40,117,150	14.54	South Dakota	132,020	6,601,000	9.39
Kansas	640,801	32,040,050	14.34	Tennessee	962,009	48,100,450	12.51
Kentucky	733,658	36,682,900	11.54	Texas	3,454,960	172,748,000	16.37
Louisiana	881,969	44,098,450	12.48	Utah	281,969	14,098,450	14.24
Maine	236,588	11,829,400	11.91	Vermont	101,318	5,065,900	12.76
Maryland and District of Columbia	2,283,502	114,175,100	26.42	Virginia	1,233,654	61,682,700	13.84
Massachusetts	2,764,656	138,232,800	25.85	Washington	1,164,134	58,206,700	19.47
Michigan	6,553,589	327,679,450	39.87	West Virginia	357,791	17,889,550	9.87
Minnesota	1,580,437	79,021,850	22.23	Wisconsin	1,178,937	85,946,850	20.74
Mississippi	309,354	15,467,700	6.66	Wyoming	83,455	4,172,750	12.27
Missouri	2,253,787	112,689,350	25.06				
Montana	169,735	8,486,750	12.02	United States	92,770,808	4,638,540,400	23.93

[1] Includes $17,000,000,000 which are wage tax withholding for which individual State figures are not available.

TABLE 2.—*Amount of 5 percent income tax rebate per school-age child*

	Personal and corporate income tax collections (in thousands) 1965 [1] (1)	Amount of rebate (2)	Rebate per school age child (3)		Personal and corporate income tax collections (in thousands) 1965 [1] (1)	Amount of rebate (2)	Rebate per school age child (3)
Alabama	$691,372	$34,568,600	$35.86	Nebraska	$522,389	$26,119,450	$68.55
Alaska	80,024	4,001,200	55.57	Nevada	199,739	9,986,950	90.79
Arizona	374,495	18,724,750	42.56	New Hampshire	215,011	10,750,550	63.61
Arkansas	316,667	15,833,350	30.86	New Jersey	3,265,323	163,266,150	99.98
California	8,944,765	447,238,250	97.23	New Mexico	219,793	10,989,650	35.45
Colorado	1,175,805	58,790,250	112.41	New York	16,948,318	847,415,900	201.48
Connecticut	1,622,888	81,144,400	115.92	North Carolina	1,494,092	74,704,600	56.00
Delaware	1,004,161	50,208,050	366.48	North Dakota	119,364	5,968,200	32.61
Florida	1,651,229	82,561,450	58.76	Ohio	5,865,374	293,268,700	107.23
Georgia	1,275,886	63,794,300	53.83	Oklahoma	740,450	37,022,500	59.71
Hawaii	271,173	13,558,650	70.25	Oregon	705,222	35,261,100	71.38
Idaho	201,270	10,063,500	51.08	Pennsylvania	5,786,754	289,337,700	101.38
Illinois	7,353,661	367,683,050	138.23	Rhode Island	418,153	20,907,650	95.47
Indiana	2,114,721	105,736,050	81.65	South Carolina	492,043	24,602,150	33.11
Iowa	802,343	40,117,150	55.33	South Dakota	132,020	6,601,000	33.85
Kansas	640,801	32,040,050	55.15	Tennessee	962,009	48,100,450	47.86
Kentucky	733,658	36,682,900	43.16	Texas	3,454,960	172,748,000	60.61
Louisiana	881,969	44,098,450	43.48	Utah	281,969	14,098,450	47.63
Maine	236,588	11,829,400	46.03	Vermont	101,318	5,065,900	48.25
Maryland and District of Columbia	2,283,502	114,175,100	104.17	Virginia	1,233,654	61,682,700	53.27
Massachusetts	2,764,656	138,232,800	106.66	Washington	1,764,134	58,206,700	74.62
Michigan	6,553,589	327,679,450	144.35	West Virginia	357,791	17,889,550	36.58
Minnesota	1,580,437	79,021,850	81.63	Wisconsin	1,718,437	85,946,850	77.57
Mississippi	309,354	15,467,700	22.85	Wyoming	83,455	4,172,750	44.87
Missouri	2,253,787	112,689,350	101.70				
Montana	169,735	8,486,750	43.30	United States	92,770,808	4,638,540,400	92.78

[1] Includes $17,000,000,000 which are wage tax withholding for which individual State figures are not available.

It is immediately obvious that grave inequities would result from passage of this bill. While the NEA tables were prepared from working papers to give a general assessment of this legislation, it is readily apparent that large areas of our country would be prejudicated against. For example, if the tax rebate were used solely for education, the State of Utah would get approximately $47.63 per school-age child and the State of New York would receive approximately $201.48 per child. Montana would have approximately $43.30 per student and Delaware approximately $336.48. Maine would receive approximately $46.03 per student while Rhode Island would receive twice as much, about $95.47.

Mr. Speaker, many States produce raw materials which are processed in other parts of the country. Where the materials are processed, payrolls are taxed. And where taxes are greater, rebates are greater. As the chart shows, the Western and Great Plains States would not be among the chief beneficiaries of this bill.

These same States, which are being cut short by this proposal, actually need more money per person to operate a range of social services. A bookmobile driver in a sparsely populated State has to use more gas and more time to serve a certain number of students than a bookmobile driver in a populated region has to use to serve the same number.

On Friday, August 26, Senator LEE METCALF discussed this problem before a Western States Democratic Conference in Glacier National Park, Mont. I include his outstanding speech, at this point in my remarks:

A FAIR SHARE FOR THE WEST

(By Senator LEE METCALF)

We can get so preoccupied with the numbers that measure *how* government is doing that we forget the essential points of *what* government is doing. We can easily lose sight of the main direction we are moving and the basic reasons we have chosen to go that way.

The basic idea embodied in the Elementary and Secondary Education Act can be fairly well summed up in the phrase "equality of opportunity."

There is really no conflict between the concepts of competition and individual responsibility and that of "equality of opportunity." We have discovered that in order for a man to work his way toward success, he must have some basic tools and the most basic of these is education.

We have come to realize that, unfortunately, those who need a good education most seem to have the least chance to get it.

Poor people live in poor neighborhoods and send their children to what are generally inadequate schools—the schools on which the least tax money is spent and where the quality of educational offerings is the lowest. This situation is the reverse of what it ought to be. Children of poor parents, themselves probably the victims of lack of education, have big enough handicap in their home environment.

The same theory underlies some of the main provisions of the Higher Education Act of 1965.

In spite of all the private and state scholarships available, there is case after case of able, even brilliant, high school graduates finding the college doors shut because of a lack of personal financing. Part of our Higher Education Act sets up a system of Federal scholarships—appropriately called Equal Opportunity Grants—they go to able high school graduates who would not be able to attend college without this money. Other parts of this legislation, including a loan program and a work-study program in which colleges receive funds with which to pay students who work part-time on the campus, have the same basic purpose.

Medicare merely extends the philosophy of the social security system. When we set up the Social Security system, the Nation agreed that it makes sense to establish an insurance program to guarantee at least a minimum living for all citizens once they are beyond the years when they can earn a regular income. Medicare responds to the plain fact that not only are retiremnt years the years of lowest income, they are the years in which the risk of financial disaster caused by major medical expense is the greatest.

The anti-poverty idea aims not just to make poverty bearable—the goal of welfare and private charity—but actually to eliminate the fundamental causes of poverty.

We have come to realize that it costs less in the long-run to provide the basic tools that enable a man to stand on his own feet than it does to keep him dependent on society and give him just enough to live at a subsistence level.

We are trying out a variety of weapons: A Headstart program, to give pre-school children from deprived homes the educational and social makeup that may enable them to succeed rather than be doomed to failure in schools generally geared to students of middle-class background. Upward Bound, which helps bright but disadvantaged high school youngsters find themselves and become good college students instead of high school drop-outs; Job Corps camps to give intensive skill training and basic education to teenagers whose deficiencies make them destined for a life dependent on society unless these gaps are filled now; and a variety of training, education and employment programs for adults whose training fails to meet the ever-rising standards of today's world of work. Not all of the weapons we have employed in these initial stages will prove successful. As we gain experience, we will reject the approaches that don't work and, hopefully, develop better, more effective methods.

But the idea motivating our effort will remain the same—to try to blot out the very conditions that create and perpetuate poverty.

We have come to accept the idea that natural resources are fragile. They can be destroyed and they can be exhausted. Governmental actions in recent years demonstrate a modern awareness of the problems. Expansion of our parks system, better forest and range management, escalation of our battle to prevent and to abate pollution of the air and water and new efforts under the heading of that popular word "beautification."

Almost all the issues we consider in the Congress involve state and local interests and responsibilities. This is not new. The Federal system we have used so successfully since the 18th Century is based on cooperative effort among the different levels of government. That has happened in the last decade or so in that the areas of shared, or mutual, activity have expanded rapidly.

The key to success of the grant-in-aid programs is that they are flexible enough to give state and local participants a major say in the way the money will be applied.

Local schools design their own programs for which they apply for Elementary and Secondary Act fundings.

A cross-section of organizations in each community combines to devise a plan of community action in carrying out the anti-poverty program.

States and regional groupings of states, devise plans for air and water pollution abatement in using Federal money for that purpose.

Grant-in-aid formulas do, however, need some revision. I do not suggest by that any endorsement of the proposals to substitute for the grant program a system whereby a percentage of Federal tax collections within a state is simply retained by the state. Too much Montana wealth is taxed in other states, which would unduly benefit from such schemes.

For example, to a large degree Montana grains, livestock, lumber and minerals are processed in other states. The milling, packaging and refining payrolls are in other states. The food chain headquarters are, too. So are the principal stockholders of major Montana corporations.

I know that this notion of flat tax rebates to the states is popular among some Western Republicans. Let's tell the people of the West how these Republican proposals would increase the inequities in the tax structure, and work against the interest of Westerners.

This is not to say that the present grant-in-aid structure is perfect—far from it. Consider the inequities in Title One of last year's Elementary and Secondary Education Act. Montana had two point four per cent of the projects approved under this Act, but we received only one third of one per cent of the money for administering the program. Thus, Montana had to make seven times the average effort to help school districts benefit from the legislation.

Many people feel that if an area has a greater population than another, then that area should automatically receive a larger share of Federal funds. But those who argue in this way are forgetting one fact: *the high cost of space.*

This problem is particularly serious here in the West, but it also affects other sparsely settled areas such as Senator MUSKIE'S Maine. Tax dollars, be they Federal, state or local, do not go as far in the less populous areas as they do in urban states. The compact states with few school districts can administer programs for less money than a state as large as all New England. A bookmobile driver in Montana needs ten times as much gas, and ten times as much time, to reach the same number of rural students that his counterpart in Iowa does.

Here in Montana—and some of you can tell similar stories—a community leader who has to do business with several regional offices of the Department of Interior can spend a week's time and a thousand dollars just on plane fare.

The regional office of the National Park Service is in Omaha. For the Bureau of Outdoor Recreation it is Seattle. For the Bureau of Mines and Geological Survey regional headquarters are in Denver. Bonneville Power Administration is out in Portland, Bureau of Commerical Fisheries in Michigan.

Or, in the Labor Department, if the head of a vocational training school has to go to the regional office of the Office of Manpower, Automation and Training he goes to Denver. But he may have to check in with Bureau of Apprenticeship and Training—which is in Minneapolis. Or the Bureau of Employees Compensation—in Seattle. Or one of the several other regional offices of the Department—down in San Francisco.

And let's consider the similar high cost of essential services to residents of our rural areas, in the field of health and education. A farmer may have to go 50 miles to a dentist, 50 miles in another direction for a doctor. Long distances create additional costs. One automobile may be a convenience to a city dweller but two cars may be a necessity in a rural area, in order that a man can provide his family with essential education and health services and maintain a livelihood.

School and hospital administrators are required to bring in architects or other technicians from hundreds of miles away.

We Western Democrats need to develop the facts on the high cost of space and see to it that these costs are reflected in the cooperative Federal-state-local programs. There are strong counter-pressures. Senator Javits of New York and others have been attempting to revise the Hill-Burton formula to put a greater percentage of money into the urban areas.

But we have allies on our side. They include the Western States Public Health Directors, superintendents of state mental hospitals, our state superintendents of public instruction, members of the Western Interstate Commission of Higher Education and scholars of the West such as Montana State University's Doctor Carl Kraenzel.

It is our responsibility, it is our opportunity, to mold the developing pattern of cooperative financing so that it meets the needs of the Great Plains and the Rocky Mountain areas we love.

To do so is not to deprive the needs of the cities.

Rather it is to make the Federal system work, ever better, to the benefit of all our citizens.

Mr. Speaker, I am sure that we are all united in our desire to give the States a chance to carry on vigorous and imaginative education, health, and welfare programs. But let us not adopt a plan which would penalize the States which can least afford it. Let us strive for equality as well as excellence.

A SALUTE TO SHENANDOAH, PA.

Mr. RHODES of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I rise to salute a most historical and significant event in the history of the Commonwealth of Pennsylvania. The occasion I am referring to is the centennial anniversary now being celebrated by the community of Shenandoah, Pa.

It has been my honor and privilege to have represented this community in Congress since 1962. The name Shenandoah is an Indian name which means "Daughter of the Stars." The community has a population of 11,000 and is located in the southern anthracite region of Schuylkill County.

Shenandoah became a borough on January 16, 1866. For more than half a century the chief industry was the mining of anthracite coal. However, in recent years a good beginning has been made to draw a number of diversified industries into the area. Because of the resourcefulness and skill of its citizens, the potential for the growth of this community is almost unlimited.

One vital need of the community has been better road access so that its goods can be transported quickly to the ready markets of the east coast. I am pleased, Mr. Speaker, that two new Federal interstate highways, the Keystone Shortway and the Anthracite Expressway will meet this vital need.

It was my pleasure to have participated in the parade opening the week long celebration. Also participating was one of the famous sons of Shenandoah, Mr. Jerry Wolman, the president of the Philadelphia Eagles, who won public acclaim from his fellow citizens.

The opening day ceremonies were impressive as is the schedule for the entire week: Tuesday, August 30—Youth Day and Ladies Day; Wednesday—Military and Veterans Day; Thursday, All Nations Day; Friday—Commerce and Industry Day; and Saturday—Centennial Firemen's Day.

In addition to the official program, the celebration features a nightly showing of a community stage show called "Memories of a Century." All participants are talented residents. The show is directed by Mr. Tom Barrett, prominent local citizen associated with the Shenandoah Herald.

I am sure my colleagues join me in wishing many years of future growth and progress for Shenandoah and its devoted people.

GOOD WILL MISSION FROM GHANA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, this week the Subcommittee on Africa of the Committee on Foreign Affairs, of which I am chairman, met with an exceptionally distinguished group of gentlemen from Ghana. They were in this country on a good will mission from the new government of that pivotal west African state.

The leader, Dr. Kofi Busia, is a noted scholar in the field of sociology. Head of the former opposition United Party, Dr. Busia was forced in 1961 to flee his country to avoid imprisonment by the ousted Nkrumah regime. He is now vice chairman of a political committee appointed by the ruling National Liberation Council to provide advice on the political aspects of various questions and to recommend steps toward the restoration of civilian government.

Dr. Busia's colleagues on the mission are likewise members of the political committee and are also outstanding citizens of Ghana. They are Dr. Alex Kwapong, vice chancellor of the University of Ghana and an ardent exponent of academic freedom; Joseph Appiah, well-known attorney and Dr. Busia's second in command in the days of the United Party, William Ofori-Atta, chairman of the important Cocoa Marketing Board, who twice suffered imprisonment by Nkrumah for his political beliefs; and B. D. G. Folson, acting chairman of the Political Science Department of the University of Ghana, and a highly perceptive political analyst.

On February 24 of this year, the government of Kwame Nkrumah was deposed by a coup d'etat executed by a combination of senior military and police officers. They achieved their aim with hardly any bloodshed and have since shown tolerance toward supporters of the fallen regime.

Ghana has a rich pool of human talent in addition to its large natural resources. The new government of Ghana is struggling with vigor and realism to pay off its obligations and to develop a healthy, expanding economy. In the minds of most observers Ghana is equal to this task. In the not too distant future Ghana may well provide a model of democracy and stability for other developing countries.

THE 27TH ANNIVERSARY OF THE BEGINNING OF WORLD WAR II

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

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

There was no objection.

Mr. PUCINSKI. Mr. Speaker, today is the 27th anniversary of the beginning of World War II. It was during the morning hours of September 1, 1939, that one of the most brutual assaults on a peace-loving nation was committed in Europe when the German Nazi Wehrmacht stormed into Poland, and Poland resisted this invasion against great odds. This war led to one of the most horrible tragedies visited upon mankind. We are all familiar with the great loss of life and the great price paid through this war, but I should like on this 27th anniversary of the beginning of World War II to remind our own Nation that what we are doing in Vietnam today is trying to avoid the very thing that happened in this world in the morning hours of September 1, 1939. Had we been able then to stop the aggressors as we are now in Vietnam, had we taken the preventive action then as we are taking it now, this anniversary would not be being observed here and World War II could have been avoided.

So, Mr. Speaker, it is my hope that the American people and all freedom-loving people throughout the world will understand what the situation is in Vietnam.

DEPARTMENT OF DEFENSE FAILS TO ASSIST MISSING MEN'S WIVES AND FAMILIES

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. QUILLEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. QUILLEN. Mr. Speaker, last week in a bylined Associated Press story, which appeared in many of the newspapers in my district and in thousands of papers throughout the country, the deplorable circumstances of the wives and families, whose husbands and fathers are prisoners of war, were revealed.

I was shocked to learn of the treatment given to these dependents of our

servicemen, especially when it would seem that just the opposite would be true—that we would make special effort to assist them during such a difficult and anxious period.

These wives and other dependents are shouldering burdens that can only be termed the most heart-rendering sacrifices in the war to preserve freedom.

As we give every assistance to the servicemen who have returned from Vietnam and other wars, to our elderly, and to our poor, how can we ignore the wives and families of our missing men, of whom we ask so much.

I deeply sympathize with their overwhelming sadness, and I find it impossible to fully express the great pride that I feel for the courage with which they accept and carry their grave responsibilities.

I believe that it is obvious that this situation is due to another instance of the slow, careless operation of the Department of Defense. I call upon the Secretary of Defense to take immediate action to remedy the troubles of the dependents of our servicemen who are missing in action. We must do everything that we possibly can to lighten their burdens.

In closing, I am inserting the article, as it appeared in the Bristol, Tenn., Herald-Courier:

MISSING MEN'S WIVES TIED UP IN RED TAPE

(By John T. Wheeler)

(EDITOR'S NOTE.—The wives of some U.S. fighting men missing or captured in Viet Nam must tangle with red tape and what seems to them bureaucratic indifference. Here's a report on what can happen when a service wife suddenly finds herself in a legal limbo.)

NEW YORK.—Wives of U.S. fighting men missing or captured in Viet Nam say they sometimes must shoulder bewildering burdens because their husbands have become legal "nonpersons."

Some of them contend they have been forced to tackle walls of red tape and bureaucratic indifference in carrying the load.

When a man is declared missing or captured, his status falls into a gray legal area, somewhere between alive and dead. He can not act for himself, and his wife or dependents can't act for him, except in special circumstances.

Major complaints reported by next of kin include:

Problems in making ends meet because money the serviceman had been sending home stops and the pay he was getting is frozen. It can take weeks or months to unfreeze part of it.

A federal income tax bureau refused to process a joint return unless the wife somehow got the signature of her husband, who had been shot down over North Viet Nam.

THE IRONY

The woman was forced to sell the family car because she couldn't get new license plates without her husband's signature.

Wives and children who are entitled to free medical treatment can't get it sometimes in emergencies because they are not allowed to live on military bases.

Attorney fees to solve legal problems directly related to a missing man's or POW's status must be borne by the families.

—Only bare-boned, sometimes confusing reports are iscued by the Defense Department concerning the fate of lost men. Many doubts are cleared up only after families ask congressmen for help.

A Pentagon spokesman said such problems are "normal things that must be put up with when a man is missing or captured. Anyone with someone missing in action or captured will hit snags."

DOES ITS BEST

He said the Pentagon does its best to give families the full details of casualties. Complaints, he said, must be the exception.

Each service maintains a casualty assistance office to help dependents in whatever way possible after their men become casualties, the spokesman said.

He added later, "But don't write anything that will bring a flood of letters or calls. It's not so much that they (the offices) couldn't handle it, but there is no requirement for it. It would create unnecessary problems."

Instances of problems faced by families have cropped up in reports from a recently formed civilian group seeking to protect POWs' legal rights, and in interviews of some wives by the Associated Press.

Names of the missing men and their families are omitted to prevent the Communists from confronting captured men with reports of difficulties encountered by their dependents. The Defense Department declines to make public information about the men for the same reason.

"GO ON RELIEF"

One woman who tried to get quick cash from the Air Force after her husband was shot down reported, "One officer at the base told me to go on relief because he couldn't give me the money.

"It was only a couple of weeks before Christmas and I said, 'You've got to be kidding me.' But he wasn't."

She had been getting a regular postal money order from her husband in addition to a monthly allotment of $200, a deduction from his pay arranged by the serviceman.

Told she could not draw against her husband's pay, which was accumulating in a special account, the woman threatened to go to the newspapers. She also wrote President Johnson. She says she got the money and a letter of apology from the Air Force.

The troubles of some service wives came to light during the past two months after Patrick McGahn, an Atlantic City, N.J., lawyer, formed the Society for the Defense of American Prisoners.

McGahn's original interest was in trying to get American lawyers into North Vietnam to defend American fliers, then threatened with trials as war criminals.

He says that more than 100 wives and parents of missing men called or wrote him, many complaining of their treatment by the government. Some enclosed copies of their correspondence with the military and congressmen.

With some 400 Americans missing in the Viet Nam war, McGahn suggests the services could pool resources to provide highly trained personnel that could regularly visit dependents, explain their rights, help with filling out forms, offer legal advice and aid them in dealing with government agencies.

If a GI is killed, then such things as real estate and other property pass to dependents together with special payments from the government and money from insurance policies.

To ease the threat of red tape, the services encourage Viet Nam-bound men to give their wives general powers of attorney—permitting them to act for the husband legally no matter what comes up. But some wives report this doesn't always solve the problem.

UNDERSTANDING NATIONALISM

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. MORSE] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MORSE. Mr. Speaker, nationalism exists in varying types and levels throughout the world. It is a highly elastic term but one becoming increasingly common in explaining the problems we face today in our foreign relations. For these reasons it is important not only that we recognize its importance but that we understand it in the proper perspective as we reconsider our policies.

There is a great deal of ambivalence about nationalism in American attitudes. Particularly in relation to the vehemence of De Gaulle's nationalism, its infectiousness in Europe, and the NATO crisis, we seem to have been puzzled, if not hurt, by what seems to be a defection on the part of our allies. This is not the time for reaction, however, but a time for taking initiatives. It is a time for understanding the reasons.

An article in the September issue of Fortune magazine, by Max Ways, entitled "Europe's New Nationalism" is an extraordinarily perceptive, sensitive, and sensible analysis of the situation. Such thinking is necessary, I feel, in our efforts to reaffirm the close ties of the Atlantic Alliance. I ask unanimous consent that the article be printed in the RECORD.

OPPORTUNITIES AS WELL AS TROUBLE FOR U.S. POLICY ARE CREATED BY EUROPE'S NEW NATIONALISM

(By Max Ways)

Whatever Charles de Gaulle is restlessly seeking cannot be the gratitude of the U.S. Yet the American public in the long run may have good reasons to thank him for his recent disruptions. This year he put Europe back into U.S. headlines—where it belongs. Though the war, as we are in no danger of forgetting, is in Vietnam, though the Communist opportunity, diminished but still great, lies mainly in the underdeveloped continents, Europe remains an area of critical importance. If Europe falters or if its relations with the U.S. become seriously diseased, then deterioration everywhere may overtake the effort to build a peaceful and progressive international order.

No deep-seated, inexorable rot affects the North Atlantic alliance. It remains the strongest, closest, most successful peacetime association ever formed among free nations. In a fast-moving world, however, success has special perils. Without a de Gaulle in center stage, there was danger that public opinion would assume U.S.-European relations to have been "settled." The Europe to which the U.S. public eye now returns is different from the Europe of the years when the alliance was formed, and this new Europe is traveling a road different from the roads imagined by old U.S. fears and old U.S. hopes. The health of the alliance requires a sharper U.S. understanding of the actual Europe of 1966.

De Gaulle's abrupt decision to withdraw French forces from NATO's integrated command and to eject allied troops from France—unwise and wrongheaded as it is in the NATO military context—was made in the name of France's sacred national sovereignty. The bizarre tactics he employs are products of his complex personality and glamorous biography; but his dramatic action calls attention to the impersonal fact that nationalism, in a new sense, is an important and rising element in the Europe—east and west—of 1966. Probably a majority of de Gaulle's countrymen and a great many

other Europeans, while deploring de Gaulle's rudeness to his allies, agree in a general way with his resistance to the kind and degree of integration promoted by the U.S. In the teeth of that rising resistance, should the U.S. persist in certain integrationist policies for Western Europe? Must NATO's military command, for instance, be so tightly knit? Or would a structure more accommodating to national sovereignty serve NATO's essential functions: guarding Western Europe against any resurgence of Soviet aggression and expressing the cohesion that undoubtedly exists in the North Atlantic community. In short, can ties between the allies be relaxed without leading to disintegration of the alliance?

Ambivalence about nationalism is conspicuous in American attitudes. When nationalism raises it voice in Western Europe, particularly in de Gaulle's antique rhetoric, Americans tend to hear it as the atavistic call of Europe's disordered past. At the same time, Americans quite accurately recognize the growing nationalism of *Eastern* European countries as a progressive movement that gives their peoples a significant measure of national freedom from Communist "integration." Obviously, the North Atlantic Treaty and the Warsaw Pact are not similar instruments. The inhibitions that treaties of cooperation impose on freely contracting governments of free peoples are politically and morally different from the denials of national freedom imposed on Eastern Europe by the Red Army and maintained by Communist police states. Yet U.S. policy appears awkwardly inconsistent when it deplores nationalism in Western Europe while applauding it in Eastern Europe. Henry Kissinger, writing recently in *The Reporter*, points out that U.S. policy has welcomed as "natural" the emergence of nation-states in former colonial areas of Asia and Africa, while "in Western Europe, where the concept of nationalism had originated, American policy has decried the nation-state as outdated and backward."

Communists, Gaullists, and other U.S.-baiters cynically attribute this inconsistency to a selfish American desire to keep Western Europe weak. Americans can let twenty years of successful U.S. contribution to the reinvigoration of Western Europe answer that charge. But the U.S. does need to look anew at how its postwar policy objectives for Europe came to be so firmly pinned to a particular kind of European integration, which now seems in conflict with European nationalism. These objectives, valid enough immediately after the war, now need to be re-examined in the light of what has actually happened in Europe since then.

THE CHOICE EUROPE REFUSED TO MAKE

The U.S. in the late Forties was acutely conscious that European nationalism had been responsible for two world wars. In the second calamity, nationalism not only had impelled the aggressor but had weakened the victims by precluding their cooperation in defense. Moreover, national barriers in pre-1939 Europe had caused it to lose economic and social momentum; stagnation, in turn, had bred Marxist and Fascist ideologies. Not surprisingly, most Americans regarded a postwar resurgence of strong European nationalism as undesirable. They also regarded it as unlikely—except, perhaps in Germany, where it could be suppressed by the victors.

The vision of an integrated Europe that took shape after the war was heavily influenced by the belief that the nation-state had been permanently disabled from becoming again the main framework of Europe's political life. Instead, the European peoples would federate under some supranational governmental organs. Ideas about the kind and degree of integration differed but, significantly the phrase "the United States of Europe" was often used—and is still used—in referring to this "grand design." It was assumed that in Europe nationalism and integration were a pair of opposites that would vary inversely; as the one waned the other would wax.

Things have not worked out that way. Europe's nationalism revived strongly enough to reject a series of U.S.-sponsored schemes for military integration from E.D.C. (the European Defense Community) to MLF (the Multilateral Force). Moves toward explicitly supranational political organs such as a European parliament have ground to a halt. Western Europe's governments have displayed considerable competence in dealing with an enlarged range of affairs now considered national in scope. Whether or not they deserve it, these governments get a large measure of credit from their citizens for Europe's rapid economic and social progress. Perhaps more significant, national governments are regarded as giving a measure of cohesion to countries in the throes of bewildering social change. Revived confidence in "the nation" has been a factor in the precipitous decline of an extranational ideology, Communism, in Western Europe.

In these circumstances one might expect to find the cause of integration completely stultified. But such is far from the case. In some respect, the leveling of Western Europe's national economic barriers has moved further and faster than the fondest hopes of the late Forties thought possible. The European Economic Community (the Common Market) operates by legal arrangements that seriously limit the scope of national sovereignty in the six member nations. The Common Market has strong popular support; de Gaulle's seven-month "strike" against it almost cost him the 1965 elections. Few in Europe today believe that the integrationist trend represented by E.E.C. and E.F.T.A., the looser European Free Trade Association, will be reversed. In purely political affairs, too, rivalry between Western European nations has abated. Nobody fears another war between France and Germany, or between any two Western European countries. Though NATO is now in crisis, it has achieved a degree of peacetime political and military cooperation unknown in Europe's past.

In short, Western Europe refused to choose between nationalism and integration. It chose both.

TWO KINDS OF NATIONALISM

This could not have happened if today's nationalism in Europe was a recurrence of the divisive, absolutist brand of prewar nationalism. In fact, the "new" nationalism has many different qualities from the "old." They have in common the tendency to look upon the nation-state as the main theatre of political action, and to identify it with the character and destiny of "the people." But the two kinds of nationalism are separated by the enormous gulf that divides the economic, social, and psychological conditions of postwar Europe from those of prewar Europe.

The "old" nationalism was not, in fact, very old as the major form of European politics. The nineteenth century was a transition between the Europe of the dynasts and the national Europe of the sovereign peoples, who took into their own hands some of the absolutist tendencies of the final, post-feudal phase of the monarchies.

Socially, nineteenth-century Europe's two most important classes were the liberated peasantry and the less numerous but potent bourgeoisie. They imparted to the "old" nationalism certain of their own class attitudes. The peasant contributed to European national politics an accent on territory that was almost fatal because it defined national security, national progress, and national interest in terms of land—on a continent where all the land was occupied. Since agricultural technology was not advancing very rapidly, a farmer's sole hope of economic advantage lay in acquiring more fields. Because his government reflected this land hunger, frontiers between nations were hotly disputed. As late as World War II, Hitler's demand for German *Lebensraum* in the East found a ready response from Germans who felt their national energies hopelessly cramped by their boundaries. The European bourgeois had parallel political tendencies. He wanted from politics a minimum of government regulation and a maximum of government help in obtaining and holding captive markets. His influence led to economic warfare inside Europe and imperialism abroad. The European bourgeois shared with the peasant, who was after all his grandfather, and absolutist sense of property ("What's mine is mine"), which, when projected into foreign policy, became the "old" nationalist assertion of unlimited sovereignty.

Today the Europe of the peasants is as dead as the Europe of the dynasts—with which it briefly joined hands. Peasants are less numerous every year, and even the dullest peasant begins to understand that more fertilizer, more machinery, wider markets—and perhaps some price support from his national government—are a better path to progress than more land. Modern technology was born in Europe, but it is only in the last twenty years that the implications of technology have really changed Europe's social structure and its political attitudes. A wise observer in Western Europe called attention to the change in these words: "Don't forget that not even Romania is run by the old peasant mentality. It is run by people who understand that progress depends on technology and management."

FROM HORIZONTAL TO VERTICAL GROWTH

In political terms the deepest lesson of the postwar West German economic "miracle" was the demonstration that a truncated country, much more densely populated than Hitler's Germany, could attain in a few years a standard of living which prewar Germany had been certain could be achieved only by more land and more captive markets. Prewar Italy, too, had been open to the temptations of territorial expansion and imperialist aggression because it was sure it needed more physical resources to sustain its growing population. Yet Italy's postwar living standard has risen rapidly while its population has increased. It discovered that land and physical resources were not limiting factors on growth.

The contrast between prewar and postwar nationalism is personified in the differences between two strong leaders, Mussolini and de Gaulle. Whereas Il Duce drove for African colonies, de Gaulle's great achievement has been to sustain French national morale during and after the liquidation of its overseas possessions. Mussolini persuaded the Italian people to make great material sacrifices to enlarge their military establishment. De Gaulle in four years has reduced the number of Frenchmen under arms from 1,200,000 to 557,000; today, French military expenditures, including the nuclear *force de frappe*, probably account for a smaller proportion of the gross national product than at any time in France's modern history. In economic affairs, Mussolini pursued inside Italy the antimarket practices of the "old" nationalism while practicing economic warfare, in so far as he was able, in foreign policy. De Gaulle's internal and external economic policies have been libertarian to a degree that surprises those who think he is a throwback to the "old" nationalism.

De Gaulle defines for his country no territorial or other national "interests" in the old sense. He yearns for France to play a great role in Europe—and beyond Europe. But his dream is of the greatness of persuasion and political leverage, not of physical possession and raw power. Is it an accident that Mussolini was a child of the peasantry

and de Gaulle, a professor's son, was born to the aristocracy of knowledge?

The axis of national growth as perceived by European people and their leaders has swung from the horizontal to the vertical. The nation-state no longer dreams of elbowing its way outward into the lands of other nations because it knows it can move upward into the limitless space of technological progress. Only the British—oddly—remain obsessed by the relation of population to territory. In their case that crowded feeling finds no aggressive outlet but turns masochistically inward to serve as a thin but cherished excuse for the slowest economic growth rate of any major country in postwar Western Europe.

FROM FATHERLANDS TO MOTHER TONGUES

The Europe of 1966 is the Europe of the salaried man, a member of "the middle income group," which is by no means the same as the old middle class or bourgeoisie. The salaried man's livelihood depends neither on his own muscle nor on his individually owned property, but on the brainwork he contributes to private or public organizations. Europeans not in the salaried group aspire to it—for themselves or for their children. The key to entry is education.

Most of the organizations in which the salaried man works compete with one another, but this competition occurs within the great web of interdependence and cooperation that makes up today's economy. Maintaining this web in a changing society requires the development of the arts and skills of communication. In all the advanced countries a decreasing proportion of workers will be engaged in the production of the basic material necessities of life and an increasing proportion will be involved in verbal and cultural activities such as education and the rest of "the knowledge industry." This economic shift from things to words, from basic material necessities to discretionary goods and services, encourages differentiation between the way of life of different cultures. A ton of pig iron is a ton of pig iron anywhere and the efficiency of its production can be judged by standards that have nothing to do with national "taste." A school system or an entertainment industry, however, is susceptible to a wide range of choice; different cultures value such services differently. Europe's cultures, strongly marked by differences of language and history, are national.

This is why the new Europe is not a homogenizing Europe. Though its peoples, especially the young, have developed a new love of travel across national boundaries, though it has strengthened its networks of political, economic, and cultural communication, the politics of the new Europe reflects economic and social changes that strengthen national identity.

Yet the Europe of the salaried man produces a kind of nationalism that permits a high degree of cooperation or "integration" among the nations. The salaried man, part of a team, expects his nation to be part of a team of nations. Just as he has enlarged many of his own freedoms by abandoning the "autonomy" of the peasant and the bourgeois, so advanced nations today expect to gain through international cooperation a greater freedom to work out their national destinies. A German politician expressed the point this way: "Given the present social and occupational makeup of Europe's peoples, it makes no sense for any nation to pursue its national interests except within the framework of alliances and larger groupings." The new nationalism of Europe has little to do with "blood and soil"; the old nationalism of the fatherlands is being replaced by a gentler—though not a psychologically weaker—nationalism of the mother tongues.

THE U.S. WAS THERE FIRST

Twentieth-century Americans ought to be able to understand the "new" nationalism; they invented it. The nationalist character of the U.S. has increased since the 1930's. Regional conflict plays a smaller and smaller part in our politics. Class interests are submerged. Religious differences have lost political importance. Except for the lag in the case of the Negro, the politics of ethnic groups now plays a very small role. Ideologies of one brand or another are declining in favor of a politics that competes in finding pragmatic solutions to national problems, most of which arise from the unprecedented rate of economic and social change.

Yet during the same period the U.S. has also become far more "integrationist" in its attitudes toward other countries. It subscribes to scores of pacts and international organizations that impose heavy costs while limiting its freedom of international—and even internal—action. As the first country of the salaried man, the first country of mass higher education, the first country to sense the unlimited possibilities of organized technology, the U.S. has no territorial ambitions and regards captive markets as undesirable and, in the long run, impossible. The postwar foreign policy of the U.S. has not pursued "national interests" in the narrow nineteenth-century sense; aware that the well-being of its own nationalism depends more and more on the well-being of other nations, the U.S. has concentrated on building cooperative organizations among the free nations.

Europe, in opting for both nationalism and integration, is not consciously imitating the U.S. and the U.S. is not "leading" Europe along this path, except in the simple sense that the U.S. experience of radical change began sooner than Europe's. Nevertheless, trends in the internal politics of European nations begin to show characteristics similar to those of internal U.S. politics. Within nearly all European countries regional differences are diminishing. Even more striking is the decline of class struggle, ideological conflict, and religious rivalry. For example, the Socialist party in West Germany a few years ago formally renounced Marxism as its official philosophy. Since then, the party seems to be attracting more white-collar people who do not think of themselves as working class and who do not like class-structured politics. In this summer's election in North Rhine-Westphalia, Socialist candidates are said to have drawn the votes of large numbers of Catholics on the basis of purely practical, non-ideological issues. Meanwhile, as Marxism declines, the "Christian" parties of Germany, Italy, and France are shedding their original character as shields against Marxism. Europeans, who have been bewildered for decades by the low ideological content of U.S. parties, are themselves moving toward similar broad political groupings, which attempt "consensus politics" to deal with national problems created by economic and social change.

LEVERS OF NATIONAL CHOICE

The new opportunities for individual and social progress that now open before the advanced nations gives them a sense, both exhilarating and bewildering, that they must make choices. In all of the Western nations most choices are being made by individuals and nongovernmental organizations operating through markets. But national governments everywhere are expected to have important roles in these conscious choices of what kind of society a nation wants to be. In the U.S., President Johnson has responded to this sense of enlarging opportunity by urging the nation to aspire toward "the Great Society." West Germany's Premier Ludwig Erhard has suggested that Germans give thought to what, as a people, they want to be; he calls this "the shaped society." France has Le Plan, which may make little direct contribution to the economic growth of France, but which sustains national morale by giving the French people the sense that they have, through their national government, some collective influence over the direction of economic change. These levers of choice, along with the established welfarist institutions of the contemporary nation-state, are all aspects of the "new" nationalism.

The growing sense of national choice militates against the possiblity that the scope and prestige of national governments, in Europe or elsewhere, will wither away. But while it precludes the transference of power to political organs *above* the nations, it does not prevent the development of strong ties of cooperative action *among* the nations. The latter is precisely what has been developing in the Atlantic community. The U.S., if it understands the new nationalism, will cease to suspect Europe of trying to turn back the clock toward the old anarchy of unlimited sovereignty. Europe, in turn, may eventually stop suspecting the U.S. of the kind of nationalist and imperialist self-seeking that was so conspicuous a part of Europe's own past.

NEW POINTS OF FRICTION

If we exorcised these ghosts from the past that now trouble North Atlantic relations we would be better able to deal with certain serious causes of friction that arise from the new situation. Because technology and its management are now seen by the advanced Western nations as the keys to progress, the huge U.S. lead in both these fields gives rise not only to emulation but to jealously among its European competitor-partners. Much of the latent anti-Americanism in Western Europe, which de Gaulle expresses, arises from the feeling that the U.S. presence looms so large on the horizon that it thwarts the desire of European countries to feel that they are in control of their own future.

Certain fundamental facts causing imbalance within the Atlantic alliance cannot be radically changed. Western nuclear power, necessary to protect Western Europe from possible political blackmail by Soviet nuclear power, resides preponderantly in the U.S. There is no practical possibility that Western Europe could "catch up" in nuclear power even if it wished to do so—which is very doubtful. No wholly satisfactory plan for redistributing political control of nuclear power on an "equal" basis among the allies has ever been put forward—and none may be possible. Meanwhile, pretenses of equality, such as the Multilateral Force proposal, which would have internationalized a very small fraction of total Western nuclear power, do more harm than good. Nor has history trended toward the world envisioned in the "dumbbell theory," with an integrated Europe balancing an integrated U.S.

The existing framework of NATO cooperation, while it is not entirely "logical" or "equal," has not failed—and should not be allowed to disintegrate. Most Western Europeans—politicians and people—prefer it to any other system now in sight. The policy task is to preserve the essentials of the present NATO system while taking the utmost pains to minimize the damage to European national sensitivity and morale that arises from the ineradicable imbalance of power.

U.S. spokesmen sometimes disregard this special need for keeping the American preponderance as unobtrusive as possible. Robert S. McNamara, respected among knowledgeable Europeans for his organizational leadership of the U.S. Defense Department, is frequently cited by the same Europeans as an irritant. He once announced a change in NATO strategic concepts in a University of Michigan speech not seen in advance by members of allied governments.

This summer he *publicly* twisted the arm of the West German Government on behalf of increased weapons purchase from the U.S. to offset balance-of-payments problems created by American troops in Germany. The objective was valid, but the method tends to hurt German national pride and—more pointedly—to damage the prestige of German politicians in the eyes of their own people. Most Germans like most other Europeans, are realistic enough to understand that U.S. power gives it an enormous extra weight in the alliance. But they are nationalist enough to resent anything that indicates the U.S. is "throwing its weight around."

THE "BRAIN DRAIN" PHOBIA

In economic affairs an analogous set of difficulties is created by the imbalance within the alliance. Again, the basic fact cannot be altered. The long U.S. lead in technology and in new managerial skills is not narrowing. Historically, the U.S. headstart may be attributable in large part to the fact that it developed a competitive market on a continental scale while the Europeans were still playing the "old" nationalist and imperialist game of narrow, closed markets. Even though the Common Market and other recent developments in Western Europe put it on the same economic track as the U.S., they do not guarantee that the gap between the two sides of the Atlantic in technology and management will ever be closed.

Only in the last five years have European countries begun to realize that higher education for *millions* of citizens is now the main element in the U.S. lead. Western Europe probably could not afford as much higher education as the U.S. has; in any case Western Europe could not quickly recruit the corps of teachers required for the task. So the technology gap and the managerial gap will continue.

And it will continue to rankle. Many Europeans, while understanding that U.S. direct investment in Europe is desirable, nevertheless deplore what they consider increasing American "domination" of the European business scene. They have an obsessive fear of a "brain drain" that is said to occur when a U.S. company establishes manufacturing plants in Europe but does its R. and D. in the U.S., even tempting scarce European scientists and managers to transplant themselves across the Atlantic. Probably the U.S. is contributing more "brains" to Europe's progress than it is draining away, but Europeans do not believe this—and their resentment on this point rubs especially hard because the new nationalism places such a high value on technological progress.

Americans, knowing themselves to be innocent of trying to dominate Europe in the old power-politics sense, underestimate the political friction generated by the technology gap and, generally, by the growing economic presence of the U.S. in Europe. The remedy does not lie in reducing U.S. economic ties to Europe, but in a lower U.S. posture on the European skyline. U.S. officials and businessmen, out of respect for the new nationalism, should try to minimize the trouble caused by American economic preponderance.

LIGHT (LIMITED) IN THE EAST

The new nationalism can be seen in Eastern Europe, too. Viewed from the West, its virtues there are obvious because it represents a setback for the monolithic kind of integration imposed by the combination of Communist ideology and Russian imperialism. Such national independence as the Eastern European "former satellites" have achieved is limited and, perhaps, ephemeral. Nevertheless, this independence, which offers opportunities to Western policy, could not have developed as far as it has unless there had been a relaxation in the "integration" of the Western bloc.

Rising national independence in the West and in the East restores the possibility of national initiative and maneuver underneath the nuclear umbrella. Bilateral trade deals and cultural exchange agreements between nations have been worked out, whereas a formal agreement between the two blocs, even for such limited objectives, would have proved impossible. The iron curtain has become a grillwork, open at a hundred points. Considering Western vigor and progress and Eastern Europe's relative stagnation, expanding East-West contact must surely offer more political advantage to the West.

In retrospect we can see the significance of the fact that Tito, though a thoroughgoing Communist, broke with Stalin's Kremlin on grounds of protecting Yugoslavia's national dignity and independence. After the Poznan riots in Poland and the Hungarian rebellion, Khrushchev pursued a line much more respectful to Eastern European nationalism. This more tolerant policy has not prevented a stubborn refusal by the Romanian Communist Government to submit to too much "integration." Romania's exports (mainly oil) were earning hard currency, which the central economic planners of the satellite bloc (COMECON) thought might be more efficiently used to help Romania's Communist neighbors. It did not seem so to Romania's rulers. Although dedicated Communists, they saw this issue in national terms; they decided to defy COMECON—and Moscow. Subsequently, the Romanian Government extended its noncooperation from economics to other fields. It has embarrassed its Warsaw Pact allies by reducing its period of military conscription from twenty-four to sixteen months; it has refused to participate in joint Warsaw Pact training maneuvers. Romania's new nationalism is, in fact, distinctly unmilitarist. Details from its Army can be seen working on roads, public buildings, and even on experimental farms.

The Romanian Communists employ Romanian national history to increase the people's sense of an identity separate from their Slav and Magyar neighbors. The Museum of the History of the Romanian Communist Party and of the Workers and Democratic Movement in Romania, recently opened in Bucharest, conspicuously includes among the socialist and democratic heroes the Roman Emperor Trajan who, though unfortunately born in Spain, rates as a founding father of Romania because he created in that vicinity the Roman province of Dacia. Government propaganda stresses the Western orientation of Romanian history and the Latinity of the Romanian language. Peasants are encouraged to wear traditional national costumes. A newspaper in Bucharest recently thought of an unusual (for Communists) reason why Romania and Yugoslavia should continue to be friendly; it recalled that a former Queen of Yugoslavia was a Romanian! At that point, Lenin—and maybe even Comrade Trajan—must have rotated in their tombs.

The Soviet Union, of course, can squash the Romanian national defiance any time it wishes—but it can do so only by the use of military force. The Romanian Communists calculate that, in view of the U.S.S.R.'s conflict with Red China, in view of its recent wooing of the errant Tito, in view of the generally unhappy state of Communist Eastern Europe, Moscow will continue to refrain from this step. Romanian brinkmanship is played cautiously. It gives no slightest sign of following Albania into the Chinese Communist camp. And from time to time, Romania's leaders express a ritual solidarity with the Communist world; after the U.S. bombing of Hanoi and Haiphong, a levy of middle-aged workers turned up to throw rocks in the general direction of the U.S. Embassy. Although the University of Bucharest is only a few blocks from the Embassy, students were not among the rioters. The government, which acts as impresario for such demonstrations, would not want to form bad habits of political protest in the young or interrupt the studies of those so urgently needed to carry on Romania's march toward national progress.

WILL LIBERALIZATION WORK?

In other Eastern European countries there is a restless striving for policies that vary from the standard Communist package. Hungarian and Czech Communist leaders, disgusted at low rates of economic progress, have adopted (on paper) programs of economic liberalization. Not even on the editorial pages of the *Wall Street Journal* can one find more bitter denunciation of central economic planning than those now current among Czech and Hungarian Communist intellectuals. They point out specific mistakes of planners: overconcentration on heavy industry, shoddy products, lack of technological advance, worker inefficiency. Agriculture, as is usual in Communist countries, is in the worst mess. The average age of farm workers in Hungary is fifty-four and in Czechoslovakia it is fifty.

The reformers hope that competition through markets will bring cost cutting, product improvement, better worker discipline, and a spirit of innovation. They associate their reforms with the hope of increased trade with the West. If their liberalized economies become more efficient they could, they believe, export competitively to Western markets; meanwhile, these countries seek credits for capital goods.

The ifs in this prospect are very large indeed. When the Czech and Hungarian economic reformers turn from criticism of their overplanned recent past to descriptions of their liberalized future it becomes apparent that nobody has a clear idea of how the new economic system will work. The reformers insist that there will be no private profit, no private ownership of the means of production. These anticapitalist attitudes probably run deep in Eastern Europe; certainly they are by no means confined to Communists. Eastern Europe's experience with capitalism (and with democracy) is not, on the whole, a happy one. If these peoples now move toward market economies they do so under the pragmatic spur of aspirations for faster national progress, not because they are ideologically attracted by the Western system.

An economic system of markets without private capitalism must still depend on central planning to close the link between consumption and investment. If the consumer market beckons a factory manager in one direction and the planners, who control resources, move him in another, the manager may be more helpless, more confused, and less innovative than he was under complete central planning. But should the economic reforms in the Communist world fail a long way short of producing the intended results, this would pose no hard problems for Western political policy. Whether liberalization works or not, the experiment will almost certainly stimulate a gradual weakening of what a decade ago was a very tight Communist control.

The overriding fact about the present condition of the "former satellites" is that Communism has conspicuously failed to fulfill the aspirations of the peoples for national progress. All over the world this fast dampens the effectiveness of the Communist appeal. Zbigniew Brzezinski, a former Columbia professor now serving the U.S. State Department as a member of the Policy Planning Council, has summed it up: "Europe is where the dream of Communist internationalism lies buried."

THE WORLDWIDE LESSON

Although Communism has lost momentum it has not lost the power to defend the positions it holds when they are directly assaulted. In recent years the West has recognized that the direct pressure exercised by the NATO alliance was unlikely to force the U.S.S.R. to agree to a reunification of Germany. Partition of Germany remains the most serious specific issue between the U.S.S.R. and the West—an issue dangerous to Europe's future health.

The growing importance of nationalism and the corresponding decline of tight "bloc strategy"—East and West—offers a new kind of hope for solution of "the German problem." As the U.S.S.R. recognizes the claims of nationalism in Eastern Europe it should find greater and greater difficulty in denying the German right to national unity.

To sum up, Europe's new nationalism offers more advantage than danger for the true goals of U.S. policy. Future relations between the U.S. and its European allies—and the relations of the allies to one another—are probably going to be much more troubled than they were in the Fifties. Certain simplicities of the cold-war period will remain—and the essential Western alliance will need to stay intact to deal with any possible reactivation of the Soviet threat to Europe. But in a more complex way Europe's basic economic and social trends are creating a kind of political framework that can also work for the West.

Everywhere in the world rising nationalism is linked to the demands of peoples for progress and with the need to deal politically with the problems created by progress. Viewed in this way, the new nationalism offers opportunity for a whole new range of U.S. policies—including both the reinforcement of the political and economic integration that comes naturally, and support for prideful sovereignties that seek to adjust to progress in their own way.

INFLATION BECOMING MORE SERIOUS

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota [Mr. ANDREWS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ANDREWS of North Dakota. Mr. Speaker, inflation continues to plague us in Congress just as it is becoming more and more serious for the people of North Dakota. Recently I voted to prevent a Federal expenditure to provide a windfall bonanza for the big money men on Wall Street.

The proposal, designed only to make a huge budget deficit look smaller, provides that about 100 Government agencies may pool their mortgages and then sell an interest in this pool to private investors at 5¾ percent interest. Those who cannot come forth with $5,000 are not eligible to take part in this profitable part of the Great Society.

They can, of course, still buy Government bonds which pay only 4⅙ percent. Thus, under this administration invention aimed at distorting the big budget deficit, the good citizens who demonstrate their faith in America by buying the savings bond are paid 40 percent less interest by the U.S. Treasury for using their money than the big investors. It is from the same Treasury—it is just that the big investors receive 5¾ percent and the average American is paid 4⅙ percent.

Congressmen and Government leaders on both sides of the political fence are coming forth in increasing numbers urging the administration to take some action to halt the inflationary spiral that is getting everyone dizzy. Yet, nothing is done for the consumer.

We do not yet need an increase in taxes in our continuing fight against inflation. It can be won by doing two things—reducing expenditures from many Great Society programs, and tightening our belts in Government to meet our commitments in Vietnam.

NATIONAL COMMANDER OF THE AMERICAN LEGION

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from North Dakota [Mr. ANDREWS] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. ANDREWS of North Dakota. Mr. Speaker, again today the great State of North Dakota received a signal honor when one of its illustrious citizens was elected national commander of the American Legion here in Washington.

John E. Davis, the new commander, a former two-term Republican Governor of my State, joins the ranks of two fellow citizens who were also given national recognition this year.

Our Governor, William Guy, was recently elected and is serving as chairman of the National Governor's Conference and a popular, highly respected newspaper publisher, Ray Dobson, of the Minot Daily News, was elected grand exalted ruler of the Benevolent and Protective Order of Elks in the United States.

Although ours is not a populous State, it quite obviously compensates in quality for what it lacks in quantity.

Former Governor Davis will, you are assured, provide continued leadership for this great veterans organization. It will grow in both stature and number under his forceful, effective, and intelligent leadership.

THE MISSING DESERVE FULL ATTENTION

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REID] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. REID of New York. Mr. Speaker, there have been several articles and editorials in the press the past few days expressing deep concern over possible hardships suffered by wives and children of our servicemen who have been captured or are missing in Vietnam. I am deeply disturbed over these reports, and I have asked the Secretary of Defense, Robert S. McNamara to inform me who in his Department has the responsibility for coordinating all questions which may arise in connection with the needs of the families of these servicemen.

It is vital that the families receive all necessary assistance in a prompt, courteous, helpful manner—particularly that they not be confronted with bureaucratic redtape in this time of personal stress.

Under unanimous consent, I include an excellent editorial entitled "The Missing Deserve Full Attention" from the White Plains Reporter Dispatch at this point in the RECORD:

THE MISSING DESERVE FULL ATTENTION

The greatest tribulation for the family of a man in the armed forces is the strain of uncertainty which follows a report that a loved one has been declared missing in action.

Months may pass with never a reassuring word or even a tantalizing piece of official information as to the circumstances of the man's disappearance. Meanwhile, every scrap of news about war theater conditions, treatment of prisoners, chances of survival, engagements in which he might have been involved are examined with hope for a clue as to his fate.

Were this not bad enough, many wives are finding that life itself becomes more difficult and complex for them because of what an Associated Press survey describes as redtape and bureaucratic indifference.

A missing man's pay is frozen and money he has been sending home is stopped; families lose service-connected benefits; legal problems develop because it is impossible to get the missing man's signature or assent—but worst of all must be the rebuffs received from Federal agencies when appeals for help are made.

A nation which can spend billions of dollars to benefit impoverished and underprivileged families and individuals at home in peace cannot be satisfied to close its eyes to the plight of the dependents of men who have been placed in jeopardy while in the armed service of their country.

As of this date, the total of those listed as missing comes to about 400—a number not so large that it would cause even an economic ripple if all their needs were to be underwritten by the government until the status of each of the lost men could be determined.

That any should be pauperized or victimized or forced to lose rights or property as a result of the situation is shameful. It is even worse that it has been found necessary to organize a private group, the Society for the Defense of American Prisoners, formed by Patrick McGahn, an Atlantic City, N.J., lawyer, to seek to assist them.

To have a missing man's wife told by an Army officer to "go on relief" when she appealed for aid; to have another forced to forego use of the family car because she couldn't get her husband's signature on an application for new license plates; to have a third deprived of the advantage of filing a joint income tax return for the lack of her husband's signature—these, and other similar abuses, are intolerable.

It is easy for some brass hat at the Pentagon, his identity disguised as a "spokesman," to comment that such problems are "normal things that must be put up with when a man is missing or captured" and to note that each service maintains a casualty assistance office to help dependents "in any way possible."

But the scope of that help and the willingness with which it is offered is characterized more by the attitude which led him to add: "But don't write anything that will bring a flood of letters or calls. It's not so much that they (the offices) couldn't handle it, but

there is no requirement for it. It would create unnecessary problems."

Unnecessary problems for whom? For the distraught wife or the anxious and deprived children? Of course not! It would only disturb the comfortable routine of bureaucratic brigadiers to whom missing men are nothing but faceless expendables and impersonal files.

THE ATLANTIC UNION RESOLUTION

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, I rise today to bring to the attention of my fellow Members of the Congress, a statement delivered before the Foreign Affairs Committee of the House on August 30 by D. Bruce Shine, of Tennessee, national chairman of the Young Citizens' Committee for Senate Concurrent Resolution 64—the Atlantic Union resolution.

In his statement, Mr. Shine presents positive support from responsible young Americans for the calling of an Atlantic Convention to explore the possibilities of resolving the crisis within NATO along the lines of federalism.

I would direct the attention of my colleagues to this statement of support for the creation of a U.S. delegation to an Atlantic Convention from a most important segment of our population.

Mr. Speaker, by unanimous consent, I include Mr. Shine's remarks in the RECORD at this point:

STATEMENT OF D. BRUCE SHINE, YOUNG CITIZENS' COMMITTEE FOR SENATE CONCURRENT RESOLUTION 64, BEFORE THE COMMITTEE ON FOREIGN AFFAIRS OF THE HOUSE OF REPRESENTATIVES, AUGUST 30, 1966

Mr. Chairman, I am D. Bruce Shine of Nashville and Greeneville, Tennessee. I appear today as Chairman of the national Young Citizens' Committee for Senate Concurrent Resolution 64 (the Atlantic Union Resolution).

I am an attorney and a member of the Bar in Tennessee and New York. I do not testify as a salaried member of any organization, but as a citizen, deeply interested and personally involved in the Atlantic Union concept.

I have a long-standing personal interest in Atlantic Union. I first became acquainted with the idea of a Federal Union of Atlantic nations in the 1950's while I served as a page to the late Senator Estes Kefauver. My interest increased when in 1963 I had the opportunity to work in the Information Office of NATO in Paris. In the past few years I have been active in the International Movement for Atlantic Union, serving on its advisory council, and as a member of its United States affiliate, Federal Union, Inc.

In April of this year, a number of young people—including myself—became vitally interested in the then forthcoming hearings on Con. Res. 64 before the Senate Foreign Relations Subcommittee on International Organization Affairs. We felt that the Senate and House should be made aware of the support for the Atlantic Union Resolution among our nation's young citizens. At our first organizational meeting, attendance was evenly divided between Young Democrats and Young Republicans.

We pooled our resources. I might add that we have made no appeals for funds, and those we have raised have been from our own pockets or from small gifts from friends.

In April we sent a letter to selected state and national leaders of the Junior Chamber of Commerce (Jaycees), Young Democrats, and Young Republicans, asking their support for the Resolution and inviting them to join us.

In that letter we stated our purpose:

"The Committee is bi-partisan. Its sole purpose is to provide information on the Resolution to young civic and political leaders, and inform Congress of the strength of their support for the calling of such a Convention."

I am here today to demonstrate support achieved by the Committee. We further stated in the letter:

"It (meaning our Committee) will in no way try to effect the composition of the U.S. delegation to the Convention; we are concerned only with getting the Convention called."

The response to our letter was outstanding. Our group grew from less than a dozen to over 140 members within 3 weeks. The calibre and range of the membership is noteworthy. Political affiliations are evenly divided and a cross section shows that Jaycees, Young Democrats, and Young Republicans hold an equal number of committee seats. Membership ranges from the conservative Young Americans for Freedom to the liberal campus division of Americans for Democratic Action. We represent young businessmen, professionals, students, college professors and even a lady lawyer who was once "Miss Tennessee." This is the first time all these responsible young people have cooperated in a common effort, but now they seek an alternative to the growing disunity in NATO. They see the Atlantic Union Convention as rich potential for federating the free peoples of the Atlantic Community.

I call the Committee's attention to an interesting note: our bipartisan nature is demonstrated by the fact that within our group we have nominees for Congress from both major parties. D. E. (Buz) Lukens, past national chairman of the Young Republican National Federation, is seeking a newly created House seat in Ohio. Franklin Haney, Democratic nominee in the Third District of Tennessee is state president of the Tennessee Young Democrats.

I would like to direct your attention to a list of our membership attached to this statement. Mr. Chairman, I ask that this list be made a part of the record of this hearing.

The crisis in NATO has awakened young people of this country to the shifting political climate in Europe. The fear of Communist armed aggression has lessened for Europeans since 1949, notwithstanding the fact that the Berlin Wall still stands. Therefore, the United States must re-examine its role in NATO—moving from purely military involvement to embrace the political and economic life of the Atlantic Community.

Economic interdependence between us and our allies is an established fact. The Crotonville Conference of December 1965 indicated that $12 billion in direct U.S. corporate investments now exists in Europe, while $6 billion of European corporate capital is invested in the United States. It is obvious that this exchange of investments, materials, and individuals must continue rather than become polarized into two opposing forces existing on each side of the Atlantic. The young businessmen who have joined with us reflect that concern.

One reason the present conflict in Viet Nam is a raging issue among young Americans is that they cannot see any connection with this war and our previous efforts—such as NATO and SEATO—to develop a community of freedom-seeking nations. In Viet Nam we appear to be standing alone and our long-time allies appear to be watching from the sidelines. To young people, this appears to mean we have shattered the very alliances we originally were instrumental in organizing. Most people don't recognize the interdependence of freedom—that freedom and its defense is the responsibility of the Free.

Where NATO has failed to provide an operative structure to implement an eventual Atlantic community, Atlantic Union may succeed. However, we cannot measure its effectiveness until this concept has been tried. It is time to quit second-guessing Europe. It is time to call the Convention. We must honestly solicit the thinking and views of our allies, rather than depending on poorly-conceived opinions of European attitudes.

For the past 17 years, Congress has had before it a variety of Atlantic Union Resolutions. The system we propose—Federalism—has been avoided consistently in all discussions with our allies. It is surprising we have failed to explore the very system of government nurtured in this country, and adapted successfully in Canada, Switzerland and Germany. We have overlooked the obvious. This philosophy of government should be tried before we move on to any other alternatives.

The time and the hour is late. On behalf of those for whom I am privileged to speak today, let me urge you to give favorable consideration to the Atlantic Union Resolution. Let us try federalism first, and that failing, we may explore other avenues of Atlantic Cooperation. I fear, however, that by continuing to delay consideration and passage of this Resolution, we may shortly find that we have discussed and debated, the problem, but have arrived at no conclusions. For if we wait, the Atlantic Community will be in such disarray that no amount of effort or activity will save it or us.

In 1962, The Declaration of Paris stated:

"Our survival as free men, and the possibility of progress for all men, demand the creation of a true Atlantic Community within the next decade."

Four years later our Alliance is weaker because we hesitate to move toward Atlantic Federation. We cannot afford to wait for the expiration of the decade and the possible demise of the Community.

I appreciate your allowing me to testify on behalf of our national Young Citizens' Committee for S. Con. Res. 64 (the Atlantic Union Resolution). Thank you.

TRUTH-IN-PACKAGING BILL

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. NELSEN. Mr. Speaker, the August 9 edition of the Sleepy Eye (Minn.) Herald-Dispatch carried an editorial on the so-called truth-in-packaging bill which is presently pending in our House Committee on Interstate and Foreign Commerce. I include this editorial by the managing editor, Wayne Bertrand, in the RECORD at this point in my remarks:

THE "HART" OF DECEPTION

"Informed consumers are essential to the fair and efficient functioning of a free market economy." So reads the first sentence of the declaration of policy in the so-called "truth-in-packaging" bill introduced by Senator

HART of Michigan. We would agree with that statement, of and by itself. But now as the bill goes before the House of Representatives we would add that informed congressmen are essential to the functioning of a free market economy—to its very preservation against such destructive legislations as that introduced by Senator HART.

The purpose of the bill is claimed to be prevention of "unfair and deceptive methods of packaging and labeling" of food stuffs and other consumer goods. We see a lot more deception in the bill itself, and Senator HART's promotion of it, that has been shown to exist in the practices of private producers and distributors of goods in American markets. The official title, "Fair Packaging and Labeling Act," strikes us as an attempt to give the impression that there is wide-spread unfairness in those regards at present. The "truth-in-packaging" slogan, which the bill's promoters have popularized, seems unquestionably designed to that deceptive purpose.

Senator HART says passage of his bill would save each of us consumers $250 a year. That's a nice round number—which may be a clue as to whose hat it came from. Not only did the senator fail to provide any proof of his claim of savings, he neglects to mention that producers of food and grocery products offer hard evidence of major cost increases for consumers if they must change their machinery and processes to conform to uniform packaging directives consistent with the present bill. Neither does the senator say much about the costs of the big, new administrative bureau this bill would require.

But maybe that's how we save the $250—buying that much less of groceries because we have to support, through taxes, a host of additional bureaucrats.

Seriously, when a member of Congress resorts to sloganeering and unsupported charges against private industries, there's reason to wonder just what's in the political packet he's selling. The Hart bill has passed the Senate; possibly because many other senators were too busy to examine it closely. So it may be worth-while to ask our congressmen to take a good look at the "Giant Economy Size" package Senator HART has put on the counter. And not just at the label—that "$250-off" sticker may be a bit deceptive. They should carefully weigh the contents and compute the net cost per ounce.—WAYNE.

IF YOU STAY IN BUSINESS, YOU'RE IRRESPONSIBLE

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. NELSEN. Mr. Speaker, S. F. Brotherton, managing editor of the Blue Earth (Minn.) Post, spoke for many citizens in my district in commenting on the relationship of Government spending, inflation, business, and labor. By unanimous consent, I include his excellent editorial assessment at this point in my remarks:

IF YOU STAY IN BUSINESS, YOU'RE IRRESPONSIBLE

The White House has denounced as "irresponsible" a "snow-balling" series of steel price increases. "This is not an hour in which this business leadership of America can take pride," Gardner Ackley, chairman of the President's Council of Economic Advisers said.

Some government sources said the increase might spread to other industries at a time when the administration is trying to stabilize prices as part of its anti-inflation program.

We're not exactly in love with the steel price rise nor the skyrocketing cost of living. But if anyone is being irresponsible in this, it is the White House, not business. We know there is a full scale war on and it must be won at any dollar cost. This is something for which we all expect to pay and support.

At the same time, however, President Johnson continues government spending at a tremendous rate for his Great Society. Thousands of government dollars are being poured into Blue Earth alone on government programs. Multiplied by cities and villages across the land, this runs into billions.

The next time Mr. Johnson addresses Congress he will ask for a guaranteed annual income for every family in the nation. He will expand all the federal programs. This on top of the necessary Viet Nam war, which should be No. One in our efforts.

Who in the world is going to pay for all these things? The wage earner, business and industry. All of us. At the same time these same people are supposed to realize a profit. Washington takes away all the profit to support the mushrooming federal programs, then howls when prices are raised to meet them.

Irresponsible? Who?

True, as Mr. Ackley says, this is not an hour in which this business leadership of America can take pride. The same words go for the administration in Washington. Indeed the latter is growing blacker every day. The President is taking the lead in driving America straight down the path of out and out socialism, then the pot is calling the kettle irresponsible.

The National Federation of Independent Business points out that 48 per cent of the independent business firms, which supply the major share of of jobs in private employment, cannot meet their financial needs for operation or expansion out of earnings.

Then along comes the federal minimum wage bill, as passed by the House, imposing two boosts: to $1.40 an hour effective Feb. 1, 1967; to $1.60 an hour effective 24 months later. But the subcommittee of the Senate Labor and Public Welfare has adopted an amendment (the "Yarborough amendment") making the date of the $1.60 rate effective only 12 months after the first boost.

The "fall-out" from this would be:

(A) When the minimum wage is increased, the historical data shows an escalating wage increase for all employees, even for manufacturing employees receiving double and triple the wage floor set by Congress.

(B) The value of the dollar will be further devalued, and the purchasing power of all citizens will be reduced as prices increase.

(C) Social Security benefits will have to be increased, because in most cases the income of our Senior Citizens is fixed.

(D) A tax increase will be necessary to head off inflation.

So a guy raises prices to keep in business and he's irresponsible.

FORD FOUNDATION'S PROPOSAL FOR A SATELLITE SYSTEM

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. YOUNGER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. YOUNGER. Mr. Speaker, recently Richard R. Hough, vice president, engineering, American Telephone & Telegraph Co., gave testimony before the Communications Subcommittee of the Senate Commerce Committee on the question of the Ford Foundation's proposal for a satellite system.

His comments which follow are most interesting and are worthy of consideration:

STATEMENT OF RICHARD R. HOUGH, VICE PRESIDENT, ENGINEERING, AMERICAN TELEPHONE & TELEGRAPH CO., BEFORE COMMUNICATIONS SUBCOMMITTEE, COMMITTEE ON COMMERCE, U.S. SENATE, AUGUST 18, 1966

Mr. Chairman and members of the Committee, we appreciate the opportunity to present the Bell System's observations on the Ford Foundation's proposals with respect to domestic satellite communications and educational broadcasting. Decisions in each of these areas will be critical ones. We join with the Ford Foundation in urging careful deliberation in the interest of assuring that these decisions will fully reflect all aspects of the public interest.

At the outset, let me clarify the Bell System's interest in this matter.

The Ford Foundation's proposal expressly recommends that services the Bell System has provided broadcasters for a great many years be supplanted by the services of an entirely new entity, its so-called Broadcasters' Non-Profit Satellite System.

However, our interest here is not a proprietary one. Certainly the broadcasters are valued customers. And we are proud of our role in the development and deployment of the facilities which have made nation-wide network television possible.

But we claim no right to this business. As a public utility, we recognize that we shall continue in it only so long as we effectively meet the needs of our customers and only so long as our performance demonstrates that it is in the public interest for us to do so.

The Ford Foundation has pointed out that our program transmission service accounts for only a very small part of the Bell System's total revenues—and this is the case. But the principal consideration here is not the dollars of revenue involved but rather the principle that broadly available low cost communications service is best achieved by a common system serving all users.

Our prime purpose, then, is not to assert a proprietary right but to help assure that this vital aspect of the public interest is fully recognized and given due weight in whatever final disposition is made.

We expressed our basic position in this regard in a statement filed with the Federal Communications Commission on August 1st in response to the Commission's Notice of Inquiry of March 2nd. In this statement we expressed our opposition to the authorization of private satellite systems except for purposes of overriding national importance. We believe that establishment of such private systems would impede the development of a general communications satellite system, impair the economy of common carrier operation and impose unnecessary burdens on the general rate payer.

The Ford Foundation's proposal, however, raises new considerations not contemplated in the FCC's original Notice of Inquiry and establishes thereby a new context of decision. It has done so by linking two major questions of public policy hitherto considered separately: how can we best apply satellite technology to domestic communications and how can we most effectively develop and apply the potential of educational broadcasting?

The Bell System believes that the Foundation's recommendations with respect to each of these questions need to be examined objectively and conscientiously in the light of alternate solutions to each before a fair determination can be made as to

whether the public interest is helped or hindered by linking them together.

We recognize that our corporate experience and competence qualify us to speak with somewhat more assurance in the field of communications technology than in the field of education. Consequently we are reviewing the technical and economic aspects of the Foundation's proposals in the light of our concrete experience in radio and TV program transmission and our forward studies of the applications of satellite technology to domestic communications. We have offered to share our observations with the Ford Foundation in the interest of assuring a realistic basis of appraisal of its projected system. At the same time, we are prepared to join with others in developing constructive recommendations to assure the sound development of the instructional, educational and cultural potential of broadcasting.

In what follows I should like to address myself in turn to, first, what might be described as the structural aspects of the Foundation's proposal and, second, to its technical and economic aspects. These observations are necessarily preliminary. They do not represent definitive conclusions. Rather have we attempted to identify some of the questions and problem areas which will need to be resolved before realistic conclusions can be drawn.

Among the first of the questions that need to be weighed is the degree to which the new corporate entity the Foundation proposes is likely to be an administratively viable undertaking. Certainly there is room for conjecture as to whether a non-profit corporation—chartered on the one hand "to collect revenues from broadcasters" and on the other "to generate from its commercial users substantial funds to be assigned by the Board of Directors to non-commercial programming"—can match the incentives to service and cost improvements for its customers that are normally associated with private enterprise.

Then, too,—there is certainly a very real question as to whether the establishment of an altogether new entity is the most economical and most expeditious way to apply the benefits of satellite technology to broadcast distribution. Necessarily in this situation, the very real problems of organizing, staffing and funding the new organization will have to be mastered before it can make an effective start on the kind of technical development and engineering planning on which others are already far advanced.

The most confident prediction we can make about communications technology is that it will change. Thus any proposal involving so radical a re-structuring of the industry as the Foundation proposes must be examined not only in the light of near-term prospects but of the long-term future as well. More specifically, we shall need to appraise the non-profit entity the Foundation proposes, not only in terms of its ability to implement the system it currently recommends but to adapt to new technological opportunities and changed needs as they emerge in the years ahead. Will the establishment of an organization exclusively dedicated to a single mode of program transmission—that is, by satellite—deny broadcasters opportunities for service improvements and cost reductions that might be more readily forthcoming from a more broadly based technology? Certainly we need to look forward to prospects in communications technology and to future communications requirements so far as we can discern them to assure that we do not impair our ability to adapt to new needs by a premature commitment of facilities and resources.

Another consideration—and a fundamental one—in any appraisal of the Ford Foundation's proposal is the effect of its adoption on the general users of communications services—in short, the public. For the most part this country has followed the common carrier principle in the development of its communications services. The scope of these services and their low cost derive in large measure from the optimum utilization of resources made possible by a common system serving all users. We believe that only the most compelling public considerations would justify compromising the common carrier approach to communications development. Fragmenting usage and diverting some of it to a specialized facility inevitably impairs efficiency. In the present instance, we shall need to know whether and to what degree the establishment of a separate satellite service for broadcasters might involve the unnecessary duplication of satellite facilities and a sacrifice of the economies of scale that a common system would provide. Certainly this is an aspect of the public interest that needs to be weighed in the balance with the public interest represented by the prospect of a more effective development of educational broadcasting.

There are other considerations with respect to the structural aspects of the Foundation's proposal on which others—notably educators and broadcasters—are more qualified to comment than we are. But even the concerned citizen might well suggest that—before undertaking so substantial a commitment of resources as that contemplated in the Foundation's proposal—we need a clearer definition than we now have of the priorities among the needs of educational broadcasting. For example, is real-time program transmission a prime requirement for effective development of the medium? We understand that the Carnegie Foundation is looking into this and related questions at the President's request and we join with the Ford Foundation in urging that firm conclusions be deferred until the results of this study have been published and appraised.

It is apparent from its proposal that the Foundation equates the public interest in this matter with the social benefits to be derived from a vital system of educational broadcasting in this country. Indeed, the basic justification for the Foundation's proposed Broadcasters' Non-Profit Satellite Service is the opportunity the Foundation hopes it might provide to establish a viable basis of on-going support for educational broadcasting. In this context the key question is whether the proposed system will, in fact, offer broadcaster economies in program transmission service beyond those from current and prospective common carrier services—and, if they do, are those savings likely to be sufficient in terms of benefits to ETV to offset the impact on common carrier users?

Our own technical and economic analysis of the Foundation's proposal is not sufficiently far advanced to warrant a definitive answer to these questions at this time. However, even a preliminary review reveals some points of concern.

First of all, it appears to be assumed that the Broadcasters' Non-Profit Satellite System would replace all the services for which broadcasters currently pay the Bell System companies about $65 million annually.

That this would not be feasible will be apparent from a brief description of the complex and diverse facilities the Bell System employs to meet the needs of broadcasters today. Our program transmission service involves much more than the microwave radio and coaxial cable systems required to relay TV signals over considerable distances. In addition, a complete service includes local transmission links—from studio to transmitter, for example, or from remote pick-up points. Any of these facilities may be permanently established or set up especially for coverage of a single event. Also, we maintain program operating centers to provide effective quality control and to accomplish the complex switching required in the ceaseless process of network re-arrangement.

It will be readily apparent, I believe, that many of these functions from which we derive revenues are in addition to those which might be performed by a satellite transmission system. More concretely, the $65 million against which the Foundation measures the savings it hopes to achieve with its BNS system includes revenues from a great many functions that system could perform only in part, if at all. For example, it includes some $18.2 million in billing for TV and radio operating centers and for local channels. It also includes some $10.9 million of additional revenues derived from occasional TV and radio services, not only for the networks but for local broadcasters as well. All together, it would appear that services with a total billing of about $30 million could not be replaced by a satellite system of the configuration the Foundation describes and would have to be supplied either by the broadcasters themselves or the common carriers. Thus the economies the Foundation projects for its broadcasters' service should be appraised, not against our full annual billing for all services to broadcasters, but against a figure roughly half that amount.

Second, we have serious doubt as to whether the Foundation's projected system can be constructed at the costs indicated in its plan. In the absence of a definition of the transmission standards the BNS system is designed to meet and in the absence of a more detailed specification of its components we are not in a position to make a precise cost analysis at this time. However, in the course of our own engineering studies of domestic satellite systems, we have developed cost estimates of facilities functionally comparable with those in the BNS model. Comparison of these estimates with those in the Foundation's proposal make it appear that the investment required to construct its projected satellite system has been seriously understated.

Third, not all costs necessary to assure broadcasters a reliable program transmission service have been included in the Foundation's proposal. Most notable is the omission of provision for stand-by satellites and for antenna re-orienting capability in case of outages.

Fourth, the Foundation's proposal minimizes the interference problem that has already proved to be a vexing one in connection with the siting of the limited number of ground stations required for an international satellite system. The proposal contemplates establishing many times the number of ground stations projected in any of the proposals with which we are familiar, many of them necessarily in urban centers with a heavy concentration of microwave facilities already. To provide the necessary antenna shielding to eliminate interference with these facilities will involve costs well beyond those contemplated in the Foundation's projected cost estimates. In most instances, remote location of antenna facilities—and consequently increased reliance on terrestrial links—will be required.

Fifth, it appears to us that a full appraisal of the Foundation's proposal must await the broadcasters' determination as to whether the projected system will in fact meet their program transmission requirements. On the basis of a preliminary review, it would appear that the capacity of the BNS system falls well short of the peak transmission requirements we are already meeting today, requirements which could only be met, assuming adoption of the BNS system, by preemption of capacity reserved for educational broadcasting.

As I have indicated, these are preliminary observations based on our understanding, admittedly incomplete, of the Ford Foundation's recommendations. We shall certainly

give further study to these and related matters in connection wtih our further statement to the FCC in response to its Notice of Inquiry regarding private domestic satellite systems. In the meantime, we would look forward to a more precise description of the engineering aspects of the Ford Foundation's proposal in the interest of a better assessment of its capability and a more accurate appraisal of its costs.

In summary, the Bell System believes that the Ford Foundation's recommendations, bearing as they do on matters of vital public interest, merit careful and objective consideration. Certainly the benefits to be derived from educational broadcasting warrant a vigorous search for the best means of realizing the potential of this medium. And it is apparent that communication satellites, together with other technological advances now in prospect, afford great opportunities for enhancing TV and other forms of communications. Searching analysis and deliberate judgment will be necessary if we are to come up with right answers in these two areas. In our view, these right answers must reflect a balanced consideration of the public interest in the economical utilization of communications resources and the public interest in the effective development of the instructional, educational and cultural potential of broadcasting. However, our preliminary analysis of the technical and economic aspects of the Ford Foundation's proposal indicates a basis for concern as to whether its projected economics—and therefore the anticipated benefits to educational broadcasting—can in fact be realized.

In conclusion, Mr. Chairman, I would like to report that studies of satellites for domestic common carrier applications are well advanced in the Bell System. While we are not currently in a position to report our final conclusions and recommendation, these studies are far enough along to indicate that satellites, employed in conjunction with terrestrial facilities, will afford significant economies in TV program distribution as well as in other modes of communication.

Thank you.

JOINT ECONOMIC COMMITTEE MAJORITY FAILS TO MEET ITS RESPONSIBILITY TO EXERT ECONOMIC LEADERSHIP

Mr. HALL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. HALL] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. CURTIS. Mr. Speaker, the Republican members of the Joint Economic Committee recently tried to initiate action to overcome the paralysis which grips the administration's economic policy. On August 24, we urged the majority of the committee to open immediate hearings on the state of the economy and to request the administration to submit a supplement to its 1966 economic report with new and revised recommendations where appropriate. This procedure, which is provided for under the Employment Act of 1946, would have helped to get the administration off dead center and restore public confidence that government was doing its part to head off mounting inflation and the potentially disastrous aftermath of an inflationary binge.

I regret that the majority of the committee has now denied our request for hearings. The reason given by Committee Chairman PATMAN is that this is the time for action, not investigation.

The minority agrees that action is required. In fact, it is obvious that action should have been taken months ago. But we cannot accept the majority's prescription that Congress should now legislate the recommendations made by the majority last March. These recommendations involved a standby tax increase, suspension of the 7 percent investment credit, less reliance on monetary policy but no reduction in civilian spending. In March, when the committee issued its annual report, the outlook was substantially different from what it is today. Inflationary pressures are growing beyond anything anticipated by the majority or the administration earlier this year.

The program of the majority is totally inadequate to deal with this new situation. For one thing, civilian spending must be cut. Even Dr. Walter W. Heller, former Chairman of the President's Council of Economic Advisers, has said that there must be "pruning" of civilian expenditures and that, while we can afford both guns and butter, we cannot afford "guns and fat."

If spending is not cut by an adequate amount, then there must be a tax increase. A standby tax program would get us nowhere, since it would require the President's signature to go into effect, and the President evidently refuses to take any politically painful economic action, no matter how vital to the national interest, before the November elections.

There may be merit to the suggestion that the investment tax credit be suspended, but the fact is that the Treasury Department itself feels this would have little or no impact on the immediate situation. As for monetary policy, we can only say that shedding tears over high interest rates comes with ill grace from those who forced monetary policy to carry the whole burden of restraining inflation by opposing fiscal tightening through reduced Government spending.

The majority knows full well that its program stands no chance of passage in the Congress unless it receives administration support. The problem is in the White House, not the Capitol. The minority proposal was designed to obligate the administration to publicly state its economic outlook, justify it in open discussion and propose realistic policies to deal with what is foreseen. It is time that administration officials stopped issuing bland and misleading statements from their privileged sanctuaries and came out into the arena of open discussion and debate.

Under unanimous consent I insert the telegram sent by the minority members of the Joint Economic Committee to the majority in the RECORD at this point, along with Chairman PATMAN's reply and an article from the September 1 Washington Post reporting Dr. Heller's remarks mentioned above:

U.S. SENATE,
COMMITTEE ON
LABOR AND PUBLIC WELFARE,
August 24, 1966.

Hon. WRIGHT PATMAN,
2328 House Office Building,
Washington, D.C.:

We propose that pursuant to its responsibilities under the Employment Act of 1946 the Joint Economic Committee hold immediate hearings on the state of the economy and the policies required to deal with it. We also urge that the committee call upon the President to submit to the Congress a supplement to the 1966 economic report, as provided for under the employment act, including revised economic recommendations which he feels may be necessary or desirable at this time.

The administration has tried and failed to walk a fine line between avoiding inflation and promoting high employment with the result that it may achieve neither objective. A new policy approach is clearly required. An inflationary psychology is rapidly spreading throughout the economy. It is reflected in the wage demands of organized labor, excessively high interest rates, rapidly rising prices and a confused and badly battered stock market. This inflation, if permitted to continue and gather momentum, could cause a serious recession which would greatly aggravate the already profound social unrest that confronts our society.

Continuing failure to act could cause a national economic and social crisis which would set back the advances made by our people over the past decades of progress. We deplore the reluctance of the administration and the Congress alike to face up to the issues and meet their responsibilities to the American public.

We would fully support objective and nonpartisan hearings with the purpose of providing guidance to the administration and the Congress and restoring the confidence of all segments of the American people in the administration's fiscal and monetary policies.

JACOB K. JAVITS,
Senator.
JACK MILLER,
Senator.
LEN JORDAN,
Senator.
THOMAS CURTIS,
Representative.
WILLIAM WIDNALL,
Representative.
ROBERT ELLSWORTH,
Representative.

AUGUST 31, 1966.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: After thorough study of the issues raised in your telegram of August 24, the Majority concludes that this is not the time for the Joint Economic Committee to be holding hearings on the state of the economy. This Committee held hearings and made recommendations to deal with the economic situation early in the year. At the present stage of the Congressional session, the problem is not one of investigation but of action. Hence, the matter should be and is before the legislative committees which can take action—obviously the Joint Economic Committee cannot draft any report bills.

We believe that the leadership and the appropriate committees of both Houses should take action to bring before the Congress proposed legislation to effectuate the

recommendations made last March by this Committee in order that the objectives of the Employment Act may be more fully achieved: maximum employment, rapid economic growth, and stable general level of prices.

Under the circumstances, our energies should be directed to the work of the legislative committees, for hearings by the Joint Economic Committee would be more likely to delay rather than to expedite action at this late stage in the legislative session.

With best wishes,

Sincerely,

WRIGHT PATMAN,
Chairman.

"WE CAN'T AFFORD BOTH GUNS AND FAT": HELLER CRITICIZES L.B.J. EFFORTS ON INFLATION, ASKS TAX BOOST

(By Hobart Rowen)

A sharply critical analysis of the Johnson Administration's efforts to curb inflation was delivered yesterday by the President's first chief economic adviser, Walter W. Heller.

Now back at the University of Minnesota, Heller said bluntly that the Government's efforts "cannot cope with the demand and cost-push pressures that lie ahead."

He recommended temporary income tax increases, a moratorium on the 7 percent investment credit, and a "pruning back" of some civilian spending.

"Our economy is powerful enough to afford both guns and butter," Heller said. "But it does not follow that we can afford both guns and fat."

DOUBTFUL OF RESULTS

But Heller, while making his tax recommendations in the strongest possible terms implied that it was unlikely that his advice would be followed by the Johnson Administration.

He said that he was being "perfectionist—unrealistic in wanting immediate fiscal action . . . to take pressure off of prices, wages, imports and interest rates."

His diagnosis for 1967 predicted that "unless there is significant restraint from new fiscal measures," there would be the following epilogue to this "summer of economic discontent":

A bigger rise in wages than anytime in the last decade. He predicted new key settlements in the 4 to 5 per cent range.

Annual price inflation running at a rate of just over 3 per cent ("though a somewhat faster rise would not surprise me.")

Strong gains in the gross national product, at a rate of about $14 billion per quarter.

A drop in unemployment to the 3.5 per cent level.

BRITISH EVALUATION

Heller ruled out all prospects of economic disaster or depression, but raised some questions about the long-term strength of the British pound despite Prime Minister Wilson's determination to avoid devaluation.

Heller's evaluation of the British situation follows high-level talks in London in July. He said that the pound "remains under continued pressure" despite the authorities' determination to defend it.

Short-term resources of the British, Heller conceded, are adequate, even huge.

"What creates doubt is the longer-term ability of the British economy to throw off it malaise—its seeming lack of 'get up and go'—and capitalize on its underlying economic strength.

"If the current period of induced slack and deflation slides into stagnation and despair, devaluation would be likely.

"But if instead, the current pause is put to good use as the base for a new take-off . . . the pound can survive almost anything but a panic 'run.' "

SEVEN HUNDRED AND FORTY BILLION DOLLARS FOR GNP

Heller predicted that U.S. Gross National Product would hit $740 billion this year, up $59 billion for a rise of 5.5 per cent in real terms from 1965. He assumed that defense spending in 1967 would increase at the same $2 billion per quarter increments as in 1966, and that a defense supplemental of $10 billion or more would be needed.

Heller noted that the national income accounts budget—which includes trust accounts, and which is on an accrual basis—is "almost sure" to swing back into a deficit for fiscal 1967, after showing a surplus in the last half of fiscal 1966.

"The NIA budget has no business being in deficit in an overheated economy at or below 4 per cent unemployment," Heller said.

"Fiscal policy—inded the 'new economics'—will not be doing its job unless steps are taken to maintain a budget surplus in the face of inflationary pressures."

Heller's comments were in a detailed analysis produced for the National City Bank of Minneapolis. They come at a time when sentiment on Capitol Hill appears to be growing for some sort of anti-inflation step that would take pressure off rising interest rates.

THE IMPORTANCE OF FREE COLLECTIVE BARGAINING

The SPEAKER. Under previous order of the House the gentleman from Wyoming [Mr. RONCALIO] is recognized for 60 minutes.

Mr. RONCALIO. Mr. Speaker, in this climbing economic environment, the effectiveness of free collective bargaining will come under increasing scrutiny, as higher prices and profits create a demand for higher wages, and vice versa. It is going to be more effective and rewarding to solve these problems through the mechanisms of free collective bargaining rather than through intervention by outside agencies.

The recent airline strike demonstrates the importance of free collective bargaining and the harm that can be done by even the threat of governmental intervention. While Congress was considering antistrike legislation, meaningful bargaining practically ceased between the parties at issue. It was only when the threat of legislation slowed down in the House that the parties to the dispute put together an acceptable settlement.

A HARMFUL PRECEDENT

This recent example demonstrates that it is beyond the capability of Congress to enact ad hoc legislation to deal with each separate strike. Congress simply is not able to give proper consideration to all the complex issues in just a few days. Let us hope that the action that Congress did take in this instance will not serve as a precedent during the next major strike. It will be a great loss to our society, and to our system of government, if Congress has to drop everything and arbitrate every time there is a strike which causes some inconvenience.

Yet there is much talk at present about drafting legislation which would give the Federal Government additional authority to intervene in labor-management disputes. But the thing that would do the most toward promoting amicable and early settlements of labor-management disputes would be to repeal section 14(b) of the Taft-Hartley Act.

THE RIGHT TO STRIKE

The right to strike is a fundamental part of the American economic and political system. The exercise of this right has secured tremendous benefits for the workingman since the days when the sweatshops were the general rule and "yellow dog" contracts were allowed. With each step in raising the standard of living of the workingman in our society, the entire economy has benefited. The achievement of fair and peaceful labor-management relations is facilitated by the existence of trade unions which are not only strong enough to provide adequate representation for their members but which possess sufficient internal cohesion to minimize intraunion squabbles and to adopt policies reflecting social responsibility, all within a democratic organizational framework.

THE EXPERIENCE OF GREAT BRITAIN

The state of labor relations in Great Britain adds further weight to the proposition that the growth of strong and responsible trade unions in the United States would be fostered by the repeal of section 14(b) of the Taft-Hartley Act. The lack of internal unity often prevents British trade unions from settling industrial disputes peacefully and from acting with social responsibility. Discouragement of union shop arrangements makes internal unity almost impossible to achieve.

Since in Britain a majority of the workers cannot compel a minority to follow union policies chosen by the majority, England presents a prime example of the unreasonable situation that can result when a worker benefits from the activities of a trade union while declining to belong to it.

In the 5 years from 1959 to 1963 the average number of strikes per 100,000 employees was higher in the United Kingdom than in any other of the 19 industrialized countries, except Australia, France, and Italy. The 5-year average was 10.2 stoppages per 100,000 employees in the United Kingdom as against only 5.2 in the United States.

The difficulties of effective union organization in England not only increase the incidence and duration of strikes, but also make it hard to check irresponsible actions by individual members, thus damaging the standing of unions in the eyes of the general public.

NEED FOR STRONG, RESPONSIBLE UNIONS

A commission in England reported in 1965 that there is a large body of opinion which holds that the large number of unofficial strikes is the main defect in industrial relations in the United Kingdom. The way to avoid such a situation in the United States is to create conditions of union membership, to build unions which are strong enough to gain just settlements through peaceful collective bargaining while taking the responsibility for the control of actions of their members.

This policy will further the interests of labor, management, and the general public. The advantages of having strong, responsible unions which represent all the workers in an industry can be seen from the relatively progressive and peaceful relations in the U.S. auto industry, where the United Auto Workers Union speaks with a single voice for all the workers. The harmful effects from a number of small unions can be seen in the American printing industry, where interunion rivalry frequently results in long and costly strikes which settle nothing.

To foster strong and responsible trade unionism, the conditions of union membership should be based upon the basic democratic principle of majority rule—if the majority of the workers at a plant vote in favor of membership in a particular union, the minority should abide by the majority's decision. This has always been the American way.

The requirement that all workers at a plant adhere to the majority's choice of membership in a particular union will facilitate fair and peaceful industrial relations. Not only is it unfair that workers should benefit from union activities without paying union dues, but astute employers favor the union shop as a stabilizing factor in relations with workers and as a means of establishing and operating efficient machinery for consultation and negotiation.

LABOR RELATIONS IN WYOMING

Unfortunately, for the past 3 years, my State of Wyoming has not been able to benefit from these principles of majority rule, due to the passage of a right-to-work law. These 3 years have witnessed the most disruptive period of labor-management relations in Wyoming history. There has been a constant series of controversies. The basic problem stems from the fact that right-to-work legislation has undermined the strength of Wyoming's unions and has seriously affected their ability to engage in meaningful collective bargaining.

An example of the harm this legislation has wrought throughout Wyoming's trade union movement is provided by the list of losses in membership from locals in the Central and Western Wyoming Building & Construction Trades Council. The membership losses are as follows:

Crafts	Area	Members July 1, 1963	Members July 1, 1966
Electricians No. 322	Casper	495	435
Operating Engineers No. 326	Wyoming at large	1,583	963
Plumbers No. 193	Casper	243	208
Laborers No. 182		238	55
Teamsters No. 307	Wyoming at large	778	491
Painters No. 370	Casper	68	45
Ironworkers No. 454	Cheyenne and Casper	394	263
Sheet Metal No. 506		72	37
Carpenters No. 1564	Casper	267	197
State of Wyoming Carpenters		1,432	843
Lathers No. 373		10	7
Bricklayers No. 3	Wyoming at large	60	49
Total		5,373	3,396

The total loss in this 3-year period has been 1,977 members, almost 37 percent of the 1963 membership. This steady deterioration in union strength will be remedied only by the repeal of section 14(b).

REPEAL OF 14(B)

Since the union shop requires all workers eventually to join the union, safeguards for the individual may be required where workers have conscientious reasons for not belonging to trade unions—perhaps those concerned could pay to a charity an amount equivalent to union dues. There should be continuing surveillance of any irregularities in the conduct of the affairs of a union operating a union shop. However, it should be noted that those most concerned about the alleged loss of freedom for the worker in a union shop are generally those in occupations which will not be affected by union membership rules. The workingmen are the ones who will have to belong to these union shops and they have been unanimously in favor of legalizing the union shop across the Nation.

The best way to secure peaceful industrial relations in the United States is through strong and responsible trade unions, which can be encouraged by the repeal of section 14(b) of the Taft-Hartley Act. Nationwide legalization of the union shop is truly in the best interests of all Americans.

Mr. Speaker, these are my observations on this first week of September 1966, when a vigorous and viable America embarks on another Labor Day celebration.

McNAMARA CHARGED WITH COMPROMISING MILITARY NEEDS

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House the gentleman from Illinois [Mr. FINDLEY] is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, the Department of Defense on June 30 ordered from West Germany $73.3 million in substandard 20-millimeter automatic guns. It was the first installment on a procurement for guns and ammunition which will eventually reach at least $150 million.

It culminated a deal announced November 14, 1964, between Defense Secretary McNamara and German Defense Minister von Hassel in which the United States tentatively agreed to buy the guns and Germany agreed to buy three U.S. missile destroyers.

Facts about the gun and its testing suggest that, in going ahead with the gun procurement, Mr. McNamara—

First. Compromised U.S. military needs to the advantage of German political expediency.

Second. Ignored official reports which recorded 4 years of unsatisfactory test experience in the United States and field experience in Germany.

Third. Reversed a decision by Gen. Creighton Abrams, vice chief of staff of the U.S. Army, to terminate further efforts to make the gun work.

Fourth. Forced Army weapons officials to lower test standards so the gun could be classified as satisfactory.

Fifth. Misinformed and misled Congress about the performance of the gun and the weapons system of which it is a part.

Mr. Speaker, I have no objection to U.S. purchase of weapons from our good ally, West Germany, but they should be good weapons.

Mr. McNamara had agreed in 1964 to buy the guns—assuming "adequate progress" toward correcting deficiencies—for two reasons: First, the United States urgently needed a gun of this size; second, Mr. von Hassel demanded some U.S. business to ease political problems at home.

During the discussion which led to the agreement, Mr. von Hassel had told Mr. McNamara that the German Bundestag was increasingly critical of the deal made in 1961 under which Germany was required to offset with military purchases in the United States the cost of American troops stationed in Germany.

This agreement called for $675 million a year military spending by Germany in the United States. It was intended to reduce the critical gap in the U.S. balance of international monetary payments. Although highly important to the U.S. fiscal position, it was unpopular in Germany—and still is.

The missile destroyers, to be delivered starting in 1969, were ordered by Germany as a partial payment of the obligation.

No reciprocal purchase on the part of the United States was required, and of course any made would cancel off part of the gain in U.S. balance of payments.

Nevertheless, Mr. von Hassel argued persuasively that the gun purchase was essential for German political reasons, and Mr. McNamara—anxious to preserve the offset arrangement—agreed to the deal. From the viewpoint of German officials the guns quickly became an essential part of the destroyer-purchasing agreement—not an optional feature—and Germany kept up the pressure on Mr. McNamara to purchase them.

The McNamara-Von Hassel communique of November 15, 1964, contained this language:

> Secretary McNamara stated that the United States Department of Defense had considerable interest in equipping its forces with a 20-mm automatic gun currently used in the German armed forces. He indicated that the German armed forces had adopted this gun as a necessary step to matching the large quantity of 14.5-mm machine guns held by the Soviet forces.
>
> The United States Army had been testing the gun for the last year and as a result plans to purchase substantial numbers of

this weapon beginning in 1965, assuming that adequate progress could be made in the solution of certain problems developed in the testing period. The United States Army is optimistic that these problems can be resolved during the course of the next 12 months.

The communique set as the condition for purchase that adequate progress be made on problems discovered in testing. It did not say the guns had to work, and as a matter of fact, they failed to measure up to test standards.

GUN GAP CRITICAL SINCE 1961

The facts on the selection, testing and procurement of the gun show clearly that military needs were compromised and suggest that beginning with the McNamara-Von Hassel announcement on November 14, 1964, the purchase of the gun was preordained regardless of how well the gun performed in tests.

That an automatic gun in the 20-millimeter range is needed cannot be questioned. For at least 5 years we have been badly outgunned by the Soviets. Indeed the need has been officially recognized, as critical and urgent since 1961. Even so, the Army does not today have a satisfactorily functioning gun of this size—even on a fill-in interim basis—and the procurement of a competent successor to the nonexistent fill-in weapon has not advanced beyond the paper stage. I have no precise information on Soviet developments in automatic guns since 1961, but Russia has demonstrated such competence in the past that further progress can reasonably be expected to have occurred.

Thus the gun gap, which was regarded in 1961 as critical, today certainly has not narrowed and probably has widened.

The facts on how the Department of Defense has dealt with the gun gap since 1961 are therefore matters of vital concern to Congress and to all Americans.

Here they are:

SOUGHT "OFF THE SHELF" GUN

In August 1961 the Continental Army Command, Fort Monroe—CONARC—was instructed to draw up requirements for a new weapon to replace the 50-caliber machinegun on tank-accompanying vehicles.

The Soviets had progressively increased firepower on comparable vehicles moving from the 7.62-millimeter size to 12.7 and most recently to 14.5. Obviously we were outgunned.

The Soviets had been using the 14.5-millimeter round in various smaller weapons during and since World War II. U.S. intelligence showed that they were then using it in an automatic cannon on BTR reconnaissance vehicles. In 1962 some of these showed up in the hands of Communist guerrillas in Laos.

Used on a Russian BTR 50, this weapon can easily stand off the U.S. counterpart vehicle at 800 meters. The 50-caliber, in these circumstances, is not effective beyond 400 meters.

For these reasons, the United States decided it must have immediate replacement of the 50-caliber gun for use on a command and reconnaissance vehicle known as the M-114.

The weapon system was intended for probe, scout and command work, a vital role in modern warfare. Planners figured a 20-millimeter gun would give enough edge over the Soviet 14.5 millimeter to enable command and reconnaissance teams to get away and return to base with mission completed.

In the fall of 1961 the Ordnance Tank-Automotive Command was given the job of coming up with an adaptation of the Mauser ring mount for use on the vehicle. Due to the essentially noncombat role of the system it did not need elaborate sighting or power control system, or large supply of ammunition.

The job of determining which gun would be used was assigned to the ballistics research laboratory at Aberdeen. The need for the weapon was too urgent for a development program. The requirements were that the gun must be "off the shelf"—that is, in stock and ready for purchase—or one with a "hot base"—that is, a weapon for which production lines and tooling already existed so manufacture could be undertaken with little delay.

A number of weapons were considered, but the final selection was among these three: The Mark 12, the Oerlikon and the Hispano-Suiza H.S. 820.

The T220 20-millimeter cannon developed in the 1950's at Springfield, Mass., Armory was neither "off the shelf" nor "hot base." Several had been hand-tooled and tested with promising results but the development had not been completed. Later the armory said the gun could be brought to the point of production with one additional year of development.

The Vulcan gun was rejected because of its excessive power requirements. The Bofors gun made in Denmark was rejected because its round was too low-powered.

The Mark 12, a Navy-owned gun, had a "hot base" in the Navy gun factory at York, Pa.—since sold to private industry—but it was rejected because it required hydraulic power and had low-velocity projectiles.

The Oerlikon, a Swiss-made gun which had superior penetration, was of simpler design than the H.S. 820 and was relatively easy to maintain. However, the Swiss firm was unable to fill large orders without establishing a new centralized production line. It could fill small orders through a decentralized subcontracting system typical of Swiss industry. Lacking a "hot base," this gun too was rejected.

H.S. 820 SELECTED FOR TEST

The Hispano-Suiza H.S. 820, then being manufactured under license for the German Army by Rheinmetall Co. at Dusseldorf, was selected because it had a "hot base" and had the desired high explosive power.

The Hispano-Suiza Co., owner of the gun, had demonstrated the gun mounted on an armored personnel carrier in 1956 to Britain and Germany. In 1958 Germany announced it intended to buy the unit under the identification H.S. 30.

Germany bought about 3,000 units under circumstances that later caused a storm. A leading German periodical Der Spiegal alleged that the procurement team failed to follow instructions and made the purchase without advance testing. In any event, German experience with the weapon proved to be unsatisfactory.

The gun itself has had a dismal history since it was first designed over 20 years ago.

It had the basic handicap of requiring lubrication of ammunition which up to the time of the German purchase, had made it unacceptable everywhere for army field use. So far as I can determine no army has ever had a satisfactory field weapon which required lubricated ammunition. Italian and Japanese weapons of this type were not satisfactory in World War II. The U.S. Army, until it decided to test the H.S. 820 in 1961, had always rejected field weapons which required lubricated ammunition.

The reason was obvious. Oil inevitably attracts dirt and leads to malfunction in the fed and ejection mechanism of the gun.

Lightweight dust covers were later added in an effort to meet this problem. The gun had other features which proved to be basic handicaps.

Fumes were heavy. They were due partly to the use of lubricant on the ammunition, and partly to the use of gas to unlock the chamber and the use of blowback to eject the shell. Fumes were one of the main reasons the guns were mounted entirely on the outside of the U.S. vehicle armor.

Another basic weakness was the use of recoil as the power source for feeding ammunition into the chamber. Recoil varies depending on the position of the gun in relationship to the vehicle and the movement of the vehicle. This variation frequently causes erratic feeding and therefore malfunction. Erratic feeding is a severe problem on guns like the H.S. 820 which have a rapid rate of fire.

Exterior mount of the gun creates problems. In a gun with high malfunction rate, as later became evident with the H.S. 820, the means and time required to clear stoppages are critical. With exterior mount the gunner must expose himself to correct any stoppages.

The U.S. Army has established 30 seconds as the maximum allowable time to clear a stoppage. Beyond that it is a malfunction. In U.S. tests, clearing the H.S. 820 often took 10 minutes or more.

Exterior mount exposes the complex gun feed and firing mechanism to the hazard of stray bullets. Even a small rifle shot or shell fragment striking any of a dozen points could disable the gun.

GET EIGHT GUNS FOR TEST

All of these handicaps were not evident in 1961, and the H.S. 820 seemed the likeliest prospect as an interim weapon to fill the gun gap until a successor weapon could be produced.

In 1962, the United States received eight of the guns on loan for test purposes from Germany. Tests were performed at the Proving Grounds at Aberdeen, with very unsatisfactory results. The performance was so bad that, at the request of German officials, no official test report was compiled. German officials asked that the guns be returned for inspection and sent a replacement batch.

The replacement batch, like the first, was tested with unsatisfactory results. Eleven major deficiencies were noted.

A third batch, consisting of 20 guns, was then tested. During this testing, ammunition coated with a slippery lacquer was used, with the usual lubrication of the ammunition omitted. Aberdeen tests gave the lacquer a good report, but field tests elsewhere reported frequent malfunctions. For later testing, lubrication of ammunition was resumed with the lubricant applied by an automatic device which replaced the hand-oiling procedure.

FORTY-THREE DEFICIENCIES LISTED

When the testing was completed in the summer of 1964 the total list of deficiencies had risen to 43. Several related to ammunition and mount, but most of them directly concerned the gun.

Test reports were evaluated in late August. They showed substandard performance to such a degree that Maj. Gen. Roland B. Anderson, commanding general of the weapons command—WECOM—wrote to Lt. Gen. Frank Bessen, commanding general of Army Materiel Command—AMC—recommending that no further consideration be given to the H.S. 820 and that the project be terminated.

The recommendation was forwarded in late August. General Bessen arranged a briefing in depth with General Anderson and a representative of the Test and Evaluation Command—TECOM—at Aberdeen. After the briefing he expressed agreement with the recommendation but said he wanted a full report on the German Army experience with the gun before reaching a final decision on the proposal to terminate.

He ordered a team to go to Germany to make the study, designating Col. Jackson Laurence, a member of the research and development staff of AMC as captain. On it with him were representatives of Combat Development Command, a command established in 1962 for the specific purpose of setting weapons standards, the Army Tank-Automative Command—ATAC, TECOM, and WECOM.

In Germany the team visited the armor center at Munster Lager and the Rheinmetall Co. proving ground at Unterlooss. Their report confirmed that the German Army had experienced much the same shortcomings in the gun as were shown in U.S. tests. Failure rate was 4 to 8 per thousand rounds fired. Parts breakage was so heavy a regular parts replacement schedule was followed.

Even though the ammunition used by German gunners was coated with slippery lacquer, additional lubricant was applied by hand with a paint brush in order to keep the gun from jamming. Fumes were so excessive the gunner used a gas mask.

Based on this report and the U.S. tests the commanding generals of CDC and AMC signed a joint letter dated in October 1964 and addressed to the Department of the Army. In it they recommended against type classification of any kind for the gun, and further recommended that the project be terminated.

In the same letter they said that if higher authority insisted that work on the gun continue, they could not predict that another year's effort would bring the failure rate down to the desired one-per-thousand level. They estimated that 2 years could be required to develop further improvements on the gun and test them. Even then they doubted the failure rate would drop as low as three per thousand. At a minimum, the letter said, a third year would be needed to get the failure rate as low as two or one per thousand.

PROJECT ORDERED TERMINATED

This letter led to a conference on November 13, 1964, chaired by General Abrams, Vice Chief of Staff, U.S. Army. Also present were representatives of Department of Army, CDC and AMC. The group reviewed the unsatisfactory test reports. At the conclusion of the conference General Abrams announced that he had decided the project should be terminated and gave instructions that this be done.

The next day—November 14, 1964—Secretary of Defense McNamara and German Defense Minister von Hassel issued the communique mentioned earlier.

It became an entirely new ball game. Instead of being terminated, in line with the decision of the Army's Vice Chief of Staff, the gun was placed by Secretary McNamara on a full-speed-ahead procurement schedule.

Mr. McNamara's office issued orders to AMC that the gun improvement program must be completed by November 1, 1965, at which time Mr. von Hassell was expected to return to the United States to wrap up the procurement agreement.

In late November 1964, a conference attended by representatives of the Department of the Army, AMC and CDC was held. During the discussion the AMC representative announced that the only way to get the gun classified standard-A and suitable for procurement would be to lower the standards. AMC listed 12 major standard requirements which would require either waiver or adjustment. The CDC representatives objected to relaxing any requirements and opposed further testing of the gun, declaring that none of the military characteristics established for the gun could safely be modified. The Department of Army representative ruled that the standards would have to be lowered and gave AMC the go-ahead.

Meanwhile other circumstances began to develop.

Secretary McNamara announced that about 200 bases would be closed including the Springfield, Mass., Armory where small arms are developed and tested. This caused a congressional uproar from the Bay State, some of whose Representatives questioned the wisdom of purchasing German guns at a time when employees of the Springfield Armory faced the prospect of dismissal.

The congressional uproar was powerful enough to lead to a temporary freezing of all funds connected with the gun project. Secretary McNamara agreed to freeze all funds until Department witnesses could satisfy congressional complaints.

At this very time the Department was negotiating to purchase six additional guns for further test. The freeze on funds had the effect of delaying the intended purchase.

In April 1965, the funds were unfrozen, the additional test guns were purchased and improvement efforts were resumed. Throughout this period AMC kept insisting that the deadline of November 1, 1965, could not be met, and CDC remained critical of the gun and of the decision to lower test standards.

By early fall the gun was ready for additional testing.

TEST STANDARDS LOWERED

Under pressure from Mr. McNamara's office to keep it posted on progress, in October 1965 AMC notified channels that modifications of the gun were expected to be satisfactory in most respects and the gun, upon testing, could soon be classified standard-A. CDC protested to Secretary McNamara's office that the gun was still substandard.

In November 1965, TECOM asked AMC to specify new standards for testing. The same month, long before tests were complete, Kendall Barnes, AMC general counsel, began procurement contract negotiations.

On November 27, 1965, AMC put in writing the revised standards based on the November 1964 discussion at which time AMC, over the protest of CDC, decided to make the changes. Once again, CDC—the command established for the express purpose of defining the proper standards of weapons performance—protested vigorously. Despite this, on January 25, 1966, the revised standards as proposed by AMC were approved by General Abrams.

Meanwhile tests commenced at the three test centers, the Armor Board at Fort Knox, the Infantry Board at Fort Benning, and the Proving Ground at Aberdeen, Md. Each center provided preliminary teletyped reports to TECOM. On the basis of these incomplete informal reports, TECOM made a favorable interim evaluation and forwarded on January 29, 1966, to AMC the formal recommendation that the gun be classified standard-A. AMC recommended it to the Department of the Army on February 10, 1966.

Unprecedented test evaluation procedures were adopted. Under them malfunctions by the dozen were adjusted as being due to excessive wear of gun parts or discounted for other reasons, such as gunner error—although test gunners are the best in the Army. Ordinarily, a weapon would be required to perform satisfactorily without arbitrary adjustments and discounts. Without these ad-

justments test reports in the spring of 1966 would not have come close to meeting even the lowered standards.

As I have reported previously in the CONGRESSIONAL RECORD, the first interim report from Aberdeen tests dated April 8, 1966, and prepared by W. A. Gross, covering the period December 1, 1965, to February 28, 1966, showed a malfunction rate of 4.7 rounds per thousand. On April 19, 1966, a report prepared by Maj. William Farmer of Fort Knox, showed a malfunction rate of 7.1 per thousand but these were "discounted" to bring the rate to 1.3.

Single shot accuracy still could not meet the lowered requirements. The requirement had been reduced from 1.5 to 2 mils, a 33-percent relaxation. The test results were 2.16 mils.

Burst accuracy tests were conducted at 500 meters. After three rounds the accuracy pattern was firm, but unhappily malfunctions were frequent in bursts exceeding five rounds.

From earlier tests AMC devised a parts replacement schedule, but this was not used in the tests. Therefore the question whether malfunctions would actually have been prevented by parts replacement was left unanswered. By then the Rheinmetall "hot base" had cooled off. Production lines were down and space used for other work.

Therefore, the so-called final tests left in doubt whether the gun would actually pass even the lowered test standards.

In other respects the weapon system was deficient.

Penetration never did measure up to the desired level.

Its fine lay capability—the final aiming in which the gunner zeroes in on his target—was imperfect. This would seem especially important in light of the other problems on accuracy.

The high explosive round was still substandard despite 5 years of testing. The round—once overly sensitive—was now too insensitive. It did not explode until after graze impact. The explosion occurred yards away from the target point.

The manufacturer, Diehl, one of three firms involved in the procurement, is still working on this problem.

The recoil problem persisted. Recoil power is used to operate ammunition feeder. This is critically important because erratic recoil will cause erratic feeding of ammunition and therefore malfunction. The type mounting of the H.S. 820 on the M-114-A-1 vehicle aggravates this problem. Originally intended to be a more rigid ring mount, it was redesigned with ball bearings, which cause troublesome play. Although it was classified standard-A 6 months ago, technicians are still having trouble getting the weapon to perform well at low temperatures.

In several important respects Mr. McNamara misinformed and misled the Congress. As printed on page 7450 of the hearings of the House Committee on Armed Services, dated March 9, 1966, Mr. McNamara personally placed this statement before the Congress:

> Since the first weapons were tested, a great many improvements have been made. This weapon system meets all requirements for durability, reliability and accuracy and is considered suitable for U.S. Army use without further modification.

The statement was not only premature but incorrect and highly misleading.

The weapon system of course includes not only the gun but the vehicle, the mount, and the ammunition. On the day Mr. McNamara gave Congress this sweeping declaration that the system was suitable without further modification—every element of the system was deficient or in doubt.

The high-explosive ammunition was substandard.

The recoil and low-temperature problems on the gun persisted.

Mounting deficiencies were causing deficiencies in fine lay.

Single-shot accuracy continued to be a problem.

When Mr. McNamara spoke, the final test report issued by Major Farmer was still more than a month from completion, and in it Farmer was to report specific deficiencies and recommend further gun modifications and tests.

The vehicle itself had been tried and rejected as unsatisfactory in Vietnam operations.

In view of all this, Mr. McNamara's unqualified statement to the Congress that the "system meets all requirements for durability, reliability, and accuracy and is considered suitable for U.S. Army use without further modification" was shocking indeed.

Why did he place before the Congress this false and misleading statement on the weapon?

In his testimony October 9 he denied that the German Government had decided the gun was ineffective and would have to be replaced. Here was the exchange as reported on page 7414 of the committee hearings:

> Mr. BRAY. Was it decided by the German Government this gun was ineffective and would have to be replaced?
>
> Secretary MCNAMARA. Did the German Government decide that?
>
> Mr. BRAY. Yes.
>
> Secretary MCNAMARA. Absolutely not. The German Government is strongly recommending this.

Contrast this declaration with a statement reporting Germany's bad experience with the gun placed in the hearings of the House Defense Appropriations Subcommittee on March 24, 1966, by General Chesarek—page 61. He quoted the Army Scientific and Technical Intelligence Bulletin TB 381-6-3, page 22, as follows:

> The West German commercial firms of Rheinmetall and Mauser are each developing a 20-millimeter automatic cannon. The development of both the Rheinmetall and the Mauser weapons, which has been in process for about 5 years, was initiated at the request of the West German Government. The new developments were ordered because of the numerous deficiencies experienced with the present standard Hispano-Suiza 20-millimeter automatic cannon H.S. 820/L85 in use on West German armored vehicles.

On page 7447 of the Armed Services Committee hearings Mr. McNamara was recorded on October 9 as denying that the gun purchase arose from a desire to give Germany some business. The exchange as reported:

> Mr. PHILBIN. Before you start on that, did this have something to do with our relationships with West Germany? Were we trying to give them some business?
>
> Secretary MCNAMARA. No. The primary requirement here is for a weapon the Army doesn't have and can't get faster from a better source.

This response was misleading to say the least because of the close tie-in which actually existed between the gun procurement and the German order for the missile destroyers. Why was Congress misled and kept in the dark?

On July 27, four officials of the Department of Defense visited my office to answer questions about the gun I had raised in a letter of May 30 to Mr. McNamara and a telegram of June 15 to President Johnson.

I asked if the gun was still controversial around the Pentagon. The answer—unchallenged by the other three—was:

> I haven't found anyone who didn't want this gun. Soldiers not only want it and like it, but they need it.

This was misleading to say the least. CDC officials have consistently opposed the gun and opposed lowering any of the test standards, and in the Pentagon lexicon it is "that damn gun." Its champions are hard to find. One terse comment:

> The United States would have been better off to have sent the money to Germany as a gift.

Apparently Congress was kept completely in the dark about the lowering of test standards, and about the deficiencies and problems which still remained after the gun was officially classified standard-A.

WHAT SHOULD BE DONE?

Is it better to have the substandard H.S. 820 than wait for a better weapon? Obviously General Abrams answered this question in the negative in 1964, although Mr. McNamara the next day reversed the decision. CDC, the command charged with setting standards for weapons, has not budged from a negative answer.

It is true that the gun—when operated under closely controlled conditions and by the Army's most skilled gunners—can come close to meeting the lowered standards, but how often will these conditions prevail in the field? Is it wise to put in the field—in the hands of gunners with limited training—so marginal a weapon?

A detailed parts replacement schedule for guns on ships, aircraft, and fixed ground emplacements is one thing, but is it practical on a gun which may be operated for indefinite periods far from supply depots and in circumstances of extreme personal hazard like exist in many areas of Vietnam today?

It seems to me, in these circumstances, it would be better to have no weapon, or one of lesser power but proven dependability, and thus not be tempted to undertake certain optional military risks,

rather than act on a false sense of security and power based on a marginal weapon.

I question whether all alternatives other than the H.S. 820 have been adequately explored. For example, if the Soviet 14.5 gun put us at such a critical disadvantage in 1961, why did we not simply copy the Soviet weapon for the interim while a successor was being developed and built? The United States has had the Soviet gun for several years. One weapons expert estimated to me that a crash procurement, based on an exact copy job without changes, could produce 5,000 of these guns within 1 year.

My conclusion is that some committee of Congress should immediately undertake a thorough investigation of the gun gap. It should determine what faulty procedures and people were the cause, in order hopefully to diminish the possibility that this sorry experience will be repeated. It should find out who was responsible for keeping Congress in the dark. Officers and other personnel at all levels should be called to testify and especially those in CDC.

Meanwhile Congress should insist on three things:

First. A crash program to put a workable interim gun in the hands of our forces.

Second. A crash program to speed the development of a long-delayed successor weapon.

Third. Termination as recommended in 1964 by the Army's Vice Chief of Staff, of the long and costly endeavor to make the H.S. 820 work. So far the project has cost over $6.3 million. There is no sense throwing good money after bad, and tying up highly skilled people and critical testing facilities on an unpromising weapon.

Chalk it up to experience, and move forward fast.

SUPPLEMENTARY REPORT ON THE OPERATIONS OF THE NEW IMMIGRATION ACT

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker, on July 19, 1966, I took the floor to give the Members of the House a preliminary report on the operation of the Immigration Act of 1965. At that time precise figures were not available to demonstrate the dramatic results accomplished by this statute which abolished the national origins quota system and substituted relationships and U.S. need as the bases for immigration selection rather than an immigrant's place of birth. I now have the information to make more meaningful the initial comments I made on July 19.

During the fiscal year which closed on June 30, 1966, a total of 289,472 aliens were issued immigrant visas. This is 9,260 more than the 280,212 aliens who were documented as immigrants during the preceding fiscal year ending June 30, 1965. I will insert at the conclusion of my remarks a table showing these comparative figures for all countries. Fears recently expressed in certain uninformed quarters that immigration would be curtailed as a result of the new law have thus been demonstrated to be completely false.

Included in the figure for the fiscal year just ended were 55,611 relatives of U.S. citizens and resident aliens, and persons with needed talents, who would have been unable to come under the provisions of the earlier law. These immigrants were issued visas in the 7 months between the effective date of the new law on December 1, 1965, and the close of the fiscal year from the pool, which represented the unused visa numbers from fiscal 1965. Under the provisions of law in effect prior to the act of October 3, 1965, immigrant visas unused in any fiscal year were irrevocably lost.

More meaningful than the classes of immigrants has been the geographic shift in immigration and the increases in preference visa issuance to nationals of certain countries so greatly in excess of their annual quotas. Thus Italy, with a quota of 5,666 was authorized 20,000 visas. From Portugal, with a quota of 438 annually, 7,712 were documented to come as preference immigrants. To Indians, Japanese, Spanish, and Yugoslavs, with quotas of 100, 185, 250, and 942 respectively, there were issued 2,071, 786, 1,018, and 2,893 visas during the year ending June 30, 1966.

No amount of oratorical skill or legislative legerdemain can conceal the fact that to accomplish these changes and still increase overall immigrant visa issuance by only 9,000, some aliens of a class who previously were able to enter the United States freely and without significant numerical limitations are not now able to obtain immigrant visas. It is true that the persons who do not have sponsoring relatives within the required statutory degree or who do not have needed skills have been subordinated in their desire to enter this country as immigrants. Thus, under the act of October 3, 1965, during the past 7 months and in the years ahead, there will be a basic change in the character of immigration, but not in its volume, reflecting the increasing importance of national welfare as a criterion for selection of our immigrants.

With the announcements of proposed changes in the regulations of the Department of Labor recently made by Secretary Wirtz and the availability of an extra-quota pool of 84,225 for preference immigrant visas during the current fiscal year, the improvement in our immigration system should be even more marked this year.

It is with considerable pride and satisfaction, as the chairman of the subcommittee which authored the act of October 3, 1965, that I make this supplemental report to you on its operations and effect.

Under leave granted, I include a table showing the comparative figures for all countries:

Country	1965	1966
EUROPE		
Albania	99	115
Andorra		
Austria	1,476	1,059
Belgium	1,035	795
Belgian Congo		
Total	1,035	795
Bulgaria	106	84
Czechoslovakia	2,005	1,454
Danzig, Free City of	110	98
Denmark	1,333	1,023
Greenland		
Total	1,333	1,023
Estonia	112	80
Finland	628	435
France	3,847	3,023
Algeria	2	3
French Guiana	101	80
Guadeloupe	44	52
Martinique		
Reunion		
Comoro Islands		
French Congo		
French Equatorial Africa	16	9
French Polynesia		1
French Somaliland		
French South and Antarctic territory		
French West Africa		
Ivory Coast		
Madagascar	2	1
New Caledonia	2	6
St. Pierre and Miquelon		
Senegal		
Wallis and Futuna Islands		
Tunisia		
New Hebrides		
Total	4,014	3,175
Germany	25,171	18,595
Great Britain and Northern Ireland	28,698	20,831
Aden	72	82
Antigua	179	250
Bahamas	224	208
Barbados	390	589
Basutoland	2	
Bechuanaland	1	
Bermuda	194	177
British Guiana	131	401
British Honduras	135	387
British Solomon Islands		
British Virgin Islands	147	232
Brunei		
Cayman Islands	136	98
Cyprus		
Dominica	102	106
Falkland Islands		
Fiji Islands	10	203
Gambia		1
Gibraltar	4	15
Gilbert and Ellice Islands		1
Gold Coast		
Grand Cayman		
Grenada	133	216
Hong Kong	107	231
Jamaica		
Kenya		
Leeward Islands		
Malaya		
Maldive Islands		
Malta	127	
Mauritius	23	3
Montserrat	116	99
New Hebrides		
Nigeria		
North Borneo		
Northern Rhodesia	22	
Nyasaland		
Pitcairn Island		
St. Christopher, Nevis, Anguilla	160	227
St. Helena	3	2
St. Lucia	108	103
St. Vincent	122	124
Sarawak		
Seychelles	9	25
Sierra Leone		
Singapore		
Somaliland Protectorate		
Southern Rhodesia	74	55
Swaziland		
Tonga		
Trinidad		
Turks and Caicos Islands	18	3
Uganda		
Windward Islands		
Zanzibar		1
Total	31,447	24,669
Greece	1,926	8,917
Hungary	837	822
Iceland	146	104

Country	1965	1966
EUROPE—continued		
Ireland	5,378	3,071
Italy	9,987	24,967
Latvia	247	154
Liechtenstein	12	8
Lithuania	402	269
Luxembourg	106	73
Malta	41	310
Monaco	11	5
Netherlands	3,066	2,282
Netherlands Antilles	166	161
New Guinea		
Surinam	101	79
Total	3,333	2,522
Norway	2,303	1,502
Poland	7,044	7,575
Portugal	1,698	8,710
Angola		3
Cape Verde Islands	91	263
Macao	7	37
Mozambique	2	3
Portugese Guinea		
Portugese India		1
Portugese Timor		
Principe and Sao Tome		
Total	1,798	9,017
Romania	445	304
San Marino	102	97
Spain	1,629	2,227
Fernando Po		
Ifni		
Rio Muni		
Spanish Sahara		
Total	1,629	2,227
Sweden	2,458	1,860
Switzerland	1,822	1,537
Trieste		
U.S.S.R	2,645	1,634
Yugoslavia	1,096	2,020
European total	111,304	120,577
ASIA		
Afghanistan	56	21
Arabian Peninsula	21	22
Asia (Pacific)	797	220
Bhutan		
Burma	90	193
Cambodia	4	7
Ceylon	97	75
China	242	6,825
Chinese persons	2,258	677
Cyprus	114	260
India	228	626
Indonesia	223	248
Iran	136	311
Iraq	105	469
Israel	202	390
Japan	2,758	3,261
Jordan	363	392
Korea	2,138	1,908
Kuwait	1	1
Laos	6	8
Lebanon	228	452
Malaya		
Malaysia	285	148
Muscat and Oman		
Nepal	7	3
Pakistan	98	137
Palestine, Arab	127	761
Philippines	2,489	5,204
Saudi Arabia	7	9
Syria	109	216
Thailand	190	199
Turkey	357	1,006
Vietnam	210	222
Yemen	108	117
Asian total	14,054	24,388
AFRICA		
Algeria	259	132
Burundi	2	4
Cameroon	2	3
Cameroons (British)		
Cameroons (French)		
Central African Republic		1
Chad	2	
Congo (formerly French)		
Congo, Republic of the	13	17
Dahomey		
Egypt		
Ethiopia	74	60
Gabon		
Ghana	60	59
Guinea	10	2
Ivory Coast		1
Kenya	41	62
Liberia	39	48

Country	1965	1966
AFRICA—continued		
Libya	110	80
Malagasy Republic	2	3
Malawi	5	4
Mali		1
Mauritania		4
Morocco	136	256
Niger		1
Nigeria	89	57
Ruanda-Urundi		
Rwanda	3	6
Senegal	4	3
Sierra Leone	12	14
Somali Republic	10	7
Somaliland		
South Africa, Republic of	149	266
South West Africa	8	7
Sudan	92	67
Tanganyika	22	18
Togo	2	2
Togoland (British)		
Togoland (French)		
Tunisia	106	100
Uganda	9	10
United Arab Republic	146	295
Upper Volta	1	
Zambia	15	36
African total	1,423	1,626
NORTH AMERICA		
Canada	40,013	25,563
Costa Rica	2,781	1,395
Cuba	20,086	17,063
Dominican Republic	10,851	16,372
El Salvador	1,403	1,273
Guatemala	1,321	1,346
Haiti	3,763	3,937
Honduras	2,096	1,716
Jamaica	1,780	2,983
Mexico	37,432	43,630
Nicaragua	1,130	955
Panama	1,902	2,400
Trinidad and Tobago	419	809
North American total	124,977	119,442
SOUTH AMERICA		
Argentina	5,629	3,785
Bolivia	902	649
Brazil	2,755	2,277
Chile	1,606	1,122
Colombia	9,790	8,053
Ecuador	4,176	3,856
Guyana		41
Paraguay	152	160
Peru	1,485	1,153
Uruguay	398	431
Venezuela	738	670
South American total	27,631	22,197
OCEANIA		
Australia	333	438
Christmas Island		
Cocos Islands		
Papua		
Total	333	438
Nauru		
New Guinea	7	3
New Zealand	212	212
Cook Islands		1
Total	212	213
Pacific islands	148	446
Tonga, Kingdom of	41	68
Western Samoa	69	55
Oceania, total	810	1,223
No nationality	13	19
Nonquota under Refugee Relief Act of of 1953		
Grand total	280,212	289,472

THE ASSAULT OF A SECRETARY RAISES SOME DOUBTS ABOUT SUPREME COURT DECISIONS

The SPEAKER pro tempore. Under previous order of the House the gentleman from Missouri [Mr. RANDALL] is recognized for 15 minutes.

Mr. RANDALL. Mr. Speaker, I asked for some time today to be given the opportunity to call attention of the House to some thoughts which I believe should be weighed by every thinking person on the present and potential effect of the Escobeda and Miranda decisions upon law enforcement in this country.

I take the floor at this time because a faithful member of my staff, Mrs. Mary Kolbash, was struck down on the street Tuesday evening as she was walking from my office to her home a few blocks southeast of the Longworth House Office Building. Scarcely a block due south of our building she was set upon by an unknown assailant who came up back of her and proceeded to knock her down, beat her upon the face, and kick her repeatedly while she was on the ground. Fortunately a man parking his car nearby heard the commotion and ran to her assistance. The attacker then fled. The only apparent motive for the assault was to steal her purse.

In my office members of the permanent staff alternate to remain over after the others leave to supervise some personnel staff including summer interns who come in when regular staff leave at 6 p.m. and work to about 10 p.m. The attack on Mrs. Kolbash took place shortly after 10 p.m.

Sometime after 10 p.m. Mrs. Kolbash phoned my home on Capitol Hill from Precinct No. 5 Police Station. She was in a highly emotional state and quite understandably so. I then proceeded to the police station but by the time I arrived she had been taken to her home.

The point of my remarks today, Mr. Speaker, while occasioned at this particular time by this incident is not altogether related to this matter alone but to other and even more serious happenings that take place on the streets of Washington right here in the shadow of the Capitol every night.

When I arrived at precinct No. 5 I had an opportunity to talk with a very efficient-appearing young officer who was writing up the report. In my discussion with him I learned that they regarded this incident as just a routine happening every night. I asked about the chance of apprehending the assailant. This caused the officer to ask of me if I had ever seen one of the "rights cards" that every officer is required to carry in his billfold. He proceeded to take his copy from his billfold for me to look at. He told me that in every instance he has to hand this over to a suspect to read before any questions can be asked. I inquired if I could have one of the cards. He declined, saying it was the only one he had and had become a part of his personal equipment, as much as his belt, or gun.

At this point I asked to confer with the commanding officer of the precinct. In my discussion with him I inquired about the number of similar offenses that happened per week within the limits of precinct No. 5. I think I should mention that the northern line of precinct No. 5 runs right through the U.S. Capitol Building. The House side of the Capitol Building is in No. 5 while the Senate side is situated in precinct No. 9. The commanding officer of precinct No. 5 told me

there are about a dozen of these incidents similar to Mrs. Kolbash, which occur within each week. That adds up to about two per night. Some of these assaults in the past have taken place right on Capitol Plaza. That means right on the Capitol Grounds or the area immediately adjoining our office buildings.

Many of the women who are assaulted are not as fortunate as Mrs. Kolbash. Some have been raped. I proceeded to ask the commanding officer of precinct No. 5 for a copy of the "rights of arrested persons." He said they had no supply of the rights cards which are carried by officers, but at my request I was permitted to take down from the wall an 8 by 10 poster which I have with me now.

Driving back to our home with Mrs. Randall, we drove by the scene of the assault. We found it to be upon a well-lighted street. The scene of the affair was very close to the residence of a colleague, a fellow Member of the House and a good friend from the State of Ohio. I mention this is only to point out the assailant hiding crouched behind some bushes upon a well-lighted street nevertheless had the brazenness to commit his assault under such conditions. It would be more understandable if he had chosen some dark place where apprehension would be more difficult.

Because of the commotion and the alarm sounded by the one witness, police arrived very quickly. I wish to make it plain I make no charge that Capitol Hill is inadequately patrolled. I could not agree with those complainants who have said there is a failure to patrol the Capitol Hill area. I do not know how it can be expected of police that they be everywhere at the same time. My hat is off in salute to the efforts of our Metropolitan and Capitol Hill Police. Any observations I may make concerning their effectiveness is certainly because of no fault of their own.

While I may lose the services of an efficient secretary while she is recovering from her injuries, I have tried to restrain myself from anger. Yet, I find this incident leaves me no alternative but to speak out concerning some recent U.S. Supreme Court decisions that render our police department ineffective or even impotent in their law enforcement activities. The crime against Mrs. Kolbash has been committed and is an accomplished fact. If there is to be a deterrent of any kind or to any measure against the continuous and continuing repetition of similar assaults, then the guilty ones must be brought to trial and punished. All of the beautiful theories to the contrary notwithstanding, something must be done to serve as a deterrent or else there will be no limit to the increase in our rate of crime.

As I look back on the happenings of Tuesday evening, the one thing that stands out in my mind is the conversation with the officers at precinct No. 5. The Metropolitan Police Department is trying to do a good job in the face of great odds against them here in the city of Washington. When I had finished talking with the commanding officer of the precinct, a plainclothes detective walked in who had been searching the neighborhood of the crime for the assailant. He related to me that he thought perhaps they had located the suspect within a group of youngsters. Mrs. Kolbash had described him as being a Negro male youth who appeared to be about 15 years of age. The plainclothes detective told me that because there was no positive identification it was difficult to make an arrest. But the disturbing point that was brought out in our conversation was that this group of juveniles and in other instances adults who are suspected of crime and asked questions by officers as suspected persons literally stand off and thumb their noses at these officers. They do this because they know the wording carried on every card in the billfold of each officer and posted on the walls of every precinct station in this city. Here are the words, right here on this card:

> You have the right to remain silent. You are not required to say anything to us at any time or to answer any questions.

Maybe many of those who are suspected are really innocent. If so, one would think they should be glad to speak up and answer questions. Instead, I am advised that the thinking of those throughout precinct No. 5 is "To hell with the police. The Supreme Court decisions say, you can't touch us." If that attitude obtains and exists in other portions of the city of Washington and in our other large cities and, yes, anywhere in this land then we are in for some real trouble in the days, months, and years ahead because of these decisions. Later on Tuesday evening I talked with some Capitol Hill Police. Let me now commend those who have charge of the Capitol Hill force for bringing in some former members of the armed services police force. I talked to one of these fine patrolmen. I asked him if he could help find the assailant. He replied that he would try, but his answer was one which startled me when he said, "Our hands are tied."

Repeating, as I look back on my conversations with those at precinct No. 5, I cannot escape the conclusion that all the police are willing and want to do a good job as police officers. But they are hamstrung. Instead of the criminals it would now seem to be it is the police themselves who are handcuffed. I hate to have to report this fact but it seemed to me that there was a feeling on the part of these good officers they are licked before they started.

Now this morning I received a call from the police stating it was their belief that the offender was in fact a juvenile and the one witness had been engaged in reviewing pictures to try to identify the assailant. The sergeant who called reported that if, in fact, the offender was a juvenile it might be easier to obtain a conviction than if he were an adult. The strange reasoning here is that the juvenile court has been held not to be a criminal court and therefore not completely subservient to the Supreme Court decision of June of this year. The sergeant pointed out that if an adult suspect even at the scene of the crime were able to be arrested he must first be advised immediately and forthwith of his rights. In the case of a juvenile, frankly, there is more leeway because the juvenile court here has said that while they would follow a policy of advising a juvenile of their rights it is their belief that the Supreme Court decision may not affect juvenile courts because they are not classified as criminal courts.

Surely there is some way to reconcile the protection of the fifth amendment with the need for more effective law enforcement short of these Supreme Court decisions. The scope of the fifth amendment's privilege against self-incrimination as recently interpreted by the Supreme Court imposes such absolute restrictions on the questioning of suspects or defendants in the absence of counsel as to raise urgent questions concerning the possibility of effective law enforcement. Surely there can be some synthesis of the conflict between the privilege granted on the one hand and good law enforcement on the other so that both objectives can be gained.

If one believes the Miranda case or the Escobeda case goes to extremes they should read the Russo case in which our U.S. Supreme Court held in 1965 that answers to questions put in the absence of counsel to a person arrested and yet not indicted could not be admitted in evidence, even if the suspect does not request counsel and his statements are completely voluntary. The Court went so far as to say that a suspect, even though he gives the statement voluntarily, must specifically waive the right to counsel in writing.

There is no doubt in my mind but there is a rising public concern about the need for more effective law enforcement. Criminal prosecutions are and always will be a necessity for several reasons: first, to deter other violations of law that will otherwise inevitably happen in the future. Then, another reason is that somewhere along the line it is hoped the offenders may be rehabilitated. Finally, those dangerous offenders that cannot be rehabilitated should be put away from society or so insulated that they cannot bother society. All of us should recognize that defendants who remain free to repeat their lawless conduct cause injury just as much as does the conviction and punishment of an innocent person. No matter how perfect our procedures might be, it is inevitable that some innocent defendant may be found guilty. It is just as true that these same procedures result in guilty defendants escaping punishment. Perhaps the conflict can never be entirely resolved.

We now seem to be in an era of increasing emphasis on the protection of defendant's rights. But surely procedures can be found that will serve both the interest of protecting the innocent and the equally compelling requirement of protecting society from the guilty.

May I point out in this connection that there should be quite a distinction made between questioning sophisticated and dangerous criminals who will never make any statement at any time and those less sophisticated suspects. Surely the prosecution should not be without means of obtaining facts from these most dangerous lawbreakers. Only by such question-

ing can leads to identify the wrongdoer be uncovered or leads that will clear one or more suspects.

I would hope that our American Bar Association would consider the appointment of committees to work on a plan that would lead to procedural safeguards to meet the purposes of the fifth amendment and at the same time would allow for immediate questioning. Perhaps these safeguards could be achieved by the provision for transcripts of the interrogation. Perhaps even a judge could be present during the questioning to pass upon objections. We might even go so far as to permit refusal to answer before such a judge would not form the basis for contempt sanctions.

But even if a constitutional amendment is necessary to permit the questioning of persons who invoke the fifth amendment notwithstanding then certainly such a study should be made to prepare such an amendment. The key word in the fifth amendment is the word "compel." That means no person shall be compelled to be a witness against himself. In other words, a constitutional amendment could define the word "compel." It could provide that one would not be deemed to be "compelled to be a witness against himself" if his answers were given to questions under procedural safeguards such as having a judicial officer present at the time of questioning.

On the subject of questioning of criminals I think we can all agree with the words of one of the greatest justices of them all, Mr. Justice Cardozo, who said in the Palko case in 1937—indicating there could be questioning and also fairness to the accused, if proper procedural safeguards were evolved:

> Justice however would not perish if the accused were subject to a duty to respond to orderly inquiry.

In my remarks I wish to emphasize race is not involved. The fact that the assailant was identified as a young Negro is of no consequence in this discussion. A white assailant would have the same rights to hide behind the decision of Miranda against Arizona. The stark fact that we must face as a reality, is the fact that one of the vital tools of law enforcement has been taken away from our police departments. Over the years I have been one who has stood for the protection of the rights of the individual. At one time I questioned the wisdom of legislative circumvention of the Mallory case. But the Mallory case hampered law enforcement activities only to a very small extent because it applied locally. The Escobeda and Miranda cases apply against the States and thus have nationwide application. It is my sincere, solemn, and at the same time dismal prediction, that statistics for the increase in crime 1 year from now will show the disappointing, yes even sickening results of the Miranda decision that was handed down by the U.S. Supreme Court on June 16, 1966.

Finally, I wonder what would the members of our U.S. Supreme Court think if one of their trusted law clerks were struck down on his or her way home? What would be their reaction if such a thing happened to a member of their own family? Do you suppose such an event might cause them to have second thoughts or to think a little more about what their decision has done to law enforcement in this country?

ERRONEOUS STATEMENT ON THE H.S. 820 MILLIMETER GUN

The SPEAKER pro tempore. Under previous order of the House the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a letter from the Secretary of the Department of the Army.

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

There was no objection.

Mr. PRICE. Mr. Speaker, the statement just made by the gentleman from Illinois [Mr. FINDLEY] is filled with inaccuracies. There is hardly one statement of fact in it. Throughout his remarks the gentleman has been talking about a weapon the Army did not buy.

The Committee on Armed Services of the House has gone into the purchase of the H.S. 820 in extensive hearings and has found the weapon secured by the Army is a completely different version than the 20 millimeter gun mentioned by the gentleman from Illinois [Mr. FINDLEY].

I suggest the House Members read carefully the letter directed to the chairman of the House Armed Services Committee by the Secretary of the Army, Mr. Resor.

There is brazen misrepresentation in Mr. FINDLEY's statement in which he charges the Army Vice Chief of Staff recommended termination of the H.S. 820 project.

This is simply not true. It is absolutely incorrect and without any foundation. As a matter of fact the Army Chief of Staff and the Vice Chief, after a meeting on November 4, 1964, reported to the Secretary of Defense that the Army had a requirement for the weapon. This is just an example of the many errors in Mr. FINDLEY's statement.

Mr. Resor's letter, mentioned earlier, follows:

DEPARTMENT OF THE ARMY,
Washington, D.C., August 30, 1966.

Hon. L. MENDEL RIVERS,
House of Representatives, Committee on Armed Services, Rayburn Building, Washington, D.C.

DEAR MR. CHAIRMAN: Secretary McNamara has asked me to reply to your letter requesting comments on Representative FINDLEY's statements concerning the HS 820 20mm gun. I have consolidated and summarized his allegations below.

Allegation: The HS 820 was rejected by the German Army five years ago (September 1965 Technical Intelligence Bulletin) and was withdrawn from use. The cited Technical Intelligence Bulletin discusses deficiencies of the old, unmodified version of the HS 820. It does not state, nor is it a fact, that the weapon was rejected or withdrawn from use by the West German Army. The gun which the US Army will procure has been extensively modified over that referred to in the Bulletin and by Representative FINDLEY and the earlier deficiencies have been corrected. Our information indicates that the Germans are also planning to use this modified version on their vehicles.

Allegation: The RH 202, a completely new and superior weapon developed by Rheinmetall, will be available about the same time as the HS 820. Weapons under development by both US and German manufacturers (including the RH 202) may be considered as follow-on items to the HS 820. However, final development, test, and production of these guns could not be completed in time to meet the urgent requirement being fulfilled by the modified HS 820.

Allegation: In 1961, after comparative tests with two other weapons, development work on the HS 820 was ordered even though the gun did not function well; two years later a report of tests by Aberdeen Proving Ground showed negative results and was suppressed. The requirement for a Vehicle Rapid Fire Weapon System was divided into two phases: (a) an Interim System to meet an urgent requirement to replace certain vehicular-mounted caliber .50 machine guns, and (b) a Successor System to meet the ultimate requirement. In 1962, three candidate weapons were evaluated to determine their suitability as the Interim System. The Army selected the HS 820 for technical, logistical, and industrial (production availability) reasons. A comprehensive test of the weapon was then made to determine its detailed performance characteristics. The report of this test, published by Aberdeen Proving Ground in 1963, did list a number of deficiencies and a corrective modification program was immediately undertaken. The report, although classified by regular standards, was not suppressed; rather, it was given normal distribution. A copy was recently provided to Mr. BATES of your Committee.

Allegation: Developmental work was conducted at Aberdeen instead of Springfield Armory. Fabrication of components modified to correct deficiencies set forth in the 1963 Aberdeen test report was accomplished by Watervliet Arsenal, the agency which in the past has done developmental work on 20mm weapons of this type.

Allegation: Normal Army weapons performance standards had to be waived or lowered in order to Type Classify the HS 820 as Standard A. In 1962, when the three candidate weapons for the Interim System were evaluated, the Army did not have detailed performance specifications for weapons of this type. Further, it was determined that none of the candidate weapons could meet the requirements for the Successor System. Therefore the Army established standards for the Interim System based on the best available military judgment and experience. After being modified to meet the deficiencies noted in the 1963 test report, the HS 820 was again tested at Aberdeen. A January 1966 interim report by Aberdeen concluded that the performance goals had been achieved, with the minor exception of dispersion when firing in the single shot mode and recommended that the gun be considered suitable for Army use. In February 1966, the Army Type Classified the modified HS 820 gun as Standard A.

Inclosed for your information is a copy of a letter of 21 July 1966 to Representative FINDLEY on this same subject. I trust the present letter will be of further assistance.

Sincerely,

STANLEY R. RESOR,
Secretary of the Army.

CONGRESSMAN BARRETT URGES CONGRESSIONAL CHARTER FOR POP WARNER LITTLE SCHOLARS, INC.

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman

from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BARRETT. Mr. Speaker, it gives me great pleasure to introduce legislation to grant a congressional charter to the Pop Warner Little Scholars, Inc., the corporate body of Pop Warner Junior League Football. I am honored that this very fine organization has requested my assistance in obtaining this status.

The purpose of this bill is to give national and congressional recognition to the excellent work being done by this organization for the pre-high-school-age boys of our country. As set forth in the bill, the objects and purposes of the corporation shall be: First, to inspire youth, regardless of race, creed, or color, to practice the ideals of sportsmanship, scholarship, and physical fitness; and second, to bring youth closer together through the means of common interest in sportsmanship, scholarship, fellowship, and athletic competition.

The national headquarters of this wonderful organization is located in the city of Philadelphia where the Pop Warner football program was started 38 years ago, making it the oldest and largfootball and scholastic training program. The program began with a four-team league of youngsters in 1928, in the Port Richmond section of the city, which at one time was part of the First Congressional District of Pennsylvania. By the mid-forties there were more than 300 Pop Warner teams in Philadelphia alone, and today there are some 20,000 teams and 600,000 youngsters playing the Pop Warner brand of safety-first football from coast to coast and in several foreign countries.

The Pop Warner football program, for pre-high-school youngsters, ages 9 through 15, was named in honor of the late Glen Scobie (Pop) Warner, the winningest collegiate football coach of all time. Pop Warner, born on a farm in western New York, played varsity football at Cornell and went on to coach the Indians at Carlisle, Pa., where he tutored the legendary Jim Thorpe. He went on to coach at the University of Pittsburgh, Iowa State, Stanford, Georgia, Temple University in Philadelphia, and his alma mater, Cornell. In his years of coaching he provided a continuing inspiration for all who worked under him and today his name remains a symbol of what the Pop Warner junior league football program is attempting to achieve—to bring youth closer together through a common interest in scholarship, fellowship, and athletic competition.

This marvelous program was started in Philadelphia by the efforts of Joseph J. Tomlin, an outstanding lineman during his years at Swarthmore, who sought to expose boys of the ages of 10 to 14 to the game of safety-first football, emphasizing its qualities for building character and sportsmanship as well as pointing out the need for high equipment standards, proper coaching, and officiating.

The league is divided into five divisions: Peewee, Junior Midget, Midget, Junior Bantam, and Bantam. These divisions encompass all of the boys of pre-high-school age, with prime consideration given to the safety of every child and secondarily, equality of competition.

At a time when the interests and welfare of our youth, the prime resource of our Nation, are a matter of concern and interest to every person in America, it is most fitting and proper that the Congress include this organization along with the Boy Scouts, Boys' Clubs of America, Red Cross, and Little League Baseball under the guardianship of the Congress of the United States. For one of the outstanding features of Pop Warner Junior League Football is its scholastic improvement division called the Little Scholars. It is the aim of the Little Scholars phase of the program to instill in every Pop Warner player the desire to excel in the classroom as well as on the football field.

I strongly recommend the support of this proposal to every Member of the Congress and, though the Congress may soon be drawing to a close, urge prompt consideration of this measure, its passage and enactment into law.

THE FUTURE OF FEDERAL AID TO EDUCATION

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, the Elementary and Secondary Education Act of 1965 is perhaps the most important education legislation passed by Congress in history. The law represents a major effort to improve educational opportunities for disadvantaged children in our country as well as lifting the quality of elementary and secondary education generally in the United States.

In the August 14, 1966, issue of Potomac magazine of the Washington Post, I have contributed an article which is a brief survey of some of the achievements the Elementary and Secondary Education Act has made possible to date, and I insert the text of the article at this point in the RECORD:

THE FUTURE OF FEDERAL AID TO EDUCATION

(By Representative JOHN BRADEMAS)

IN 1966: $9 BILLION

Turning to the Federal Government for money for education is old hat to Washingtonians. The District of Columbia has long depended on Congress for its budget. But to the rest of the country, the new Federal commitment to education at all levels is a surprising prominence in the educational landscape.

Only a few years ago most educators, politicians and political scientists saw little hope for substantial Federal aid to the nation's elementary and secondary schools. However, a confluence of forces radically changed the picture: the election of a Roman Catholic President, the ecumenical movement in the churches, the ballooning importance of civil rights, overwhelming Democratic majorities in both House and Senate, and the hard-driving leadership of a President deeply committed to education. The Elementary and Secondary Education Act, signed into law by President Johnson on April 11, 1965, was in large measure a result of these new conditions.

A few statistics illustrate the dimensions of the new Federal commitment to educational opportunity. In fiscal year 1966 the Federal government spent some $9 billion on education, almost double the 1964 fiscal year figure of $4.5 billion.

The major increase has been in the U.S. Office of Education which in fiscal 1966 spent around $3.3 billion, a fourfold increase from the $700 million level of 1964.

Perhaps the most significant of all new Federal education laws and certainly the most important one for youngsters of the District of Columbia who will head back to school next month is the Elementary and Secondary Education Act (ESEA).

The ESEA has five parts or titles, each designed to attack a serious weakness in American schools. The law provides funds to meet the special educational needs of children of low incomes families, to improve school libraries, to set up supplementary educational centers and services, to carry out research and training and to strengthen state departments of education.

Let's take a closer look at how the ESEA is working.

Title I, has been getting most of the attention because it affects so many children—some 7 million this year—and because it represents so much money, about $1 billion.

The amount of funds each local public school district is eligible to receive is determined by the number of school age children in the district whose families have annual income below $2,000, multiplied by half the average current school expenditure per child in the state. Congress may modify this formula somewhat this year.

The local school authorities may use the money in any way they decide will improve the education of disadvantaged children. State education agencies approve local projects and allocate the funds.

By the end of the 1966 school year, some 22,000 Title I projects had been approved. Children from poor families, 70 percent of them in pre-primary through the sixth grades, are receiving desperately needed help in overcoming the crushing disadvantages of poverty. Six out of ten projects include remedial work in reading, writing, listening and speaking. Another one in ten provides remedial work in mathematics, science or social studies.

Schools may use their funds for improved health services, adequate meals for malnourished children, teacher aides from the school neighborhood, special attention to spotting and retaining potential dropouts, cooperative parent-teacher programs to improve understanding and enlist early support for the school's programs. All these were financed right here in the District of Columbia with its over $5 million in Title I funds.

About 60,000, or one-eighth of the Washington area's almost half million public elementary and secondary school youngsters, are going to summer school this year. They either are trying to catch up or skip ahead in basic classroom work, or take culturally enriching subjects often slighted during the regular school year. Of the approximately 33,000 children in the District summer schools, about 20,000 are underprivileged grade school youngsters who today have the chance to learn because of a $1.5 million allocation under the ESEA.

Title II of the ESEA is aimed at bringing books and library materials to children who must often share scarce, outdated books at

school and have almost none at home. I should note here that this part of the bill is not tied to the category of poverty like Title I. Indeed, Titles II–V apply to all the schools of the country, without regard to the family income of the children.

Nearly one-third of our elementary and secondary school children attend schools without libraries, despite the evidence that children who have ready access to books do much better in school than children who don't.

In the District of Columbia, as in most of the states, the largest portion of the new Federal money is earmarked for school library resources, a little less or audio-visual materials, and the smallest amount for textbooks.

Title III of ESEA, which provides supplementary educational centers and services, can make the difference between just going to school and having a chance for a first class education. Live theater, concerts, mobile art museums, and demonstration schools that provide both new ways of teaching and services for children not reached by existing school programs are all under way. These programs are designed by the school district and funded directly by the Office of Education, unlike the other projects, which must receive final approval from state officials.

The District of Columbia is presently seeking funds under Title III to establish a center for the in-service training of teachers and the improvement of curriculum development, with particular emphasis on education of culturally deprived children. The center would eventually cost over $800,000 a year to operate.

The Elementary and Secondary Education Act has been in operation for a few months and we are therefore only now beginning to have a chance to assess its impact. Indeed, it was just last month that Harold Howe II, the U.S. Commissioner of Education, told a National Conference on Education of the Disadvantaged here in Washington:

"...we are learning. We have discovered if it needed discovery, that education is a weapon against poverty. We have learned that the child of poverty needs special attention. Yet until recently, educational programs devised for the children of affluence were blandly offered to children with altogether different backgrounds and needs. The big question is still 'how'—how can we do a better job of educating the children of the poor and how can we put the best to work in the schools and communities where the best is most needed."

Our first year's experience with ESEA has dramatized some of the most serious problems we face in educating the disadvantaged.

First, there are still not enough teachers in the poorest districts. Swift and favorable action by Congress on the Teacher Corps appropriations would help provide more teachers for slum areas. And we have by no means tapped the potential for part time work by summer teachers and neighborhood teacher aides. Moreover, the Teacher Fellowship program, of which I was sponsor in Congress, part of the 1965 Higher Education Act, can, if adequately funded, mean a larger supply of teachers with graduate study equipped to go into elementary and secondary schools throughout the nation, in poverty areas and elsewhere.

Second, the National Advisory Council on the Education of the Disadvantaged Children has warned that in some cases school districts have spent too much Title I money on equipment and materials, with too little attention to trained personnel.

Third, although there have been very few complaints about the relationships between public school and private and parochial schools, the Advisory Council found, "some early indications that the disadvantaged children in private and parochial schools are receiving less help than Title I intended for them."

The ESEA could not have been passed without the Title I compromise, which focused on meeting the needs not of school but of disadvantaged children wherever they are, and the law must be fully honored at the local level.

Fourth, we should consider giving still greater emphasis to pre-school programs such as Project Head Start, and to training more to work with such children. The Child Development Bill, sponsored by Congressman SAM GIBBONS (D-Fla.) and by me and other members of the House Education and Labor Committee, has this objective.

Fifth, I believe we should give more attention to opening the schools to children, particularly the disadvantaged, after regular school hours, on Saturdays and during the summer.

Part-time use of the schools is not only uneconomical, but arbitrarily limits the availability of special care and attention to those who need it most. Right here in the District, where the classroom situation is shockingly inadequate for so many disadvantaged youngsters, we should be making far greater use of the service which the schools and teachers now have to offer. Why shouldn't children learn in the summer as well as the fall?

This is a time of great change and ferment in the public schools in the nation and here in the District. The report of my colleague, Rep. ROMAN PUCINSKI (D–Ill.), has focused sharp attention on serious shortcomings in the local schools. The speedy House approval of a new Shaw Junior High School site is also a symbol of awakened Congressional concern about the District's schools, as is the pending proposal for an elected District School Board. An optimistic development is the appointment of three new members to the Board of Education, all willing to examine critically the status quo.

The ferment and change here in the District and elsewhere I take as signs of hope for the schools of our country, signs of what Francis Keppel, former U.S. Education Commissioner, has called a "necessary revolution" in our schools.

VOLUNTEER PHYSICIANS FOR VIETNAM

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. MULTER. Mr. Speaker, in addition to our military commitment to the people of Vietnam this generous Nation has also supplied enormous amounts of economic and technical assistance to the Vietnamese civilian population.

In addition to assistance provided by our Government, however, a great deal of voluntary work is being done in Vietnam. One of the volunteer programs is the American Medical Association's Volunteer Physicians for Vietnam. I am pleased to bring to the attention of our colleagues this excellent program and believe that the following statement concerning it will be of great interest.

This statement follows:

AMA VOLUNTEER PHYSICIANS FOR VIETNAM

AMA Volunteer Physicians for Vietnam is a program for supplying medical care to the civilian population of South Vietnam through the volunteer services of U.S. physicians.

It is administered by the American Medical Association and financed by the United States Agency for International Development (USAID).

Physicians sent to South Vietnam under the program serve a 60-day tour of duty at one of 16 provincial civilian hospitals. The volunteer receives only his transportation and an expense allowance of 10 dollars a day; otherwise his services are entirely unpaid.

At the hospitals the volunteers will work with teams of military physicians and corpsmen. These teams, assigned to USAID for service in provincial civilian hospitals, provide continuity in the volunteer program.

Twenty-four to 32 physicians are needed every month to keep hospital staffs at full strength. Most needed are general practitioners, internists, general surgeons and orthopedic surgeons. As of June–July, 1966, the greatest demand is for general and orthopedic surgeons to treat war wounded civilians. Small numbers of specialists in the fields of chest diseases, ophthalmology, otolaryngology, radiology and psychiatry are needed from time to time. Other specialists cannot be used at present but inquiries are invited in anticipation of future demands. Because of conditions in Vietnam only male physicians are accepted. Nonphysicians are not recruited.

Information about the program may be obtained by contacting: AMA Volunteer Physicians for Vietnam, American Medical Association, 535 North Dearborn Street, Chicago, Illinois 60610.

THE BACKGROUND

Twenty-five years of war and insurrection in the area now known as South Vietnam has placed tremendous health burdens on the people. To the ever-present diseases and malnutrition of Southeast Asia have been added war injuries, disruption of whatever public health measures existed, and a serious lack of doctors and nurses as more and more of the country's approximately 1,000 physicians were called into military service. Today only about 350 physicians are left to administer health care to 15 million Vietnamese civilians.

South Vietnamese authorities have asked the United States government to encourage American physicians to volunteer their services to Vietnamese civilians.

Out of this request grew a program financed by the U.S. government through the State Department's Agency for International Development (AID). Created to recruit U.S. physicians for volunteer 60-day tours of service at Vietnamese civilian hospitals, the program was at first administered by People-to-People Health Foundation, Inc., with the American Medical Association assisting in recruitment. At this point the program was called Project Viet-Nam.

After successfully implementing Project Viet-Nam on a pilot basis, People-to-People Foundation asked that the program be turned over to some other responsible agency, preferably the AMA. At the invitation of the Agency for International Development, the AMA assumed administrative responsibility on June 30, 1966, when the contract between the USAID and People-to-People Health Foundation, Inc. terminated. Under the aegis of the AMA, the program is known as AMA Volunteer Physicians for Vietnam.

THE CHALLENGE TO THE PHYSICIAN

An American physician faces challenges in Vietnam that most U.S. doctors see only in textbooks. Important causes of death in South Vietnam are malaria, tuberculosis, intestinal parasitism and other intestinal diseases, pneumonia, meningitis, typhoid fever, and a wide range of war wounds caused by mines, booby traps, small arms fire, and air

or artillery bombardment. Thousands of civilians need treatment and rehabilitation after war injuries.

Diseases causing disability throughout the population include trachoma (four-fifths of the people infected at one time or another), leprosy, bacillary and amebic dysentery, smallpox, and nutritional disorders.

South Vietnam has about 120 hospitals, of which 101 serve civilians. All are overloaded; at times, two or even three patients have been accommodated in a single bed.

Physicians serving through AMA Volunteer Physicians for Vietnam are placed in government-operated hospitals in rural areas, where the need is greatest. All are in so-called pacified regions where the Viet Cong do not routinely conduct military operations in the open, although they are presumed to be nearby at all times.

Military teams in the civilian provincial hospitals will each comprise three medical officers, one administrative officer, and twelve enlisted men (corpsmen). Their responsibility will be for the civilian population in the province to which they are assigned.

RECRUITMENT

To be accepted as a volunteer the physician must be in good health and not more than 55 years old. No dependents may accompany the volunteer, even if the dependent is medically qualified.

A passport and visa are required of all volunteers going to Vietnam, and assistance is given the physician in obtaining them. The volunteer also must have a certificate of vaccination against smallpox and inoculation against cholera, received in the last four to six months. Immunization against plague, typhoid, tetanus, typhus and polio are recommended by the World Health Organization.

Transportation is supplied from the physician's home to Vietnam and return. A standard baggage allowance of 44 pounds, plus an additional 22 pounds, is permitted.

Housing is provided in Vietnam in available hotels or apartments. Each volunteer physician receives an expense allowance of 10 dollars a day. Expenses connected with passport, visa and immunization are paid by USAID through AMA Volunteer Physicians for Vietnam. Each volunteer is covered, while in Vietnam, by a $50,000 all-risk insurance policy at no expense to himself.

Upon arrival in Saigon the volunteer will be met by the Field Director of AMA Volunteer Physicians for Vietnam or an associate, and directed to the proper destination. The Field Director also assists hospital staffs with supply and logistical problems.

TWENTY-SEVENTH ANNIVERSARY OF THE INVASION OF POLAND

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DANIELS. Mr. Speaker, 27 years ago today, at 6 a.m., Hitler's legions violated the Polish border in several places. Within a few days, Great Britain and France declared war upon the Third Reich and that terrible catastrophe known as World War II was set in motion.

As bad as the second war was for all the nations which were involved, there was for most nations a conclusion, and peace was finally restored. But for the people of Eastern Europe, V–E Day merely meant exchanging Nazi masters for Communist ones.

The people of Poland, in particular, who had fought so hard to throw off the shackles forged by Nazi Germany, have not yet had their freedom restored.

Yesterday, the Jersey Journal published a very excellent letter from one of the outstanding leaders of the Polish American community in northern New Jersey. Mr. Edward S. Warlikowski is the highly respected president of the Jersey City, N.J., chapter of the Polish American Congress and I think the words of this eloquent representative of Polonia ought to be brought to the attention of all Members of this House.

Mr. Speaker, I read Mr. Warlikowski's letter into the RECORD.

The letter follows:

DEAR EDITOR: Sept. 1, 1966 will mark the 27th anniversary of the brutal invasion of Poland by the Nazi forces. We, Polish-Americans, celebrate this important day in Polish history with strong pride in our Polish citizenry, but also with deep sorrow at the misfortune of the Polish homeland.

We become somewhat concerned and weary with the cynics and the skeptics who fail to see and who fail to understand that the basic ingredient of human beings is dignity.

Yes, the Polish people today are being suppressed against their will by a Communist conspiracy. A conspiracy that was imposed upon the people. In their blood and in their heart flows the great spirit of freedom and no despot, no dictator, no matter how strong, no matter how powerful, how determined, can suppress the will of the people for freedom very long. This has been demonstrated time and again in history.

This anniversary is significant since Poland is also celebrating the millennium of her Christianity this year. Again, the Polish spirit rises to give attention to its inherent principles.

It is understandable that the Communist leaders of Poland are today doing their utmost to play down two significant facts—Poland's Christianity and its unbroken adherence to the culture and civilization of the West rather than that of the East, as represented by Moscow. The Communists' refusal this year to allow His Eminence Cardinal Wyszynski's trip to the United States and our clergy's visit to Poland and the recent protest against the United States memorial stamp honoring the millennium are best indications of that fact.

It is equally significant that despite these desperate efforts the people of Poland are remarkably demonstrating daily as clearly as could be that they are mindful and proud of their ties with the West and with Christianity, and that they are determined that those ties be maintained and strengthened. It is for us therefore to see to it that we will help the Poles who have shown an indomitable spirit in this endeavor and that we do recognize their desires and wishes in this respect.

EDWARD S. WARLIKOWSKI,
President, Jersey City Chapter of the Polish-American Congress.

PRAYER OF SISTER PROVIDENCIA, OF THE COLLEGE OF GREAT FALLS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. OLSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OLSEN of Montana. Mr. Speaker, one of the great ladies of the Nation, Sister Providencia, of Great Falls, Mont., presented an invocation at the Western States Democratic Conference in Glacier National Park August 26. Sister Providencia, president of the College of Great Falls, is a respected educator whose concern for her students and college is only overshadowed by her genuine concern for all humanity. The following prayer, offered by this wise and holy lady, was an inspiration to all of us at the conference. I wish to share it with my friends in the House at this time:

INVOCATION GIVEN BY SISTER PROVIDENCIA, AUGUST 26, 1966, AT GLACIER NATIONAL PARK, MONT.

O God, bless this bounty which we are sharing together tonight, and let us raise our eyes and our hearts to the grandeur of Your creation all about us here at Many Glacier. Let us look down to our troubles as from Your majestic and serene heights, and grant us a triangular perspective to the problems that overwhelm our times and our people. If You will but give us the grace to look up to You Our Maker, as well as out to our neighbors, You will help us restore the balance which hatred is destroying in our land. In much the same way as a string taut with tension can be drawn up at the center and the ends brought closer together, so may we with Your grace as the Center power draw rich to the poor, black to the white, strong to the weak, ignorant to the learned and the triangular perspective bring about a humble, wiser, more noble unity that will crown our continent and match the grandeur of the homeland which You have given us. Amen.

IRS VERSUS TEACHERS TAX EXEMPTION

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PEPPER. Mr. Speaker, today I am introducing a bill to provide that teachers may deduct from their Federal income tax obligation the expenses incurred in taking courses or pursuing programs of educational travel which will improve their competency in their profession. This would apply to teachers and college members alike.

Since 1958 the Treasury Department has had a policy that such deductions are allowed. However, the Internal Revenue Service on July 7, 1966, issued proposed regulations which, if enforced, will seriously curtail this practice. In my opinion there is no possible excuse for Internal Revenue Service to adopt such a regressive attitude.

We have recently enacted far-reaching Federal aid to education, bills that potentially can insure quality education to every child and youth of this Nation. However, for these new Federal programs to be truly effective it is necessary that

teachers be encouraged, whether on their own initiative or by school board direction, to take courses not only in subject matter but courses designed to aid their understanding of the children they teach, and the new methods which are being developed by local schools all over the country.

Mr. Speaker, this bill, which is identical to that of our able and distinguished colleague, the gentleman from California [Mr. KING], is therefore not only an aid to teachers but just as truly an aid to children's education.

I hope that action on this measure may be forthcoming this session, before Internal Revenue Service proceeds, as I understand it proposes to do next January, to enforce its proposed regulations.

CENTRALIZATION OF ADMINISTRATION

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, I would like particularly to call to the attention of my colleagues the committee's firm statement in the report on H.R. 13361 on the need for centralization of administration of child-feeding programs. I thoroughly concur with what they had to say in this respect:

During the past several years, other agencies of the Federal Government, using their own authorities and funds, have moved into the child school food service area. It is true that they have moved to meet a need that the Department of Agriculture was inhibited from meeting for lack of clear-cut authority to do so. This has introduced a considerable amount of confusion at the State and local level because of varying requirements and regulations.

The committee believes it is now time to eliminate this confusion and place full authority in the hands of the Department of Agriculture for the conduct and supervision of Federal programs to assist schools in providing food service programs for children.

They have done an excellent job not only with the national school lunch and special milk programs but with the commodity donation and food stamp programs as well. These are all related programs and require the type of coordinated approach and operation the Department of Agriculture has demonstrated it can deliver. The Department has developed the necessary lines of administration and communication through the appropriate State agencies to participating local jurisdictions. They have also developed a wide range of technical aids and techniques for use by State and local agencies in educating children and low-income families on the essentials of good nutrition.

We are in no way criticizing the efforts of these other agencies. There is still a great deal to be done in the way of improving child nutrition in this country and those other agencies were simply responding to a need. Now that we are moving to broaden the authority of the Department of Agriculture in child food service, we want to make it as clear as possible that this agency and its cooperating State and local authorities bear the full responsibility for closing existing gaps.

ETHICS VERSUS PROFITS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. VIVIAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. VIVIAN. Mr. Speaker, a Member of the other body, the Honorable PHILIP HART, of Michigan, on September 28, 1965, introduced in the other body bill S. 2568, known as the Medical Restraint of Trade Act. On June 1, 1966, I introduced bill H.R. 15396, a companion bill, in this body. Much interest has been expressed in this legislation by constituents, trade groups, and Members of both bodies.

In order that all concerned will have the opportunity to learn more of the events and problems which led to the introduction of these bills, I have unanimous consent that two articles on this legislation be printed at this point in the RECORD. The first, entitled "Uneasy Balance—Ethics Versus Profits," was published in the Life magazine issue of June 24, 1966; and the second, entitled "Profit From Prescriptions," was published in the Consumer Reports, issue of May 1966. The latter article, Mr. Speaker, already has been printed, in part, in the RECORD, on June 1, at my request. I have just discovered, unfortunately, that one page of the article was left out by the printers. Therefore, I submit the article to be reprinted in full at this time:

[From Life, June 24, 1966]

UNEASY BALANCE—ETHICS VERSUS PROFITS—CONGRESS WEIGHS A BILL TO STOP M.D.'S WHO MAKE MONEY FROM THE PRESCRIPTIONS THEY WRITE

(By Keith Wheeler and William Lambert)

From the days of Hammurabi and Hippocrates, in all civilized societies, the doctor has been endowed with a sacred franchise for a simple but profound reason: the moment a patient enters the doctor's office he places himself in another man's hands. For centuries the medical profession has acknowledged that particular obligations attach to its exclusive power to prescribe. It has also acknowledged that the ethics of medical practice are inextricably involved with making money.

As early as 1407, in Genoa, the city rulers enjoined upon the pharmacists and physicians of the city a stern ethical code to govern the economics of their profession: "We fix and ordain—to prevent any pharmacist from having temptation or reason for sinning, and to keep them from raising prices higher than is becoming—that no pharmacist may keep shop in partnership or agreement with any physician."

The ethical-economic conflict which the Genoa Legal Code sought to resolve has, within the last decade and a half, increasingly plagued American medicine. Today more than 10,500 physicians (a conservative estimate) are employing doubtfully ethical means of making extra money out of the prescriptions they write for their patients. Though this is a small proportion of the nation's 225,000 practicing doctors, it is growing in the face of organized medicine's insistence on governing itself.

Congress is now considering a bill, proposed by Senator PHILIP A. HART (D.-Mich.), which would bluntly forbid any physician to profit from the medications he prescribes. Apprehension that a scant 5% of their ranks could besmirch the honor of an entire profession moved the American Medical Association in March to hold a First National Congress on Medical Ethics. The problem is virtually certain to come up again when the American Medical Association's House of Delegates meets in Chicago late this month.

A.M.A. members know that prescribing for profit to captive patients negates a doctrine which the A.M.A. itself has vigorously championed, particularly in its resistance to Medicare: the patient's absolute right of free choice on where and from whom to seek medical help.

An investigation of nearly four years by Senator HART'S Senate Subcommittee on Antitrust and Monopoly—supported by recent independent investigation by Life—has turned up three main categories of medical practices susceptible to abuse:

A doctor who owns or has a financial interest in a pharmacy may steer his patient there. Physician-ownership of pharmacies has grown with the increase of group, or clinic, practice and the number of clinic pharmacies.

A doctor holding a stock interest in a type of pharmaceutical firm called a "repackaging house" may be tempted to prescribe that firm's products in preference to other medications which are probably cheaper and possibly more suitable. Repackagers take advantage of two things: (1) the tremendous proliferation in recent years of common or generic drugs—from vitamins to antibiotics—which they buy inexpensively in bulk, relabel and then distribute under their own private brand names; and (2) the fact that when a drug is prescribed by its private name, a pharmacist is bound to fill it by that name. For a doctor to hold stock in a repackaging company was condemned in 1963 by the A.M.A.'s House of Delegates—but the practice continues.

An ophthalmologist who examines a patient's eyes may then himself dispense the glasses he prescribes. In relative numbers, ophthalmology has far more of its practitioners engaged in filling prescriptions than any other branch of medicine.

The Senate's study, which will involve other areas of abuse as it continues, has been conducted mainly by an assistant counsel of the committee, Mrs. Dorothy Goodwin. She has determined that the practices so far under investigation are being followed, in one form or another, from coast to coast.

Some random examples:

In Knoxville Mrs. Goodwin found a drug manufacturing firm where most of the stockholders were doctors. It has been cited 17 times by the Food and Drug Administration for misbranding and for contamination of its products, including dead insects in raw materials.

In Columbia, S.C. she turned up a firm with doctor-stockholders in the majority which was buying bulk sodium salicylate—a common, over-the-counter drug akin to aspirin—then bottling and labeling it with its own trade name and distributing it as a more costly prescription drug. That firm's physician-president, inviting other doctors to a stockholders' meeting, urged: "If you can't come—write! (prescriptions, that is.)"

In Wisconsin, Mrs. Goodwin discovered that the number of doctor-owned pharmacies had increased from five to 24 between 1950 and 1964.

In Tucson, Ariz., Bakersfield, Calif., Charlotte, N.C. and Reading, Pa., a majority of

ophthalmologists were also in business as eyeglass merchants.

Mrs. Goodwin has identified some 150 drug repackaging firms with doctor ownership. Life has discovered 10 more.

Organized medicine vigorously opposes the Hart legislation, although many individual doctors just as vigorously oppose the practices the bill aims to end. The profession's official objection to the bill has been stated by Robert Throckmorton, who until a year ago was the A.M.A.'s general counsel:

"We are . . . in the position of having the finger pointed at the physicians . . . and saying anybody in the world can hire a pharmacist except you greedy doctors. . . . This is the root of much of the resentment from the medical profession."

As carried on before the Hart Committee—and outside it—the debate hinges largely on who is entitled to get the patient's prescription dollar. Many doctors defend the propriety of selling medicines, medical appliances and eyeglasses on grounds that no ethical question arises so long as "the best interests" of the patient are preserved. But medicine's auxiliaries—pharmacists and opticians—complain they are being driven out of business by the monopolistic competition of dispensing doctors. Although the big, diversified drugstores are thriving nationally, the old-fashioned, small, corner drugstore "will be extinct in a decade," predicts one spokesman for the nation's pharmacists. "The oldtime druggest today is about in the same position the harness makers were in when they first saw a Model T Ford."

"This [competition] is not an ethical problem at all," insisted Throckmorton, ". . . it is a sheer, raw economic problem."

One Oregon pharmacist says it is useless to try to adjust the dispute amicably: "Negotiating with doctors is like negotiating with Ho Chi Minh. The doctors say, sure we'll talk, but first get the hell out of our country."

The third party to the debate, the patient, so far has been a bystander, although his health and his pocketbook are both at stake. For him the issues are whether he receives the best possible medical attention for his ailments, whether he pays a fair price, whether his rights are being aborted and, above all, whether his trust is being honored or betrayed.

In his relationship to his doctor the patient is often peculiarly vulnerable. His weakness is psychological. He may shop around for everything else he buys, from cars to cornflakes, but he takes his doctor on faith.

Abundant ways of victimizing the patient are at hand for the doctor who wants to use them. These include writing a prescription in a code which can be translated only by a pharmacist of the doctor's—not the patient's—choosing; using a direct line to telephone prescriptions to a particular pharmacist; printing the name and address of the favored pharmacist on the doctor's Rx blank; or even selling drugs in his own office. All these practices have been declared unethical by the A.M.A.'s Judicial Council, but they still flourish. The council lacks the necessary power to enforce its principles.

A recent controversy over direct sales by two Ventura, Calif., physicians arose in charges made by a local pharmacist, D. R. Patterson. Patterson said that the doctors were treating young acne sufferers with an antibiotic called tetracycline and were selling the drug, imported from Italy, from their own offices. According to Patterson, when he protested the practice because it was costing him business, the doctors refused to stop on grounds they were conducting a medical experiment and needed to control supplies of the drug.

"Then," said Patterson, "I found out through a patient's mother that the doctors were charging $16 a hundred for the pills—sometimes even more. I happened to be in the doctors' waiting room trying to see them—they refused—when I watched a woman write a check for $8 for only 25 of the pills."

This was outrageous profiteering, more than six times what he charged for the pills, Patterson asserted. When he stocked the drug for his own pharmacy, Patterson bought it wholesale for $2.50 a hundred and sold it for $4.90 a hundred.

"There is just one reason [for doctor-dispensing]—the almighty dollar and a few damn greedy doctors," Patterson declared. "A doctor who does his business the way he should isn't going to have time to peddle pills."

In the southern Illinois town of Olney a bitter controversy has arisen over the prescribing methods of doctors in the Weber Medical Clinic. By most accounts, the clinic enjoys a high reputation among its patients, who often come from long distances. The criticism concerns profiteering.

The clinic is owned by its 19 physician members—all but five of the doctors in 584-square-mile Richland County. The doctor-owners share the clinic's medical fees according to rank. The clinic also has its own pharmacy, located behind a counter just inside the front door. Its profits are distributed among the doctors—and it has proved to be an enviable income-producer. In 1963, the latest year for which figures are available, the pharmacy yielded a $100,110 profit on gross sales of $333,208. The wholesale cost of the pharmacy's inventory on hand at any one time ran to something under $30,000.

These figures have aroused the town's independent pharmacists, who protest that the clinic physicians use both intimidation and other tactics to insure that the bulk of the prescriptions they write are filled in the pharmacy they own—and profit from. The independent druggists assert that they are treated like serfs of convenience because of the arrogant policies of the Weber Clinic doctors. The clinic pharmacy closes daily at around 5 p.m. and does not open on Saturday afternoons, Sundays or holidays. Thus, say the independents, practically all the business they get filling clinic prescriptions comes in after hours or on off days, when the clinic pharmacy is closed.

An Olney pharmacist has saved a sheaf of prescriptions, written by some clinic doctors. In a typical instance, the Rx for one of the pharmacists' longtime patrons called for neosynephrine, a common nose drop which can be purchased over the counter—that is, without a prescription. The Rx specified a limited supply and also directed "No Refills"—which meant, if the patient wanted more of the medication, she would have to ask the doctor for another prescription. Moreover, when an over-the-counter drug is dispensed as a prescription, the pharmacist usually adds $1.50 to $2 as a professional surcharge. The Olney druggist is convinced that, when his client wanted a refill, she would have been influenced in one way or another by the doctor to use the clinic pharmacy.

The clinic physicians have left many Olney patients with the conviction that the doctors strongly prefer to keep the prescription trade in their own house of business. "You should have the right to get your medicine where you want," a woman told Life. "But they deprive you of this right, sometimes by just frowning and sitting there looking reluctant."

Another woman recalled asking a nurse for her prescription. "No," she quoted the nurse as saying, "we'll just send it around to the pharmacy desk."

A third woman said she had instructed her daughter to ask for her prescription, "but the nurse told her she would have to have it filled at the clinic pharmacy—she couldn't take it with her. My husband had to go pick up the medicine after work. It turned out to be only for vitamins."

Some patients have indulged themselves in outbursts of defiance. "If I hadn't known the doctor so well I don't think I would have had the guts, but nobody tells me what to do," reported a young Olney woman. "When they tried to keep my prescription from me and said, 'Oh, we'll fix it right here,' I just reached over the clinic druggist's shoulder and took it away."

The clinic physicians make rebuttal to the criticism. In a recent interview with Dr. James H. Pass, surgeon, and Dr. Charles W. Harrison, internist and new chairman of the group, Life was told:

"Some of the stories pharmacists tell are true—as far as they go. But they're not telling the whole story. We're certainly not aware that the patient isn't getting any freedom of choice. Our pharmacy is just a convenience.

"We don't have any incentive programs or prescription-writing contests. We are all aware that part of the doctor's oath is not to exploit his patients. But we didn't take an oath to keep all drugstores in business.

"We have decided that if these wild charges are going to continue, we'd better have a judgment made by our peers. We don't think we have anything wrong here, and we've asked the Illinois State Medical Society to make an objective appraisal. . . . We'll let them come in and look us over. . . . If they find we're doing something wrong—if we're being bad little boys—we'll change."

In Houston there flourishes a drug manufacturing and repackaging firm called Merit Pharmaceutical Company. As recently as mid-1964, the company's 10-man board of directors included eight physicians, and among its stockholders were 266 more. Recently Mrs. Goodwin was told that Merit was selling out to a holding company, Pacific Fidelity, with Merit stockholders to take shares in the new company in payment for Merit shares. The deal fell through, but while it was pending Mrs. Goodwin asked what was prompting the transaction.

"We wanted to get around that A.M.A. Judicial Council thing," the spokesman replied candidly.

A repackaging and manufacturing firm called Carrtone Laboratories in Metairie, La., a suburb of New Orleans, was reorganized in 1963. With reorganization, Dr. William W. Frye, dean and vice president of the Louisiana State University Medical School, became president of the commercial firm. Two other physicians became vice president and secretary-treasurer, respectively. Even before that, however, some 1,200 of Carrtone's 3,000 stockholders were physicians—mostly in the South—and Carrtone had initiated vigorous campaigns to expand its business with the active help of its doctor stockholders.

Various methods were tried. The prescribing stockholders were entreated to circularize their colleagues, acquaint them with the Carrtone line of drugs and preparations, and urge their use. They were also asked to call upon their local pharmacists and sell them on stocking Carrtone products.

One physician-stockholder, Dr. Boyce P. Griggs of Lincolnton, N.C., devised an ingenious plan for persuading the hospital authorities of North Carolina's state prison farms to stock Carrtone drugs, and he asked the medical staff to buy Carrtone stock.

In one 1961 letter to Earl Carr, then president of the firm, Dr. Griggs reported that he had approached the "daddy rabbit" of the prison-hospital system and, through his sympathetic interest, arranged conference telephone calls to reach 82 purchasing authorities for the various prison camps. During those calls Dr. Griggs pitched for Carrtone.

"Each man [physician] listed here," Dr. Griggs wrote, "is valuable in two ways: he is a prison-camp physician who is free to write for any amount of drugs needed, and

he is a general practitioner in all instances, a man who is obviously a 'worker'. . . . I really think this could be a bonanza strike for Carrtone."

The telephone campaign, which was extended to other state institutions, was not always successful and inevitably offended some callees. One was C. K. Avery, the assistant business manager of Broughton Hospital in Morganton, N.C.

Avery subsequently wrote the Hart Committee that the suggestion "was made again and again that the medical staff be advised to purchase substantial quantities of the common stock in Carrtone Laboratories, which was selling at a low price of some $10 or $11 per share, and that the hospital then switch its entire drug business to Carrtone Laboratories. We were 'guaranteed' that the stock would triple and quadruple. . . . The [phone] conference lasted more than 30 minutes and was the baldest proposition I have heard in 17 years of bulk-purchasing."

In plumping for Carrtone's prosperity, Dr. Griggs thought of still other ways to proselytize his colleagues. He dispatched a long circular letter to doctor-stockholders urging upon them the fiscal advantages of writing more Carrtone prescriptions:

"I want you to reflect, after you see what this whole picture means, just what volume of value this effort could have for Carrtone, for you and for me. . . . [I] urge that we protect and promote our stock interest by way of actively 'penpushing' [writing prescriptions for] Carrtone products. . . . I look upon Carrtone as a rosebud about to bloom, stockwise. . . . Let's push the pen . . . and make it grow."

This Carrtone communication was headlined: "Let's Do More in '64," under which the company's customary subheading urged: "Remember our success formula is '3 in 1.'"

Carrtone's "3-in-1" slogan called upon doctor-stockholders to write at least three Carrtone prescriptions each day, with the intent of tripling the company's profits. "Three scripts a day would put the South on the map—*Pharmaceutically*," an intra-company brochure proclaimed.

Dr. Frye, Carrtone's new president, also took a hand at improving the company's health. In a report of June 1963 he advised the stockholders that the company was about to boost new products to its doctor-members.

"This will stimulate sales," he wrote. "Just keep checking with your broker and watch the price of Carrtone stock go up."

Dr. Frye resigned as president and sold his own stock after the Hart Committee began investigating Carrtone in 1964. He never did testify. When the committee sought to reach him, Mrs. Goodwin was advised he was away on a trip abroad.

Often repackaging companies are established by former drug salesmen—called "detail men"—who sell stock to the men they know best: the physicians upon whom they have been calling for years. The new stock frequently is sold cheaply to the doctor, who is then urged to help the company prosper by using its products.

Occasionally this type of organization can become phenomenally successful. In the late 1950s, a house called Deseret Pharmaceutical Co., Inc. was organized in the Salt Lake area, with some 244 doctors as stockholders. They included Dr. Ulrich Bryner, who in 1959 was president of the Utah Medical Association. The physicians bought their stock at $1 a share. The stock subsequently rose to $46 and was then split 2-for-1; the split stock was recently quoted at $29.50—or a $59 value for each original $1.

Some reasons for the Deseret boom came out in Hart Committee testimony. A drug called dextroamphetamine-sulphate, a pep pill, was being sold under that generic name by a supplier to druggists at 85¢ the thousand. The same pill, made by the same manufacturer, was bought in quantity by Deseret, repackaged under the trade name Desarex and sold wholesale for $11.30 the thousand to druggists, who were obliged to stock it if doctors prescribed it. Committee counsel observed drily that this represented a markup of more than 1200%.

Americans spend around $155.5 million annually for eyeglasses, which are obtained in various ways: from ophthalmologists, who are physicians; from optometrists, who are not physicians but highly skilled in calculating visual needs; from department stores and even dime stores for simple lenses. Last year, however, the Hart Committee concerned itself only with the ethical and economic ramifications of eyeglasses bought from ophthalmologists who also had tested the patient's vision and prescribed the glasses.

For many years, despite the A.M.A. ethic, it had been a widespread practice for the ophthalmologist to accept rebates from the optician who filled the doctor's prescription. But in 1951 the Justice Department won a consent decree binding America's approximately 4,000 ophthalmologists to give up kickbacks. After that, in substitution for that income, more and more ophthalmologists began filling their own prescriptions.

It has been estimated that today 40% or more of the nation's 6,200 ophthalmologists sell eyeglasses as a business sideline to their medical practice. In some areas the practice is even more common. Dr. Alfons F. Tipshus, who for several years practiced in Anaheim, Calif., holds a profound ethical distaste for colleagues who engage in eyeglass dispensing. He has led a national campaign against the practice. Dr. Tipshus recently estimated that more than half the eye doctors in California are so involved, and in some areas of the state up to 80%. He said as much before the Hart Committee and shortly found that "there was pronounced coolness among my [California] colleagues after I testified."

Some eye doctors hold that selling on the side is blameless and a legitimate source of income. They contend that it affords the physician better quality control over the glasses he prescribes. Those who oppose the practice maintain that, while the physician is trained to test eyes, he lacks the opticians mechanical skills at fitting the glasses physically to the patient. Moreover, they insist, doctor-merchandising is pernicious—it can tempt doctors to prescribe and sell more pairs of spectacles than the patient needs, or glasses he doesn't need at all.

Dr. Tipshus cited the case of a California woman who complained to the Orange County Medical Society's grievance committee. She reported that an ophthalmologist had examined her eyes and charged her a modest medical fee of $15. But then, she said, the doctor had sold her two pair of spectacles to fit his prescription. His bill for that was $106 and she considered it extravagant and outrageous. A member of the grievance committee telephoned the doctor to register the woman's dissatisfaction.

"Go to hell. She's got my bill and I want it paid," the doctor replied.

Some ophthalmologists are against doctor-dispensing even though they see no ethical defect in so doing. Dr. Hanford L. Auten of Claremont, N.H. objects on grounds that optical companies put pressure on doctors to sell their products exclusively and thus, in effect, create captive ophthalmologists, to the detriment of patients.

"The companies, when they sign up an ophthalmologist, say they'll give his wife or a technician a two-week training course and make the person an 'expert eyeglass dispenser.' But there's a lot more to it [an optician's skills] than can be picked up in two weeks," Dr. Auten says.

But Dr. Tipshus, now practicing in Centerville, Pa., objects to dispensing for the classic moral reasons that the physician is a healer and that any other income must originate totally outside the healing arts. "Legislation is necessary," he told Life.

Both the proponents and opponents of the Hart bill agree the chance that an eye doctor will injure his patient is only financial and never organic. It comes down to this: a poor and unnecessary pair of spectacles cannot do damage to the eyes; they can, however, make the patient uncomfortable or even render him thoroughly miserable.

Over the years medicine's formal spokesman, the American Medical Association, has shown a certain muddiness in its formal pronouncements on the subject of money in its relationship to professional morality. From 1949 through 1954 the A.M.A.'s *Principles of Medical Ethics* took a stand as inflexible as the precepts of Genoa, saying: "An ethical physician does not engage in barter or trade in the appliances, devices or remedies prescribed for patients, but limits the source of his professional income to professional services rendered. . . ."

However, in 1955 the A.M.A.'s House of Delegates, convened in Atlantic City, loosened that strict abjuration and said, "It is not unethical for a physician to supply drugs, remedies or appliances as long as there is no exploitation of the patient." In 1957 this language was modified, substituting the concept of "best interest" for "no exploitation."

The inherent difficulty of defining where "exploitation" or "best interest" begins or leaves off is the crux of the problem. Many physicians believe that all physicians—by their own rule or, failing that, by somebody else's rule—should stand above any possible suspicion of temptation. Dr. Walter Judd, former medical missionary in China, former Congressman from Minnesota, now member of A.M.A.'s Judicial Council, brooded on this issue at the Chicago congress on ethics.

"Just to refrain from behaving unethically is not enough," he said. "The medical profession . . . has merited a public trust and confidence . . . [giving us] a monopoly in the management of the most intimate concerns they [our people] have—their life and their death. . . . Unless the profession can . . . maintain and strengthen the people's trust, it runs the grave risk of being converted into a public utility, subject to the sort of regulations that are imposed on transportation, communication, power."

Implicit in Dr. Judd's remarks is the profession's passionate wish to impose its own disciplines and to maintain by its own resources the purity of its high calling. Only thus may medicine continue to justify that near-sacred privilige it has traditionally exercised. But, though the profession is overwhelmingly composed of men of integrity, many of them confess the difficulty of controlling those colleagues who can discredit them all.

The flaw, as they see it, is that organized medicine—as a national whole—does not undertake the punishment of transgressors in its midst. By tradition, violations of ethical practice are left in the hands of state, county and city medical societies. Not unnaturally, brothers within the same calling are sometimes hesitant to censure their own. And in some cases—down at the purely local level—the members of a group called upon to judge questionable procedures are, in truth, called upon to judge themselves.

And so the issue stands unresolved: Who shall judge? And who shall enforce the judgment? Under the circumstances, Senator HART feels Congress has the responsibility to act.

[From Consumer Reports, May 1966]

THE DOCTORS WHO PROFIT FROM PRESCRIPTIONS—A CONGRESSIONAL PROBE INTO THE QUESTIONABLE PRACTICES OF THOUSANDS OF PHYSICIANS MAKES CLEAR THAT MEDICINE IS AT AN ETHICAL CROSSROADS

In these times of mounting medical costs, patients deserve to be more than ever free of suspicion that their doctor's judgment

may be influenced by a profit motive. Medical canons have always tried to shield the physician in his surgery from the lure of street-level commerce. Now, however, a commercial class of physicians is on the rise. The "doctor-merchants" their critics call them, because they profit from the sale of the very drugs, eyeglasses, or medical devices that they themselves have prescribed.

Many doctors now own drugstores or optical shops adjoining their office, in their building, or nearby. Not that this sort of enterprise was unheard of before, but it has proliferated enough to have provoked competing pharmacists and opticians into making some ugly accusations about physicians prescribing unsuitably, overprescribing, overcharging, and foreclosing their patients' choice of a pharmacy or optician.

Still other doctors have become stockholders in local and regional pharmaceutical companies engaged mainly in repackaging generic prescription drugs for sale under the company's brand name. The financial success of such operations may depend entirely on the willingness of their doctor-stockholders to prescribe the company brand, even though the nonbranded, chemically identical generic-name drug may cost the patient far less.

The extent to which doctors are doubling as merchants was little realized until the Senate Antitrust and Monopoly Subcommittee began probing the subject in 1962. At latest count, the subcommittee had located 3000 doctor-owned drugstores (and suspected there are a great many more); it had learned that 2500 of the nation's 6200 medical doctors specializing in opthalmology also sell eyeglasses; it had verified that 5000 doctors own shares in about 150 drug repackaging firms based in some 34 states.

"Thus, a surface investigation in two product areas—drugs and glasses—reveals a bare minimum of 10,500 doctors, of the nation's 200,000 doctors, who are selling products they prescribe," the chairman of the Subcommittee, Senator PHILIP A. HART, told the Senate last fall. "It would be reasonable to assume that the true figure runs many times higher."

"Let me make clear," the Senator said, ". . . that I do not believe all physicians who sell products to their patients are operating in an unethical manner. . . . Many, I am sure, do so because they believe this is the best way to serve their patients. . . . But the record indicates that a substantial number do not operate from this motivation only. As a result, consumers suffer. Competition suffers."

In short, the doctor-merchants have brought their profession to an ethical crossroads. Confronted with a choice between the new avenue of commerce and the traditional avenue of medical service, physicians as a group seem uncertain which way to turn. Yet their decision could profoundly affect the doctor-patient ralationship.

WHERE THE PATIENT COMES IN

A doctor's obligation to his patient has two priorities, according to the American Medical Association. The first is to provide the best possible medical care. The subordinate but important second priority is to keep the cost down as much as possible. It is difficult to read the record of the Hart subcommittee hearings without developing an uneasy feeling that the profit motive is in conflict with both these obligations.

Back in 1961, Dr. Edward L. Fitzgerald, a physician in Hutchinson, Kans., wrote to the Senate subcommittee about the problem of doctors owning drugstores. Ownership, he said, tempts the physician to ask "how much he can prescribe and how much longer he can keep his patient on his profitmaking medication."

An investigation of doctor-owned drugstores by the California State Board of Pharmacy turned up an episode underlining Dr. Fitzgerald's point. A doctor in Richmond, Calif., suddenly began prescribing quite lavishly for welfare patients, whose drug bills were paid for by the county government. Investigation disclosed that he had opened a pharmacy adjoining his office and was seeing to it that all his welfare patients had their prescriptions filled at his new establishment. That year the county welfare department paid $50,000 for his patients' drugs, up from $10,000 the year before, when he was only a doctor and not a drugstore owner, too.

Complaints of other doctors overprescribing for welfare patients have been reported in Nevada, Kansas, and Iowa. Most of the cases came to light only because the doctors involved were being prosecuted. The nagging question is whether some doctors who own drugstores are administering drugs needlessly to self-supporting patients, whose prescription costs concern no one but themselves.

Again, the California investigation feeds such suspicions. A drugstore manager Edward Berger told the state board of this proposal made to him by one of the doctor-owners of the Beverly Hills Medical Clinic: "they offered to pay me $15,000 a year base salary, and then this same doctor that I was talking salary with, he says, 'You know, I have never been too interested in the pharmacy before, but I will, since we are going to have a percentage, too, of the gross' and . . . he told me, 'You know, I can write two prescriptions instead of one for these people.' He says 'I can write them bigger. . . .' "

Conflict of interest between a doctor's medical judgment and his involvement with selling drugs was made painfully clear in the Hart subcommittee's finding about doctor-owned drug repackagers. The problem was already known to the American Medical Association. Dr. James H. Sammons, a Texas physician who was disturbed about it, warned the AMA in 1962 of the "net effect on the image of medicine and on the integrity of the individual when he is subjected to the constant temptations and pressures commensurate with this type of financial investment."

THE PEN PUSHERS

The subcommittee fleshed out the picture with exhibits subpoenaed from the files of doctor-owned repackaging houses. One was Carrtone Laboratories in New Orleans, with 1200 doctors among its 3000 stockholders. Its business is the mixing, tableting, and bottling of drugs under its own trade names for sale mainly in the South. These products are well-known pharmaceuticals no longer protected by patent, and Carrtone is only one of many companies now marketing them under private labels or simply under their generic names.

For most of its existence, Carrtone's business has not seemed to prosper. In 1961 the company complained to its stockholders: "Sales generated per Doctor Stockholder were only $1.03 per day. . . . This represents approximately 1 Carrtone 'script' per day. (Many doctors see 40 to 50 patients a day.) Just imagine if—Each Doctor Stockholder would have written 3 'scripts' each day—Sales would have been a walloping $168,000—Profits for November over $65,000."

One of the biggest Carrtone boosters at this time was Dr. Boyce P. Griggs of Lincolnton, N.C. Although not in the management of the company, he was a stockholder who, as he declared, looked upon Carrtone "as a rosebud about to bloom, stockwise." Dr. Griggs closed a letter to his fellow investors with this exhortation: "Let's push the pen for Carrtone together and make it grow!"

In 1964 the company had not yet bloomed. It was in the throes of reorganization, and the president was Dr. William W. Frye, dean of the medical school at Louisiana State University. Dr. Frye's appeal to stockholders was only a trifle more subtle than Dr. Griggs': "If each individual stockholder would make up his mind to do just a little bit more for his company, the company would start making a sizable profit immediately."

The company file contained several enthusiatic replies to this appeal. Here are some examples:

"When I was a practitioner in Malvern, Ark., I wrote all Carrtone prescriptions. If we have more physicans with stock in Carrtone who will write prescriptions for the company, it will immediately go into the black. I believe a check of my previous orders . . . will verify my previous help to the company."

"I will continue to . . . prescribe as many Carrtone products as I possibly can for the benefit of my patients. Good luck. Good business."

"Like you I feel that it is up to us shareholders to make our company go and grow."

Carrtone was not an isolated case of a drug repackaging company using its doctor-stockholders as promoters. Merit Pharmaceutical Co. of Houston provides another unsettling example. This fairly typical repackaging operation, with 266 doctors among its 444 stockholders, actually paid indirect commissions to some of these doctors for promoting the company products until the Texas Medical Association finally managed to put an end to the practice in 1962.

Defenders of the integrity of doctors in general point out that doctors have the same right as anyone else to seek profitable investments and that, except for a very few bad apples, doctor-investors' professional integrity will remain paramount when it comes to prescribing drugs. No ethical principle will be violated if a doctor prescribes the drug of a company in which he has a financial interest, these people say, provided that the drug is the right one for the patient.

How well do doctors keep their financial interests from interfering with their prescribing? A doctoral candidate at the University of Wisconsin did some research into the question in 1963 and 1964. He monitored 7600 prescriptions written by two groups of 30 physicians; 15 were known to own stock in local pharmaceutical companies; and the other 15 were not stockholders. In other respects the two groups were carefully matched as to their age and the type and location of their practice.

Analysis of these groups' prescriptions showed, first, that the stock-owning physicians indeed tended to prescribe their companies brands—19 percent of the time in 1963 and 13 percent of the time in 1964. More than coincidentally, their patients paid an average of 33 percent more for drugs than patients of the other physicians did in 1963, and an average of 20 percent more in 1964.

But the researcher, now a faculty member at the Philadelphia College of Pharmacy and Science, reached an even more disconcerting conclusion: The physician-owners prescribed antibiotics or sulfas 25 percent more often than did the other physicians in the study. Moreover, the study indicated that "physician-owners of companies which marketed penicillin preparations prescribed penicillin at a rate approximately eight times higher than did control physicians."

Thus it was apparent, from the prescriptions written by these two groups of physicians at least, that decisions about medication did not depend entirely on medical judgments or on those judgments combined with a sympathy for the patient's pocketbook.

FREEDOM OF PRICE

Although the medical implications of the Hart subcommittee findings were plain enough to its members and staff, the subcommittee's jurisdiction lay not in medical ethics but in questions of monopoly and restraint of trade. The 1962 Kefauver-Harris Amendments to the Federal Food, Drug and Cosmetic Act had attempted to encourage generic-name prescribing by requir-

ing all prescription-drug labels, advertising, and other promotional material to state the generic name in letters at least half as large as the trade name and by instructing FDA to review all existing generic names and to establish new simpler ones when necessary.

Now here were scores of doctor-owned drug repackagers making a business of buying up generic drugs and reselling them under new brand names at prices that, by and large, were either higher or only a shade lower than those of the major advertised brands. For example, reserpine, a drug occasionally used for severe emotional disorders, was selling to druggists in 1964 at between $9 and $39 per 1000 tablets under its three major brand names. Doctor-owned repackagers were buying the same tablets, however, from generic-name suppliers for 75 cents to $2.75 per 1000, then selling them, under their own labels, to druggists at $10 to $30 or more per 1000.

Other drugs followed a similar wholesale pattern. Triple sulfa pills were $16 to $23.50 per 1000 from large brand-name drug houses, $28.42 from the one doctor-owned firm quoting a price per 1000, and only $9.65 to $11 from two generic companies. The stimulant dextroamphetamine sulfate/amobarbital was 7.2 cents per capsule from Smith, Kline & French, 5.4 cents to 6 cents from doctor-owned companies, and about 1 cent to 2 cents from generic companies.

If there was any justification for the mark-ups of the doctor-owned company's drugs, the subcommittee failed to detect it. Its final report pointed out repackaging companies had little or no research and development costs and hence could provide opportunities for savings which could be transformed into lower prices instead of the higher prices they charge. As for selling and advertising costs, the subcommittee report noted, "this kind of promotion is hardly necessary to convince a doctor to write a prescription which profits his own company."

The subcommittee could see little prospect, either, of doctors prescribing by generic name if the same doctors had a financial interest in the drugstore that was going to fill the prescription. After all, the profit on an expensive drug is higher than on an inexpensive one, even though the percentage of retail mark-up may be the same. Furthermore, the subcommittee suggested, if the particular drug is not controlled by patents, it can be purchased under its low-priced generic name, prescribed generically, and sold to the unaware consumer at the higher prices of the major company brands. In other words, a doctor can go into the repacking business for himself merely by owning a drugstore.

Independent druggists and opticians did not hesitate to charge that doctor-merchants were resorting to just such methods of reaping excess gain. A spokesman for the National Association of Retail Druggists said that in a Midwestern state prescriptions filled in doctor-owned pharmacies "are priced as much as $1.50 to $2 higher than when dispensed by independent pharmacies." An optician in Los Angeles claimed that he had found, in his own survey of eyeglass prices, that ophthalmologists there were charging $7.50 to $15.10 more for eyeglasses than local opticians charged.

Spokesmen for the druggists and opticians made much of the fact that doctors can turn their patients into captive customers. Philip Jehle, of the National Association of Retail Druggists, reported that doctor-owners of drugstores steer patients to their stores by writing prescriptions in code, telephoning prescriptions directly to their pharmacy, recommending their pharmacy and disparaging those of competitors, prescribing dosage forms or brands stocked only by their own stores, and printing the name of their stores on prescription blanks. Spokesmen for the opticians said that eyeglass-dispensing ophthalmologists resort to many of these same devices.

ETHICS AND ECONOMICS

Denials poured into the subcommittee from doctors, and from the witness stand. Robert B. Throckmorton, then the general counsel of the AMA, stated organized medicine's position. ". . . actually, it is not a question of ethics at all, but a matter of raw economic competition," he said. Independent druggists and opticians were simply fighting for survival, and Mr. Throckmorton implied that the fight was a fair one.

Fair or foul, it is a fight that the doctors have been winning. "M.D.-owned pharmacies are steadily increasing at a rate which portends disaster for the nation's independent druggist," said Mr. Jehle. Paul A. Pumpian, at that time secretary of the Wisconsin State Board of Pharmacy, produced supporting data to show that independent druggists were being wiped out. Wisconsin had only 24 physician-owned pharmacies in 1964, he said, but half had been established since 1960. Three of them, in communities of less than 5000 people, competed with four independent druggists; yet the doctor-owned pharmacies were already filling 80 percent of all prescriptions for these communities. Eight of the doctor-owned pharmacies were in towns of 5000 to 20,000 people and competed with 28 other pharmacies; yet the doctors were doing almost half the total prescription business for those towns.

Opticians were faring even worse than druggists. Witnesses said they had to compete with 16 of the 17 ophthalmologists in Charlotte, N.C., for the sale of glasses, with 17 of the 19 eye specialists in Tucson, Ariz., with all 20 eye specialists in Reading, Pa., and with 30 of the 40 ophthalmologists in Anaheim, Calif.

ETHICS AND POLITICS

The American Medical Association has not always shrugged off doctor-ownership of drugstores and optical shops as a question of "raw economics." In 1954 its Principles of Medical Ethics stated: "It is unethical for a physician to participate in the ownership of a drugstore in his medical practice area unless adequate drugstore facilities are otherwise unavailable." This pronouncement was in keeping with a principle dating back at least to the 15th century. The Genoa Legal Code of 1407 made all pharmacists swear once a year that they would not keep shop in partnership or agreement with any physician, lest they have "temptation or reason for sinning" and lest prices might then be "raised higher than is becoming."

But, in 1955, the AMA left the straight and narrow Italian path. "It is not unethical," the Principles were amended to read, "for a physician to prescribe or supply drugs, remedies, or appliances as long as there is no exploitation of the patient." It was clear by then that the merchant-physician forces were in the ascendency.

Nevertheless, the AMA's Judicial Council, which has jurisdiction on all matters of medical ethics, took the question of drugstores under intensive study again in 1961 and a year later recommended a new revision making it unethical for a physician to own a drugstore "in many situations." The recommendation was referred to the reference committee of the House of Delegates, policy-making body of the AMA, and the fat was in the fire. Doctors opposing a strict ethic descended en masse on the reference committee hearing. So did officials of clinics that derive large profits from resident pharmacies.

It was a painful day for the members of the Judicial Council. Mrs. Dorothy D. Goodwin, assistant counsel of the Hart subcommittee, elicited as much from Dr. George A. Woodhouse, then chairman of the Judicial Council:

"Mrs. GOODWIN. Isn't it true that there were other physicians there who spoke against your proposal who do in fact own pharmacies themselves?

"Dr. WOODHOUSE. I presume that there were because they really ground me up pretty fine. I looked like I had come out of a meat grinder."

The upshot, as reprinted from the trade paper *F-D-C Reports* in the subcommittee hearing record, was that "the reference committee not only slapped down the proposed ban, but it also spanked the Judicial Council publicly for the manner in which it presented the issue."

THE FLABBY RULES

It is doubtful that physicians would have been dissuaded from owning drugstores even if the Council had succeeded in reinstating the strict ethical rule. Other such AMA rules seem to carry little weight. For instance, the Judicial Council still advises doctors who run pharmacies to respect the patient's right to choose his own pharmacy when having prescriptions filled. It frowns on direct telephone lines between a doctor's office and a drugstore and on prescription blanks advertising the name of a pharmacy. Yet local medical societies seldom have been known to reprimand or punish doctors for going against the Council's advice.

Indeed, since 1963 the AMA has held it "unethical for a physician to have a financial interest in a drug repackaging company" or to "own stock in a pharmaceutical company which he can control or does control while actively engaged in the practice of medicine." Yet a year later, when the Hart subcommittee conducted hearings, the AMA had done virtually nothing about enforcing this rule either. Mr. Throckmorton, the general counsel apologized:

"It always takes time for new rulings . . . to be widely understood by individual physicians," he said. "The activities of this subcommittee will undoubtedly do much to hasten these developments. The subcommittee can expect that within a reasonable time, physician ownership of drug repackaging companies will, in the main, disappear."

Before Mr. Throckmorton testified, the subcommittee had in August given him a list of 30 such companies and their doctor stockholders. A year later, it sent the AMA a new list of 150 companies. Early this year, however, after a spot check of some of these firms to see what, if anything, had happened to them, Senator HART told the Senate, "The best I can ascertain today is that the companies are all still flourishing—with their doctor-owners."

The subcommittee staff believes that this industry may in fact be growing faster than anyone suspects. One such firm, Deseret Pharmaceutical Co. of Salt Lake City, is said to be the largest regional drug distributor in the Rocky Mountain States. Other such firms are known to be operating in such populous places as Chicago, San Antonio, Baltimore, Denver, St. Louis, Memphis, Kansas City, Mo., Nutley, N.J. (a New York City suburb), Sacramento, Jacksonville, Dallas, Portland, Ore., Atlanta, Knoxville, Philadelphia, and Vienna, Va. (a Washington suburb).

DR. JUDD'S SPECTER

Last March the AMA made one more stab at putting its house in order. It called together its first National Congress on Medical Ethics. According to the Washington Post, Dr. Walter H. Judd, former Congressman from Minnesota, warned the gathering rather bluntly that if the profession does not act it will be haunted by some continuing, unsavory examples of exploitation of the patient. But the Congress did nothing to exorcise Dr. Judd's specter.

A much more promising source of hope for the future integrity of American medicine is Senate Bill S. 2568 sponsored by Senator HART, titled the Medical Restraint of Trade Act. It would simply forbid a doctor to make a profit, directly or indirectly, from the sale to his patients of drugs or medical devices, including eyeglasses. Hearings are expected to be held sometime in June.

Right now the prospects for S. 2568 are, at best, uncertain. Independent druggists and opticians favor it. The AMA is opposed, and the eyeglass-dispensing ophthalmologists are building a $250,000 war chest with which to fight it. As for the big drug manufacturers, at this writing they had yet to take a stand. For once, however, it appears that their interest might just lie with, instead of against, their old nemesis, HART'S Senate Antitrust and Monopoly Subcommittee. The disappearance of the independent drugstore, that citadel of brand-name merchandising, would not be pleasant for this industry to contemplate. Moreover, the drug industry is bound to awaken sooner or later to the serious threat of repackaged brands hawked fervently by their doctor-investors to the exclusion whenever possible, of the big name brands.

The one interest that should override all these special interests, however, is each citizen's indispensible need to be able to trust his doctor's judgment. In CU's opinion, S. 2568 needs and deserves every bit of public support that can be mustered if American medicine is to be saved from its doctor-merchants.

WHAT TO DO AS A PATIENT

How does a patient, knowing that many physicians profit from the sale of the drugs and eyeglasses they prescribe, assure himself of getting the medicine or glasses he needs at a reasonable price? There is no way to be absolutely sure. The patient can request or even insist on receiving a copy of each prescription in writing and have it filled at the pharmacy or by the optician of his choice.

Any physician who balks at writing out a prescription for drugs or eyeglasses and giving it to you should be immediately suspect. He is violating the ethics of the American Medical Association. So is the physician whose prescription blanks have a pharmacist's name on them, or who has a direct telephone line or a pneumatic tube connecting him with a pharmacy, or who writes his prescription in a code or dosage that only a particular pharmacy can decipher or supply. If the doctor practices in a medical building with its own drugstore, he should not pick up his telephone and call in a prescription or have his nurse deliver it. Any time such rules are broken, a patient can help all ethical physicians in his community, as well as all patients, by informing the local medical society. If your doctor, however, asks for the name of your pharmacy and offers to call in the prescription for you, it may save you time—unless you prefer to have a copy of the prescription with which to price shop.

Another way to guard against prescriptions that may have been influenced by a physician's investment is to request the use of generic-name drugs. Many of the most widely used prescription compounds, including the antibiotics penicillin and tetracycline, corticosteriods such as prednisone, tranquilizers such as meprobamate, sulfonamides such sulfisoxazole and trisulfapyrimidines, and cardiovascular agents such digitoxin, can be prescribed generically, which usually means the drug will cost less than if prescribed by brand name. Despite drug company claims to the contrary, CU's medical consultants have found no clinical evidence that a brand-name drug is more effective than its generic equivalent. And they feel that, with the Food and Drug Administration now keeping close watch on factory conditions and quality controls, all drugs can with confidence be prescribed generically.

But if your physician says a brand-name drug and not a generic-name drug is called for, his advice must and should be the persuading factor.

Prescribing a drug generically does not always result in saving; it doesn't, for instance, when the drug is still protected by patents. And even when the prescription is written with your pocketbook in mind, you cannot be sure of realizing the saving. Some pharmacies may not stock the generic drug; drug companies have only too zealously implanted in many pharmacists a belief in the superiority of brand-name preparations. So the best advice is that it may pay you to shop around whenever possible, particularly in those cases of chronic illness where long periods of medication may be required.

In the long run, the most effective way to preserve the right to obtain needed prescriptions from the drugstore or optician of your choice is to write your U.S. Senators and Senator HART in support of his bill (S. 2568) to stop a physician from profiting on the prescriptions he writes.

THE INVASION OF POLAND

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROONEY of New York. Mr. Speaker, 27 years ago today Nazi Germany turned loose the horrors of World War II as she sent her troops pouring across the Polish border in a violation of treaties, pledges and hopes that peace could prevail. Ill-equipped and ill-prepared for the onslaught, the Polish Army fought heroically and desperately but in a few short weeks it was all over. Expected help from Poland's allies never materialized as the world watched in stunned belief the first of the blitzkriegs—replete with murder of prisoners, machinegunning of refugees and massive aerial attacks on the helpless populations of large cities.

Although Poland was to fall, officially, in a few short weeks her people never surrendered. Throughout the ensuing brutal years of war they fought the Nazi invaders on Polish soil and those that could fled the country to join Allied armies fighting the Axis Powers around the world. The record compiled by Polish units during the war speaks for itself. Testimonial to the will of the Poles to be free is given by the heroic stand made by the people of Warsaw in August 1944—almost 5 years after the war started. For 63 days the people of Warsaw battled the massed might of the German Army and once again found themselves betrayed—this time by the Russians who halted their "liberating" army on the outskirts of Warsaw while the German Army systematically reduced that proud city to rubble and slaughtered more than 200,000 Poles.

Mr. Speaker, it is fitting that this year, the millennium of Polish Christianity, we salute these gallant people who are still embattled. The Communists who temporarily rule Poland use terror, imprisonment and harassment to subdue the Polish people. It has not worked, nor will it. A glimpse at the history of Poland over the past 1,000 years should make that abundantly clear, even to the Communists. Poland should, and will, be free. Her people will not rest until they are.

DEDUCTIBLE EXPENSES FOR TEACHERS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. IRWIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. IRWIN. Mr. Speaker, in the next few weeks our country's children will be returning to school. And so, once again we parents will look with concerned interest at those persons with whom we will entrust our children for so many hours of the day.

In our youth lies the future of our country and in our teachers, the tools to mold tomorrow's society. Education is a long and silent process and in today's world of continual crises it has trouble competing with the more tangible and immediate means of national defense. But, the future freedom and welfare of our people rests as much on our institutions of education as on our arms of national defense.

In Connecticut I am fortunate to represent a congressional district which has good teachers. But, even we cannot give members of this profession salaries commensurate with their skills and importance to the community. Thus, aid from the Federal Government through tax allowances has been a welcome way to help the teacher, and to encourage and respond to his efforts to maintain his skills.

Unfortunately, the Internal Revenue Service on July 7 issued regulations which if adopted would do away with this means of needed assistance for many teachers.

Today, I am introducing a House concurrent resolution which asks that the new regulations not be made effective until the Congress has acted on the proposed changes. I am also introducing a bill to amend the Internal Revenue Code of 1954 to allow an individual who has a college degree and is a full-time teacher to deduct educational expenses from his taxable income.

For Connecticut my bill will have a twofold value. First, it will insure the continuation of deductions of educational expenses incurred by those Connecticut teachers with standard certificates. And, second, it will extend the present deduction privileges to those persons who are teaching with provisional certificates. In Connecticut provisional certificate holders are those who teach full time with a bachelor's degree, but must earn 30 credits or a master's degree in order to receive permanent certification. A person can teach for only 10 years under a provisional certificate. The Internal Revenue Service

has ruled that under current law these members of the profession cannot deduct educational expenses because they do not hold a continuing teaching certificate.

But, I think that any person who is a full-time teacher and at the same time pursues his own education should receive the education expense deduction privilege. Thus, the bill I am introducing today covers any person who has a college degree and is a full-time teacher. Deductible expenses will include those incurred for tuition and fees, certain travel, and educational materials.

DON IRWIN REPORTS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. IRWIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. IRWIN. Mr. Speaker, today I am issuing a report on the tabulated results of a questionnaire which I mailed out in June. My opinion poll was sent to about 170,000 persons, every household in my congressional district. The returns numbered almost 13,000. It was most gratifying to have so many responses, particularly when one realizes that the returned ballot in many instances represented two or more voters in a family.

Many of the answers to my poll complemented those which have been given in national polls, but there were also some surprises. Of most interest were the results on the question on Vietnam. While I do not regard 13,000 replies to a questionnaire as being a conclusive result in a congressional district with more than 500,000 people, I do believe the thinking demonstrated by the answers indicates that our people realize, as unpleasant as it may be, that we must stand our ground and clearly show the Communists that we cannot be driven from the field in Vietnam. And to this I might add the personal note that I fully understand the position of those who think we should pull out of Vietnam but I feel that if we falter, we invite further aggressions by subversion in southeast Asia, Africa, and Latin America.

The general summary of my report follows:

DON IRWIN REPORTS

Tabulation of my June questionnaire has been completed and I want to thank the nearly 13,000 persons who answered it. I was quite pleased that about 4,000 more people responded to the June questionnaire than to the one I sent out last summer and got 9,000 replies. The June questionnaire was much more extensive, I think, in some ways and this possibly accounts for the increased number of responses.

In any event, let me repeat what I said in my most recent newsletter: Many of the questionnaires showed care and conscientiousness and I hope the next one I send out brings still a greater response.

I promised to summarize the results for you and will do so in this special report. Many of you, perhaps, have already read news stories about the questionnaire's findings but for your convenience all of them will be briefed for you in this report.

One of the questions I asked you was this: What kind of policy do you think the United States should follow in Vietnam? More of you favored increased bombing of North Vietnam targets over any other alternatives, but your replies were widely-divided nonetheless. Thirty-four per cent of the replies favored stepped-up bombing attacks, 18 per cent urged continuation of present policy, and 16 per cent advocated all-out atack on North Vietnam, even at the risk of war with Red China. Twelve per cent thought we should pull out of Vietnam entirely and three per cent implied we should hold only the coastal enclaves in populated areas.

On the draft question, more than half of the replies—53 per cent in all—recommended scrapping the present draft system in favor of universal training.

More than half of you replying to the questionnaire also thought we should expand our trade with Russia and Communist nations of Eastern Europe, if only on a restricted and non-military basis. But about 30 per cent of the replies turned thumbs down on doing any business with the Iron Curtain countries, limited or otherwise.

There was little doubt about how you felt about higher personal and corporate income taxes as an effort towards halting rising prices. You indicated by an overwhelming 68 per cent you wanted no tax boosts.

The questionnaire also asked three questions relating to Communist China and a surprising 48 per cent of the replies indicated they favored the admission of Red China to the United Nations, providing Formosa did not lose its seat.

But by the same token, 46 per cent of the responses also voiced their opposition to any recognition of Red China by the United States. And on a question relating to "containment but not isolation" of Red China, 62 per cent of the replies favored such a policy.

Questionnaire replies also were overwhelmingly in favor of federal safety standards for automobiles, with 73 per cent urging such standards. There was close division in the replies on the question of whether a new cabinet-level Department of Transportation should be created. Forty per cent said "yes" and 31 per cent opposed the idea. But 17 per cent couldn't make up their minds one way or the other on the idea.

There was considerable difference of opinion, too, regarding the question as to whether the state, the federal government or private capital should be charged with the responsibility for providing better urban mass transportation.

Many of the replies cited more than one choice, some feeling such improvement should be a joint state-federal responsibility and others indicating the job should be done by the federal government in conjunction with private capital. And many suggested all three should pitch in to get the job done and some wanted only private capital to be used. On a percentage basis, however, 52 per cent said it was the state's responsibility, 43 per cent said the federal government should bear the burden, and an even 50 per cent voted for private capital.

Another question asked was this one: Do you think that Congress should enact legislation making discrimination illegal in the rental or sale of housing? Sixty-five per cent of those answering opposed enactment of such legislation and only 25 percent favored it.

Fifty-two percent of your replies indicated you favored increasing the term of Congressmen from two to four years, but 47 per cent didn't think Congressional elections should coincide with Presidential elections.

A great many of you thought political contributions under $50 should be income tax deductible—60 per cent of you, in fact. Almost as many—58 per cent—expressed opposition to payment of the New York City income tax by out-of-state commuters.

Thirty-one per cent of you indicated commuters should pay the New York City income tax, but one-third of those thought the tax rate for commuters should be lower than for New York City residents. In actual practice, of course, that is how it has turned out. Commuters are paying a considerably lower tax rate than New York City residents.

It was apparent from your replies, too, that more than two-thirds of you think the federal government should increase its assistance to state and localities for water and air pollution controls. Sixty-seven per cent of the responses favored more federal aid to solve these problems.

Some 62 per cent of the replies also favored increased federal aid to states and localities for recreation programs and for the conservation of land in its natural state, including coastal areas and so-called wet-lands. A still greater number of the replies—74 per cent—favored regional efforts to solve problems that affect several towns or states.

And on a more personal note, I am extremely grateful to the 52 per cent of those replying to the questionnaire who said I am doing an outstanding or good job as the Congressman from the Fourth District of Connecticut.

Some 40 per cent of your replies rated my performance as "Good" and another 12 per cent marked their questionnaires "Outstanding." Sixteen per cent indicated I could do better—and I shall certainly try. Twenty-three per cent had no opinion as to the kind of job I am doing and only two per cent of the replies said I was doing a bad job.

The remaining statistics cover the responses I received from your community. I hope you will find them as interesting as I did. The questionnaire results have given me invaluable information that will enable me to do my job better. Again, thank you.

TWO-WAY ROADS: THE WEAK LINK IN OUR HIGHWAY SYSTEM

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. FARNSLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FARNSLEY. Mr. Speaker, I would like to include in the RECORD an article prepared by Mr. Paul Paksarian, who has been on my staff part of this summer, studying the problems of highway and automotive safety. I think it is very important and will do everything I can to give it a wide audience.

One-way street systems have been established in many American cities and have won enthusiastic public acceptance. The advantages of one-way systems have been proven many times over. They are much safer than two-way streets. There are fewer traffic conflicts at intersections and almost no head-on collisions. Since there are no opposing vehicles, there is no headlight glare at night. Pedestrian accidents decrease for pedestrians are never trapped between opposing streams of traffic. At intersections, two of the four crosswalks are completely free of turning vehicles.

Along with a decrease in accidents when streets are converted to one-way operation, there is an increase in traffic capacity. A street fifty feet wide will accommodate 45 to 60 percent more traffic if it is made one-way. Because there are no opposing streams of traffic and fewer turning conflicts and

because traffic signal systems can be made to work more efficiently, average operating speeds are higher and there are fewer delays. These two benefits more than compensate for the slight increase in travel distance which is sometimes made necessary by a one-way system.

It is not hard to see why many of our cities have adopted one-way systems. In addition, our modern Interstate system combines the advantages of urban one-way streets with control of access and excellent geometric design. As a result, the 18,500 miles of the Interstate system now in operation offer the motorist the safest, most efficient rural highway transportation available. The death rate last year on Interstate highways was 2.6 deaths per 100 million miles of travel as compared with a death rate of 7.4 on all of the Nation's rural roads.

But what of the vast bulk of our Nation's rural and suburban highway mileage which is composed of two-lane and undivided four-lane roads? Funds will probably never be available to replace all these roads with freeways nor will the traffic volume which they bear ever become large enough to justify replacing them all. Yet they are the most dangerous roads in America.

Since it would be impracticable to replace every two-lane rural road with a freeway, the obvious solution is to convert as many of them as possible to one-way operation. It is paradoxical that this approach, which has brought such benefits to urban traffic systems, and at such little cost, should be almost completely ignored as a means of cutting the accident rate on our rural highways. Kenneth A. Stonex, an automotive safety engineer with General Motors, has cogently described the absurdity of this situation:

"Two-way operation of traffic is apparently a hand-down from an age where the number and kinetic energy of particles in the stream were small enough to be unimportant, in terms of congestion and hazard, in relation to economy of travel distance. Apparently economy of travel distance has been habit-forming for, generally, only in instances of central business districts have traffic engineers been able to promote the value of reduction in travel time and hazard level achieved by one-way operation.

The absurdity of a traffic operating design where opposing guided projectiles are separated by paint stripes is obvious; this is the design we would use if our objectives were to kill as many people as possible. Even in bowling alleys and .22 rifle ranges the targets are all at the same end."

A look at traffic accident statistics reveals the terrible waste of human life which is the price we pay for retaining our outmoded two-way highway system. The National Safety Council reports that there were 49,000 traffic deaths in the United States in 1965. Of these, 16.7 percent were caused by non-intersection collisions between two vehicles moving in the opposite direction. It is reasonable to assume that our two-way highway system caused the great majority of these deaths. An additional 15.8 percent of the 49,000 deaths resulted from intersection accidents, and over two-thirds of these occurred when one of the cars entered the intersection at an angle. When two two-way roads intersect, there are twelve possible traffic maneuvers; two-vehicle collisions, therefore, can occur in any of twelve different ways. Conversely, there are only four possible conflict points at the intersection of two one-way roads. Clearly, the number of fatal intersection accidents would be much lower than it is if there were no two-way-road intersections.

Establishment of one-way operation would pose no problem at all in metropolitan areas and in rural areas, especially in the Midwest, where existing highways are laid out in a rectangular block system. In other areas, arterial highways which run parallel to one another separated by a few miles' distance can easily be made one way. In less-developed areas where neither of these situations exists, one-way operation is feasible only when the traffic volume becomes large enough to justify construction of a parallel road. But, by and large, highways in areas where traffic volume is heaviest are the ones which can most easily be converted to one-way operation.

Two-lane roads are the weak link in our highway system. The means to improve them is within our reach. The shocking toll of deaths and injuries taken by these roads compels us to take action.

COLORADO GREETS THE PRESIDENT

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. McVICKER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. McVICKER. Mr. Speaker, last Friday, along with my congressional colleagues from Colorado, I had the honor and pleasure of accompanying President Johnson to his speaking engagement at the University of Denver. The President was awarded an honorary degree from that fine institution.

Colorado's welcome to the President was warm and sincere, and he was quite clearly pleased. The Denver metropolitan area, which includes most of my district, has long been noted for its robust Western hospitality.

As these news stories from the Denver papers indicate, Denver's enthusiasm is matched by the President and Mrs. Johnson's high opinion of our area. In these somewhat grim days of urban poverty, blight, and impersonality, we in Colorado feel fortunate to retain a friendlier tradition.

These excerpts from the Rock Mountain News and the Denver Post chronicle the President's stay in Denver, his major address at the university, and his rapport with the record crowds. I commend these excerpts to the attention of my fellow Members:

[From the Denver Post]

DENVER THRONGS GREET L.B.J.—RELAXED PRESIDENT JOKES WITH CROWD—DENVER UNIVERSITY TALK CITES BID FOR PEACE

(By Tom Gavin)

Relaxed and puckish, President Johnson jokingly linked his Denver visit to this area's population growth Friday as he began a fast-paced Colorado visit, which saw him greeted by an estimated 65,000 to 70,000 area residents.

"Denver is a city on the move," he told a sweltering throng of 25,000 after landing at Stapleton International Airport in midafternoon and noting the population here had increased 5 per cent since his 1964 campaign visit.

And then, with a grin, he added: "Just think what would happen if I came back every two years."

The answering cheer from the crowd brought another grin and an added remark, "That's neither a prediction nor a promise."

SOMBER CHANGE

It was a different chief executive, however—one as somber as his academic robes were black—when he addressed the more than 6,000 persons who had waited more than an hour to hear him in the University of Denver Arena.

There he spoke of the search for peace—"the greatest of all man's tasks in our time"—and of his view that America's policies abroad must reflect and extend its hopes and aspirations for our own citizens.

Those who would understand our international attitudes, the President said at the DU convocation where he received an honorary degree, must first understand our domestic politics.

COLLECTIVE VOICE

"Politics are the means by which men give collective voice to their hopes and aspirations," he said. "Can we suppose that these are so very different for Americans than for the people of the other lands from which our parents came?

"I think certainly not. Nor will we long have the confidence and respect of other people if we hold what is necessary for Americans is also too good for other people."

But although the formal face of the President was evident in his longest speaking appearance of the 2½-hour Denver visit, that at the arena, the Lyndon Johnson seen by the 35,000 to 40,000 Coloradans lining his long motorcade route, and at Stapleton, was a beaming, grinning, waving, handshaking man, who seemed to revel in closeup contacts with citizens in their own front yards.

Three times between the airport and the DU campus Friday, he bent an exactingly prepared timetable by abruptly halting the long procession of cars and buses to talk with bystanders.

And three times the friendly but calm crowds lining the sidewalks and curbings were transformed into near-frantic throngs, elbowing and jostling to get close, to shake his hand or just to touch him. More distant bystanders ran through the 90-degrees-plus temperatures in sometimes-vain efforts to arrive before the presidential limousine started up again.

At each stop, sometimes using a "bullhorn" voice amplifier, the President spoke. He was glad to be here, he said. And thanks for coming out.

He stopped first at E. 32nd Ave. and Monaco Parkway, near a large "Park Hill Welcomes You" banner stretched across the street, and again near E. 18th Ave. and Monaco.

SENDS FOR PUBLISHER

The last halt was at E. 6th Ave. and Monaco, where the President sent for Palmer Hoyt, editor and publisher of The Denver Post and a personal friend. Hoyt rode the rest of the way with the chief executive, after being introduced to the crowd as "an old friend of mine."

The President's Denver trip began with almost pinpoint precision as Air Force 1, the large Boeing jet of silver, white and two shades of blue, which bears both the presidential seal and the American flag on its sides, landed at Stapleton at 2:45 p.m.—just one minute ahead of schedule.

At 3 p.m., after the craft had whiningly taxied to a ramp area jammed with people and welcoming signs, the President and Mrs. Johnson descended and moved down a long and lengthening receiving line headed by Gov. John Love and his entire family.

GREETINGS VARIED

The greetings varied from formal to intimate. Mrs. Hoyt and Mrs. Johnson exchanged cheek kisses. The publisher was given a quick presidential hug. The first lady looked up in delighted surprise as the crowd sang an earlier-rehearsed "Happy Birthday," recognizing the chief executive's 58th birthday Saturday.

Behind the presidential couple, as it traversed the receiving line, was a long—and

politically mixed—line of officials traveling on Air Force 1. Among the leaders were Sens. GORDON ALLOTT and PETER DOMINICK, both R-Colo; Reps. WAYNE ASPINALL, BYRON ROGERS, ROY MCVICKER and FRANK EVANS, all Colorado Democrats.

Except for Love, the receiving line was dominated by Democrats, among them Denver Mayor Tom Currigan; Steve McNichols and Bill Grant, state party officials; Roy Romer, Democratic Senate candidate, and Lt. Gov. Robert L. Knous, Democratic candidate for governor.

Democratic campaign signs were abundant in the waiting crowd, too. But the President himself dipped only fleetingly into political partisanship, referring to "your four great congressmen" (all Democrats) in acknowledging the dignitaries present, before beginning a short airport talk.

He'd been criticized, the President told the Stapleton crowd, by a Washington newspaper columnist for making his Western tour when there were so many problems to be solved in Washington.

But, said the chief executive, "all our problems don't seem to be solvable in Washington. Some of them are going to be solved in places like Denver."

PRAISES DENVER

Johnson praised Denver, too, noting that its levels of poverty and inadequate housing are substantially lower than those of other large cities and that this region is seeking to cure problems like air and water pollution.

"This is an example," he added, "of what can happen when a great city decides to tackle the problems of the 20th century."

Johnson's return to Stapleton, delayed by an impromptu handshaking detour into nearby DU Stadium where a track meet was in progress, followed roughly the same route, but went much faster. Although smaller, there still were crowds standing along the route.

The President and Mrs. Johnson stood chatting with bystanders for more than five minutes before mounting the stairs to the plane and then turning—the executive's arm around his wife's waist—to give a last wave at the several hundred persons still there.

There were only a few anti-Viet Nam war signs, and several young men displayed an "It's a Republican Year" banner along E. 6th Avenue. On E. Evans Avenue there was seen a sign reading: "Draft George Hamilton," an escort of the President's daughter, Lynda.

Earlier at the airport, though, there had been two girls displaying placards which read: "Teen-age GOP's Welcome LBJ to Denver."

As the President said in his Stapleton remarks: "Denver has always been exceedingly friendly to the Johnsons, and this trip is no exception."

BIG DENVER CROWD PLEASES PRESIDENT

(By Richard Tucker)

A beaming President Johnson whisked through Denver Friday, obviously enjoying his contact with more than 72,000 well-wishers.

The President, who has had anti-war pickets to contend with on other occasions, was visibly pleased at the warm Denver welcome. There were no pickets during the entire afternoon.

Three times he stopped his motorcade en route from Stapleton International Airport to the University of Denver to spontaneously greet the crowds.

KISSES LITTLE GIRL

He jumped from his car to kiss a little girl, shook as many hands as he could, and spoke to bystanders through a special "bull-horn" public address system in the car.

"Thank you for coming down to see me," he said. Or, "It's nice to be in Denver." Then, a block later, 'How are you?" And, a bit farther, "I'm glad to see you."

The President was enthusiastic about his reception to official welcomers.

He remarked frequently how pleased he was to see so many smiles on the faces of people; and on how happy they seemed to be.

Mr. Johnson also offered complimentary remarks on the appearance of the private homes he passed, from the moment he entered residential neighborhoods after leaving the airport for DU.

He was particularly impressed, companions reported, with the Monaco pkwy. area.

GREETS TRACK STARS

After his DU speech on foreign policy, Mr. Johnson again strode into the crowds to greet Junior Olympic track stars competing in the nearby stadium, to shake more hands, and sign autographs.

At DU, the President defended the right of his critics to disagree with America's foreign policies—and reserved for himself the right to "dissent from the dissent."

He acknowledged that all actions of his Administration have not been "universally popular" and aren't likely to be in the future.

"But we defend, and intend to defend," he said, "the right of everyone to disagree with what we urge or do. We ask only that when we dissent from the dissent, it be recognized as an exercise of the very right we defend—the right of free speech."

Mr. Johnson spoke at a DU convocation which marked the start of construction on a new space science building.

Police estimated 25,000 people met the Presidential jet at Stapleton International Airport, another 40,000 lined the route to DU, and 6,200 heard the President's foreign policy speech in the DU Arena.

JOHNSONS SING DENVER'S PRAISES—NEGRO HOMES IMPRESS L.B.J.

(By Barnet Nover, chief, Post Washington Bureau)

JOHNSON CITY, TEX.—Denver was enthusiastically praised by President and Mrs. Johnson at a birthday press conference at the LBJ ranch Saturday.

Denver visited by the chief executive and his wife, Friday, during a three-state tour, is a beautiful town, they both said. The President also said it was a town that handled major municipal problems the way they ought to be handled.

Talking with Sen. EVERETT DIRKSEN, R-Ill., who had phoned him at the ranch to wish him a happy 58th birthday, the President told the Senate Republican leader what he had discovered in the Mile High City.

"I said," the chief executive explained, "when they ask you 'how can these cities handle some of their problems?' the first thing I would say is 'go and see Denver.' "

"You drove through places," Johnson continued, "where you would expect to see the ghettoes in Denver and you saw modest homes.

"I said to some of my people that it looked very much like my mother's home in Austin, Tex.—three-bedroom little home with one bath; with a beautiful lawn, small, attractive, with flowers growing in the windows, well kept with great pride, and happy people living in it."

The President continued:

"It would be difficult to believe that those were Negro homes, if you hadn't seen them standing there and if the mayor and the governor—of two different parties—hadn't told you that they had, in their judgment, the fairest housing bill of any state in the Union.

"They had committees to control housing. The Scripps-Howard publisher (Jack Foster) and The Denver Post publisher, (Palmer) Mr. Hoyt told me how hard they had worked to have these committee go around and help with these problems, encouraging home ownership.

The President said he was told that the Negroes had put a really disproportionate share of their income into home purchases, "because they had such pride in the place where they lived."

"They had no problem with outsiders coming in," he added, "and staging big marches and pickets with signs. Some people felt Denver had to have one. So, some of them came in and urged one. They said it was the biggest flop of the year because these people have their homes and they are happy.

"In some of the areas 70, 80, 90 per cent of those homes we saw yesterday (Friday)," Johnson stated, "were inhabited by Negroes and by Mexicans and by people who had a part in home ownership."

WIFE ADDS PRAISE

Mrs. Johnson added her praise of Denver to that given by the President.

"My husband has talked at length about what we saw in Denver," she told reporters, "but something else was registering about every step of the way as we rode along several big boulevards, with their gorgeous green median strips, bordered by great trees, and with brilliant flowers—all so well kept.

"You've no idea," she added, "how delighted I was when we got out of the car and (turning to the President) the first thing you said to me was 'isn't this the prettiest city you ever saw?'

"I was pleased you were thinking along the same lines because what happens to our cities is at the top of the list of problems."

"I would like to point out one thing that the publishers pointed out to me yesterday," the President said.

"They told me that when Denver was born there was no grass growing in the area. There was not a tree present. They said that all of that was manmade. Man brought in the grass, the trees, the water, the fertilizer that led to the beautiful scenery we saw."

[From the Denver Post]

WHY DENVERITES STILL CAN SMILE

What really got President Johnson about Denver, he told several people during his weekend visit, was not just that Denverites were so friendly to him, but that they looked so relaxed and happy among themselves. Everywhere he looked, he said, he saw smiling faces, of all colors and kinds.

This he found infinitely refreshing. And this, too—if we had to pick just one—is what we'd rate as Denver's single greatest asset: the fact that, by and large, Denverites are happy, relaxed, friendly people, both among themselves and with visitors and newcomers.

There's a serious, basically important reason for this, which we hope we and our neighbors never forget.

Why do you suppose President Johnson sees fewer smiles on faces in cities back East, or in the Midwest—even when they're cheering him? Any Denverite who's been there in recent years knows what the faces of too many people there are like: tense, tight, fearful, hurried and harried.

Why? Ralph Waldo Emerson expressed it best 100 years ago. Back there, "things are in the saddle and ride mankind." Or as a modern sociologist might put it, those people are ridden by fears caused by unsolved problems grown too big for most cities to cope with: crowding, racial injustice, bad housing, poor transportation, polluted air and water and all the dreary rest.

So what's the difference in Denver? The difference, it seems to us, is that here we the people are still in the saddle. Problems we've got, for sure—the same ones those cities back East have. But here they are

not yet out of control; they are not insoluble. We have reason for confidence that, working together, we can solve them. And we have reason to trust each other to work together.

Why this confidence? This trust? Probably because our city is younger; the problems simply haven't had time to grow big. And certainly because good and wise people in the past have laid a solid foundation for solving our problems. Look, for instance, at the problems that plague other cities:

Pure water: Denverites have solved this one years ago.

Pure air: We've made a good start, though there's plenty of work left to do.

Crowding: This is mainly a matter, in the Denver area, of providing open spaces, such as parks. We've fallen behind the pace of growth. Yet such projects as the South Platte River Valley are a start on catching up.

Urban ugliness: The President remarked on the beauty of Monaco and 6th Ave. parkways. These are legacies of Denver's great mayor Bob Speer, and people like George Cranmer. It's long past time the city created new beauties like these; but the foundation is there.

Racial Tensions: While Chicago agonizes over its segregated housing, Denver—and Colorado—have open housing firmly in the law, and good people of all colors and creeds are making it a peaceful reality.

Poverty: Progress is slow, but Denver is moving on many fronts, particularly in education, to remove its causes and train people for the jobs that, as this paper's want ads show, abound.

Transportation: This is the only urban problem on which nothing is moving except studies. Studies transport very few people, but perhaps this is the beginning of progress.

At any rate, as President Johnson said at Stapleton International Airport—a quite impressive symbol of progress in itself—Denver is moving; it is "an example of what can happen when a great city decides to tackle the problems of the 20th century."

And he said something else there: "The spontaneous cooperation of our people is the secret weapon that has made our country great."

In Denver, this has certainly been true. There is a tradition of spontaneous citizen action to solve the city's problems which dates at least back to the 1870s, when pioneer businessmen raised the kitty that brought the Union Pacific Railroad here.

That is a proud and absolutely priceless tradition, and one still vibrantly alive. That is a basic reason why a president—any president—sees so many smiles on the faces of the people of Denver.

Good people for years now have kept Denver in the saddle, trying to lick our problems before they can grow up to lick us. All of us, at one time or another, do our bit to make this a good—and therefore happy—city. May it always be so.

NATIONAL LEAGUE OF INSURED SAVINGS ASSOCIATIONS ANNOUNCES WHOLEHEARTED SUPPORT FOR H.R. 14026, PATMAN BILL TO END HIGH INTEREST RATE WAR

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PATMAN. Mr. Speaker, despite intensive lobbying by the Federal Reserve Board and certain Treasury Department officials, the National League of Insured Savings Associations today announced its wholehearted support for H.R. 14026. This is the Banking and Currency Committee bill, reported out July 28, which would establish a flexible, temporary 1-year ceiling of 4½ percent on consumer-type time deposits.

I am most pleased that the National League has taken this statesmanlike step to support our bill which will not only lend assistance to the housing market but also tend to dampen inflationary pressures and, most important, lower interest rates. The National League should be commended particularly in view of the fact that this bill also contains a temporary rate control over all insured savings and loan institutions—control which the National League has traditionally opposed. I am aware of the great pressures that were exerted on thrift institutions to support the Federal Reserve bill, H.R. 17255, introduced by Representative STEPHENS of Georgia. The National League support for H.R. 14026 and its opposition to H.R. 17255 is based on the fact that the Federal Reserve version merely increases that agency's discretionary authority over financial institutions without any assurance that interest rates will fall or more money be made available for housing. On the other hand, the league recognizes that H.R. 14026 is not only flexible legislation, but also effective legislation.

I congratulate National League President, Harry P. Greep, and the entire membership of the National League of Insured Savings Associations.

I ask unanimous consent that the National League news release of September 1 appear at this point in the RECORD.

[A National League of Insured Savings Associations news release]

WASHINGTON, September 1.—A decision to support the Patman bill which would impose temporarily Federal controls on savings and loan dividend rates was announced today by the National League of Insured Savings Associations.

National League President Harry P. Greep of Fort Lauderdale, Fla., and the League's position on rate control is the result "of the extraordinary tightness of the money market which has pushed interest rates to the highest levels in this century."

Following a meeting of the League's Executive Committee in Washington today, Greep declared: "It is important to emphasize that the economy of the nation is operating under paradoxical and unusual circumstances. With a war in Vietnam, inflation threatened at home and a sharp curtailment of housing operations, the nation must take steps to protect the economy during the present difficulty.

"To moderate severe pressures on the nation's credit and money markets, President Johnson should move immediately to increase taxes to the extent necessary, suspend 7% investment credit and curtail nonessential government spending.

"In the financial area, the savings and loan industry recognizes that legislation which will stabilize competitive forces during the present money market stringency would be in the public interest at this time. The League believes that the Congress should establish dividend rate controls on a temporary one-year basis in recognition of the importance of a free market in mortgage funds to the success of the nation's housing program."

Greep, President of Atlantic Federal Savings and Loan Association of Fort Lauderdale, said that in its consideration of rate control legislation, the League's Executive Committee called for enactment of H.R. 14026 on which the House of Representatives will begin debate next Wednesday.

In addition to Federal dividend rate controls for one year, the Patman bill would impose a 4½% ceiling on new commercial bank certificates of deposit under $100,000 until August 1, 1967.

The National League official said that while the Patman bill itself would not produce new money for home financing, it might help to stabilize the flow of savings funds to thrift institutions for housing purposes.

He added: "The problem in housing today is that there has been a sharp curtailment in availability of funds for home buying transactions and this problem will not be alleviated until the government and the Congress move to stabilize the nation's credit markets by moderating demands for funds.

"Under the program of the Federal Reserve System, housing has been sacrificed on the altar of 'tight money', and it is both unreasonable and unfair to expect housing alone to bear the brunt of the Federal Reserve's policies."

HIGH INTEREST RATES DO NOT HURT BIG BUSINESSES

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PATMAN. Mr. Speaker, the crisis in our economy now due to record high interest rates has devastated the homebuilding interest, wrecked all hopes of prospective home buyers, and made credit almost impossible for the small businessman. I would like to call to the attention of my colleagues an article that recently appeared in Business Week magazine which describes the attitude that big businessmen are taking on higher and higher interest rates—"very matter-of-factly."

The Fed's policy has not halted corporate spending as they felt it would back last December 6, 1965.

The article follows:

[From Business Week, Aug. 27, 1966]

BUSINESSMEN SHRUG OFF THE PRIME RATE BOOST—SOME ARE LOSING OUT NOW IN THE SCRAMBLE TO BORROW FUNDS, BUT THOSE WHO CAN GET MONEY DO NOT YET APPEAR TO BE WORRIED AT HAVING TO PAY AT LEAST 6 PERCENT

To most businessmen, large and small, rising interest rates apparently are just another cost of doing business—much like the rising costs of materials or labor. So they are taking last week's increase in the prime rate to 6%—the fourth since last December—very matter-of-factly.

This reaction points up the dilemma that faces the Federal Reserve. The goal the Feds has set for its policy of ever-tighter money is a cutback in corporate spending. But the latest increase in rates shows no more

promise of producing that result than previous rate boosts. Apparently, in the present situation it's not the cost of money that influences business spending plans but the simple question of availability.

SPEAKING OUT

Merlin H. Birk, president of Aluminum Specialty Co., maker of cooking and baking ware, plastic Christmas trees, and roller skates in Manitowoc, Wis., put the business reaction succinctly: "Short-term borrowing is a way of life for us, and the recent interest rate increase isn't going to make us change our business approach or business plans."

The sentiment is similar on the long-term end. Says Jerome Bohland, treasurer of giant, Toledo-based Owen-Illinois, Inc., which is currently embarked on a mammoth expansion program: "Our general corporate attitude is that you can't stop a $500-million program just because the cost of borrowing goes up. That's part of the cost of the program, and if it is one that is going to produce a more profitable operation for the corporation, then it must proceed."

PASS IT ON

Typical of the way businessmen are treating the high cost of money is the line of reasoning followed by Raymond N. Leach, president of Jasper Blackburn Corp., of St. Louis, which manufactures wiring devices and pole-line equipment. The way Leach sees it, as long as there is a demand for his products, and as long as he can pass increased costs on to his customers, then there is still good reason to borrow—even at the present high rates.

AVAILABILITY

However, bankers in many parts of the country say that the time has come when an increasing number of businessmen are not going to get the loans they want no matter what rate they are willing to pay. Bank lending power, they point out, simply won't cover the demand.

Says one leading New York City banker: "This last increase has stimulated borrowing even more. Businessmen realize that we had to raise our rates because there is not enough money to go around, and they want to make sure that they get their slice of the pie before it's all gone."

Moreover, prime-rate customers, such as General Electric Co. and Bethlehem Steel, have placed king-sized orders for new cash. This means that instead of six or seven customers of a bank getting, say, $25 million, it all goes to one.

The banking fraternity is in almost complete agreement that the only thing that can limit borrowing at this point is a further tightening in the availability of funds unless the government raises taxes or spends less.

As it stands now, companies that haven't maintained good bank relations are out in the cold when it comes to new loans. And even corporations that are on good terms with their banks are finding that they can't get all the cash they need.

The squeeze on cash is becoming particularly evident in the reduced cash flows of many corporations. Bills are being paid more slowly, investments are being cut back, and corporate treasurers are looking through their ledgers for ways to raise funds to supplement the banks' dwindling supply.

For example, Herbert Randlett, treasurer of Seattle's Talley Corp., which manufactures paper tape punches, says: "We are selling equipment we leased to customers to leasing companies, and selling our factory equipment to leasing companies on a lease-back arrangement."

OUTLOOK

If the squeeze for funds is a problem now, there's a strong likelihood that it could get much worse in coming weeks. For one thing, corporations face another big tax date on Sept. 15, which will pull $4.7-billion from their coffers.

Also, there is an estimated $4-billion in bank certificates of deposit due to mature in September. Bankers are fearful that with many money-market instruments, such as commercial paper, offering rates substantially higher than their legal 5½% maximum on CDs, there might be a substantial runoff.

TIGHT MONEY HURTS EVERYONE

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. PATMAN. Mr. Speaker, the distinguished financial columnist, Sylvia Porter, has been writing a series of columns on the problems we are facing with the present tight money, high-interest rate policy pursued by the Federal Reserve Board. In her column in the Evening Star of August 29, Miss Porter describes how high interests effect almost everyone, increasing the cost to businesses as well as the cost of items to the public.

One section of her column, I believe, needs a correction. She states the present high rates of interest are attracting foreign funds to U.S. markets for investment. This aspect of raising domestic interest to attract foreign funds is not quite as effective as Miss Porter states. Governor J. L. Robertson stated in our hearings on H.R. 14026 that this policy does not produce an excess in our balance of payments enough to be a worthwhile restraint on our balance-of-payments deficit. I call to my colleagues' attention Miss Porter's interesting analysis.

YOUR MONEY'S WORTH—DOES TIGHT MONEY HELP ANYBODY?

(By Sylvia Porter)

"Tight money" is a far from perfect anti-inflation weapon. It can directly restrain, and just to a limited extent, only the "demand-pull" form of inflation. It cannot directly restrain the "cost-push" form of inflation and with the approach of key wage negotiations in vital industries, this is becoming our gravest threat. It is painfully discriminatory.

While it is hurting the housing industry and smaller businessmen, it is not doing more than annoy corporations with good credit ratings and with a tax schedule which reduce a 7 percent loan an after-tax cost of around 3½ percent.

All these points have been underlined in the preceding two columns. Here are some additional details.

Q.: Don't higher interest rates add to living costs?

A.: Of course they do. One reason the Consumer Price Index has been climbing in recent months has been the spiral in mortgage interest rates and the rise in installment loan rates. The extra dollar you pay for interest is an extra dollar out of your spending money just as much as any extra dollar you spend for food or clothing.

One reason operating costs of businessmen are rising is also the upsurge in all loan rates.

A paradox is that the policy designed to curb inflation is simultaneously adding to inflation.

Q.: How is tight money affecting balance of payments?

A.: Here is a bright aspect. Juicy returns on high-quality investments have been pulling in foreign funds to the U.S. Several fundamental forces in the balance of payments were adverse in the first half of this year. The surplus of exports of goods over imports narrowed. Spending for Viet Nam and the tourist spree put our international accounts in the red. But the influx of investment funds to take advantage of high interest rates held down the payments deficit to an annual rate of $1.4 billion, not much more than the $1.3 billion of 1965. The obvious determination of the Federal Reserve System to use orthodox monetary policy to fight inflation also is helping to retain foreign confidence in the dollar's value.

Q.: Are we seeing the worst of the squeeze now?

A.: Almost surely not yet. Banks face a big pinch in September.

Seasonal demands for loans will be piling in on top of a contraseasonal bulge in loans these past few months. At the same time, the Federal Reserve will be continuing to reduce the banks' supply of lendable funds and they will be losing deposits as financial institutions transfer funds to mediums paying them more than the 5½ percent maximum they can get on bank certificates of deposit.

The Federal Reserve will see to it that banks get funds they must have; it will not halt they growth of credit and substitute the danger of depression for inflation. But it will be a big squeeze.

Q.: When will the squeeze end?

A.: When the economic forces shift away from accelerating inflation. This could happen abruptly but it is not happening yet.

Q.: What will be the outcome?

A.: Not even policymakers will predict. We have had no experience in modern times with tight money on this scale. The Federal Reserve is applying the credit brakes on an economic road that is dark and unmapped.

VIEWS ON THE ELECTION REFORM ACT OF 1966

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BINGHAM. Mr. Speaker, I believe there is need for a radical reform of our election laws, not only along the lines of the President's proposals, but going beyond those proposals in an effort to stop the trend toward ever-more-costly campaigns. In my judgment, realistic limits should be imposed on election campaign expenditures for Federal office, and candidates should be assisted through a limited use of the franking privilege and in other ways.

On July 21, in testimony before the Subcommittee on Elections of the House Administration Committee, I outlined a series of proposals to achieve these objectives. I have now incorporated these proposals in a bill and a resolution which I have today introduced.

Under leave to revise and extend my remarks, I include herewith the text of my testimony before the Subcommittee on Elections:

Mr. Chairman, I am grateful for the opportunity to appear here today before you

to express my views on H.R. 15317, the Election Reform Act of 1966.

I was among those who was delighted when the President included in his State of the Union Address strong pleas for election reform, particularly in the field of campaign expenditures. And I welcome the further communication from the President on this subject, dated May 26, 1966, in which he outlined various specific proposals. As I understand it, H.R. 15317, the bill under consideration today, corresponds precisely to the bill submitted by the President, except that it omits the proposals for changes in the income tax laws. Those proposals have been referred, I understand, to another committee, and I hope that that Committee will act on them.

In general, I want to record my wholehearted support for the purposes of this measure, described by the President as follows:

First, it would for the first time make effective past efforts to achieve complete public disclosure of campaign funds. The bill would require all candidates and all committees supporting them for federal office to report, clearly and promptly, the sources of all their funds and how these funds are spent.

Second, it would also require disclosure by Members of Congress of gifts and income.

Third, it would revise existing law and for the first time make effective the ceilings on the size of contributions.

Most particularly, I applaud those provisions which are designed to bring about much more thorough public disclosure of campaign contributions and expenditures than is required under present law. The President correctly characterized the present laws dealing with campaign financing as "more loophole than law." It seems clear that all committees supporting candidates for federal office should be required to report on contributions and expenses, both in connection with primary elections, as well as general or special elections.

There is also need for more effective limitations on the contributions that can be made from any single source to a campaign of any candidate.

I am less certain of the desirability of repealing present ceilings on expenses by candidates for federal office. It is true that existing limitations have not been effective, and perhaps wealthy candidates would always find ways to circumvent any restrictions. Nevertheless, if the limitations were made more realistic, it might be possible to devise provisions that would make evasion difficult and dangerous.

In any event, it is clear that there must be provision for effective and timely disclosure of campaign expenditures, so as to make it possible for public opinion to react to excessive spending at the polls. Too often today the disclosures occur, if at all, only after election day, when the voters have no opportunity to react.

The bill before us contains various valuable provisions spelling out the duties of the Clerk of the House and the Secretary of the Senate with regard to the statements required to be filed, all designed to further the purposes of complete, timely, and effective disclosure. For example, the simple requirement that these officers "make copies of all such statements available on request at the cost of reproduction" will of itself make the filings far more useful.

I seriously question, however, whether the Secretary of the Senate and the Clerk of the House are the proper officers to carry out the duties specified in H.R. 15317. These officers are, after all, elected at the opening of each Congress and they are naturally disinclined to act in such a way as to displease members of their respective legislative bodies. Since I can understand that there might be some reluctance on the part of the Congress to give responsibility for enforcement of these provisions to an officer of the Executive Branch, I would suggest that the responsibility be given to the Comptroller General, a nonpartisan agent of the Congress who is to a large extent insulated from political pressures through the stability of his 14 year term. The Comptroller General's office would also be better equipped to carry out the responsibility for the handling and copying of the statements to be filed, and where inconsistencies or discrepancies appear on the face of the reports to conduct the necessary audits and investigations. Such audit and investigation should be specifically authorized in the bill. In addition, the bill should specify that statements filed should be available to the public promptly after filing—presumably within 24 hours—and should specify a reasonable time limit for the provision of copies on request.

One weakness in the present law is that there is no effective way of assuring that candidates and their supporting committees comply with existing filing requirements. The only penalty for non-compliance is a criminal penalty and this, understandably enough, has never been used.

The President's proposals suffer from the same defect. I would suggest, first, that the law should require the officer or officers with whom reports are to be filed to make public announcement of those candidates whose reports were not filed in time or were otherwise patently deficient, and, second that substantial compliance with the filing requirements be made a qualification for the office in question. If these steps were taken, we could be sure that candidates would be meticulous in their determination to comply with the statutory requirements.

I am also in favor of Title III of the bill which would require members of Congress to report on gifts and other income. I believe, however, that the provision should be extended to include income from real estate or other investments, as well as income for services performed. Again, I suggest that the information should be filed with the Comptroller General rather than with the Clerk of the House and the Secretary of the Senate.

I should like now to turn to another aspect of the problem of enabling candidates of modest means to meet the financial burdens of modern political campaigns. Surely, we want to do all that we can to prevent the development of a political world in which only the wealthy or friends of the wealthy can hope to run for elective office.

Existing laws approach this problem by attempting to impose ceilings on the amount that can be spent in campaigns, but they have proved wholly ineffective, and there is a serious question as to whether effective ceilings can ever be imposed. (The President's proposals appear to proceed on the premise that, at least so far as the candidate personally is concerned, no limitation on campaign spending should even be attempted).

Perhaps, then, we should concentrate on ways to assist the candidate of modest means to carry out at least the bare essentials of an effective campaign. It is clearly within the power of the federal and local governments to do this.

First, I would suggest that a limited use of the frank be extended to candidates for federal office (in the same manner that persons elected to the Congress, but not yet sworn in, are permitted to use the frank.) For example, each candidate for Congress might be permitted to send postage-free one general mailing to the registered voters in his District. This privilege would be worth several thousand dollars.

Another area where the federal government could assist is to make meeting rooms in federal buildings available to candidates for federal office at a nominal rental.

In regard to making radio or television facilities available, especially in areas such as New York City where 30 or 40 Congressional districts are within the range of the main radio and TV stations, there are many complications. Nevertheless, we should at least explore the possibilities of requiring radio and TV stations to provide a certain amount of air time during pre-election periods to candidates free of charge.

Another campaign technique which is frequently important, particularly in metropolitan areas, is the person-to-person telephone campaign, involving many thousands of calls. These are very expensive when the calls are charged at standard rates. While the Congress has no power to act in this area, it might be possible to devise ways to encourage local telephone companies to permit reduced rates for political candidates. The public interest in making certain that candidates can reach the maximum number of voters with their message is sufficient to warrant a reduction in charge for this public service.

There are other ways in which government can make it possible for each candidate's message to get through to every qualified voter. A prime example is the Oregon Voters Pamphlet which is mailed by the State to each qualified voter. Its pages are available to a candidate, at modest charge, to state his case for election. This provides each voter with a single piece of literature in which he can learn about all the candidates who seek his support and read their own statements.

While the federal government could probably not feasibly undertake any comparable service, at least the mailing of such official voters guides could be made postage-free, and the federal government might even consider making matching grants to states to encourage such beneficial activities in the area of political education.

The problem before us is an urgent one and legislative action is long overdue. I earnestly hope that it will be possible for action along the lines of the President's proposals to be taken at this session. As the President said in his message to us, "Public confidence in the elective process is the foundation of public confidence in government. There is no higher duty of a democratic government than to insure that confidence."

COORDINATING FEDERAL GRANT PROGRAMS

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. FOUNTAIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I want to bring to the attention of my colleagues a very perceptive address made recently by Mr. Harold Seidman, Assistant Director of the Bureau of the Budget, before the National Legislative Conference held in Portland, Maine. Mr. Seidman stressed the urgent need for coordinating the 170 grant-in-aid programs now administered by 21 different Federal departments and agencies. In emphasizing the central role of State and local government in the administration of these programs, Mr. Seidman said:

The function of establishing State, regional or local goals, developing comprehensive plans, and determining priorities among grant proposals in terms of these goals and their relationship to comprehensive plans

and financial restraints is and should remain a local, not a Federal, responsibility. I am convinced that if this job is performed well at the local level it will contribute more to the effective coordination of programs at the Federal level than any other action that could be taken.

He also observed:

The Federal Government has a direct obligation, in turn, to scrutnize its policies, organization and operations from the viewpoint of their impact on State and local organization and administration. The studies of the Subcommittees on Intergovernmental Relations of the House and Senate Committees on Government Operations and the Advisory Commission on Intergovernmental Relations have made major contributions in this regard. Their findings provide no grounds for Federal complacency.

The text of Mr. Seidman's address follows:

COORDINATION OF FEDERAL GRANT-IN-AID PROGRAMS

(Address of Harold Seidman, Assistant Director for Management and Organization, U.S. Bureau of the Budget, before the National Legislative Conference, Portland, Maine, Aug. 18, 1966)

In ancient times alchemists believed implicitly in the existence of a "philosopher's stone" which would provide the key to the universe and, in effect, solve all the problems of mankind. The quest for coordination is in many respects the twentieth century equivalent of the medieval search for a philosopher's stone. If only we can find the right formula for coordination, we can reconcile the irreconsilable, harmonize competing and wholly divergent interests, overcome the irrationalities in our government structures, and make the hard policy decisions.

We are prone to forget that coordination is not neutral. To the extent that it results in mutual agreement or a decision on some policy, course of action, or inaction, inevitably it advances some interests at the expense of others, or more than others. It assumes at least some community of interests with respect to basic goals. Without such a community of interests, there can be no effective coordination. Coordination contains no more magic than the philosopher's stone. It does contain, however, a good deal of the substance with which the alchemists were concerned—the proper placement and relationship of the elements to achieve a given result.

Coordination difficulties are merely the symptoms of much more deeply rooted problems. Unless we have the courage to face up to these basic problems, our efforts to produce cooperation and reduce tension and conflict through new or improved coordinating devices inevitably will be doomed to failure. The core of the problem, as described by Senator EDMUND MUSKIE, Chairman of the Senate Subcommittee on Intergovernmental Relations, is "the difficulty of managing 170 grant-in-aid programs in the 21 different Federal departments and agencies and in over 92,000 units of government throughout our 50 States—counties, municipalities, townships, metropolitan areas, independent school districts and other special districts." If this complex system is to work and we are, in President Johnson's words, "to develop a creative Federalism to best use the wonderful diversity of our institutions," each of the partners in the Federal system must have the capability and the willingness to do his part of the job.

The Federal grant-in-aid is the means by which our system of government is distinguished from every other major power in the world. We have elected as a nation to finance and administer cooperatively with State and local governments a host of essential programs to achieve national objectives, rather than to rely primarily on direct Federal operations. This is no recent development but one which has its roots in the midst of the Civil War when the Morrill Act of 1862 established our present land grant colleges.

In part, our current problems are the natural consequences of rapid growth in the size, number and variety of Federal grant-in-aid programs. In the last ten years Federal aid to State and local governments will have more than tripled, rising from $4.1 billion in 1957 to an estimated $14.6 billion in 1967. In the same ten-year period, expenditures by State and local governments from their own funds will have more than doubled. State and local governments are hard put even to keep track of the almost 400 subcategories or separate authorizations for the expenditure of Federal funds under various grant-in-aid programs.

Size and complexity, however, will present problems only so long as we refuse to adjust to change and to provide the necessary management capability. We cannot expect to manage successfully a multi-billion dollar enterprise with a management system suited to a country store. Measures have been taken at the Federal level to modernize the executive branch structure and to give the chief executive and the principal department and agency heads under him the authority and staff resources to manage the programs for which they are responsible. Notable landmarks are the Budget and Accounting Act of 1921, which provided for an executive budget, the establishment of the Executive Office of the President in 1939, and the more than sixty reorganization proposals recommended by Presidents Truman, Eisenhower, Kennedy and Johnson which have gone into effect since 1949. Strong central direction and management are now indispensable not only in Washington, but also in the State capitals, city halls and county seats, if we are not to be trapped hopelessly in what Senator MUSKIE has aptly called "a management muddle."

A true partnership cannot exist if one partner is strong and the others are weak. If State and local governments are to be equal partners with the Federal Government in achieving a full and creative federalism, they must overcome the fragmentation of authorities within their jurisdictions and give their principal executives the necessary authority and resources to manage and bring some cohesiveness into the present system. The fragmentation of Federal grant programs in some degree mirrors the fragmentation of authorities at the local level. As a recent study of a northeastern State government phrased it, the view persists that "administrative fragmentation helps to maks the executive agencies more responsive to legislative wishes and to popular needs."

There are actions the Federal Government can and must take to improve and modernize the present operation of the Federal system. But can such actions be fully effective if not accompanied by comparable actions by our partners at the State and local level? Can our current needs be met when 31 States continue to hold biennial legislative sessions; 61 percent of the mayors in cities of 100,000 to 500,000 population serve part time; only one county in 100 has a full-time county manager?

I do not share the pessimistic view expressed in the report of the Committee on Economic Development on "Modernizing Local Government" when it stated:

"American institutions of local government are under an increasing strain. Well designed, by and large, to meet the simpler needs of earlier times, they are poorly suited to cope with the new burdens imposed on all governments by the complex conditions of modern life. Adaptation to change has been so slow, and so reluctant that the future role—even the continued viability—of these institutions is now in grave doubt."

I have a deep faith in the strength and viability of our State and local government institutions, but we will postpone further urgently needed reforms at our peril.

Coordination of Federal grant-in-aid programs is a complex and continuing process involving vertical and horizontal communications among and between Federal agencies, State and local governments and their various agencies and actions at each level of government separately and in conjunction with other levels. I have stressed the need for improvements at the State and local level, because I believe the role of State and local governments in this process is crucial. Federal laws set the objectives and establish the ground rules, but the Federal Government cannot make a grant until a local agency initiates action either by providing matching funds or applying for Federal project funds. Without local initiative the programs are inoperative.

The function of establishing State, regional or local goals, developing comprehensive plans, and determining priorities among grant proposals in terms of these goals and their relationship to comprehensive plans and financial restraints is and should remain a local, not a Federal, responsibility. I am convinced that if this job is performed well at the local level it will contribute more to the effective coordination of programs at the Federal level than any other action that could be taken. I am aware of the enormous obstacles which confront State and local governments in performing this responsibility. Federal laws and regulations often complicate the problems. Many communities have no mechanism for collecting current information about the flow of Federal grant funds into their local agencies, much less for coordinating such programs.

I am encouraged, however, by a number of significant developments. Some 28 State governments have established means for an overall consideration of their participation in Federal grant programs. New Jersey, New York, Tennessee, Washington, Alaska and Rhode Island have established State Offices of Urban Affairs for continuing review and attention to problems of local government finance, structure, organization and planning. The National Association of Counties is actively engaged in persuading county governments to establish Federal aid coordinators, and over 150 have already done so.

The effectiveness of these coordinators will be limited, however, if they conceive of their job solely as a device to facilitate access to the Federal Treasury and not, in the first instance, to coordinate and provide for the establishment of priorities among county applications for Federal grants. I understand that a number of cities are also creating offices to coordinate Federal aid programs. The establishment of Councils of Governments representing elected officials of general units of government within a region is also a hopeful development and is calculated to facilitate regional planning and coordination.

The Federal Government has a direct obligation, in turn, to scrutinize its policies, organization and operations from the viewpoint of their impact on State and local organization and administration. The studies of the Subcommittees on Intergovernmental Relations of the House and Senate Committees on Government Operations and the Advisory Commission on Intergovernmental Relations have made major contributions in this regard. Their findings provide no grounds for Federal complacency.

The Federal Government needs, in cooperation with its State and local partners, to develop a consistent and coordinated attack on several key problem areas.

1. We must clear some of the brush out of what has been called the Federal grant-in-aid jungle. The profusion of categories and subcategories of Federal grants constitutes perhaps the single most important source of management and coordination problems. We can no longer afford to establish matching formulas on a case-by-case basis without regard to any general standards or criteria. We need greater consistency in the organizational and administrative requirements imposed by Federal law and regulations and should make certain that differences genuinely reflect special program needs, not merely historical preferences and administrative biases. Means must be devised to provide a more effective input by the general managers, not just the specialists, into the development of Federal regulations. The Bureau of the Budget is tackling the problem of competing and overlapping planning requirements, and we expect to complete our study early this fall. We are also working with the National Association of State Budget Officers to identify Federal grant-in-aid requirements impeding State administration and to simplify accounting and auditing requirements.

2. We are making progress, but much more needs to be done to improve communications both among Federal agencies and with the heads of general units of local government. The President has designated the Vice President and the Director of the Office of Emergency Planning to act as his liaison with mayors and governors, respectively. Federal Executive Boards established in our major Federal centers are doing much to facilitate communication and are making a special effort to work closely with State and local governments. The Bureau of the Budget supports S. 561, the Intergovernmental Cooperation Act, which, among other objectives, provides for a more effective flow of data to governors and State legislatures.

3. The Federal Government can and should do more to support efforts to enhance the quality of State and local administration. The President has directed the Bureau of the Budget and the Civil Service Commission to advise him on measures to provide Federal support to programs for training State and local officials.

4. We need to adapt our Federal organization structure and coordinating arrangements to current requirements. Peace treaties among overlapping and duplicating programs at best can offer only temporary relief. Government by committee is a danger to be avoided. The executive order issued only last week by President Johnson assigning to the Secretary of Housing and Urban Development the responsibility to act as a The Secretary is given the duty to convene "convener" marks a significant new approach. special working groups composed of the appropriate Federal agencies involved to identify urban development problems of an interagency or intergovernmental nature, and to promote cooperation among Federal departments and agencies in achieving consistent policies, practices and procedures. The "metropolitan desk" concept being developed by the Department of Housing and Urban Development also has considerable promise.

5. Finally, and by no means least, we must update our Federal field structure. As President Johnson stated in his Budget Message: "We must strengthen the coordination of Federal programs in the field. We must open channels of responsibility. We must give freedom of action and judgment to the people on the firing-line."

Any partnership, like a marriage, can never be entirely free of stresses and strains. If kept within reasonable bounds, conflict and tension can be creative, not destructive. We all face some difficult tasks in making creative federalism a practical reality. Working together I am confident we can move forward toward President Johnson's goal of a "Great Society."

IMPROVING SERVICES TO THE HANDICAPPED

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. DUNCAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. DUNCAN of Oregon. Mr. Speaker, I am pleased to join today with Representative CALLAN of Nebraska to introduce legislation designed to improve services to the handicapped. The need for remedial action is compelling.

I make this assertion with no intent of doing disservice to the tens of thousands of men and women who give their time, energies and abilities to private and public activities for the assistance of handicapped Americans, whether these disabilities be physical, emotional or mental or a combination thereof. These dedicated Americans deserve our gratitude for their labors—and deserve more of our support and encouragement and money than we have yet provided. Now many of these programs for the handicapped have been, and are, successful when surveyed individually. For such achievements we are obligated to the staffs of the Federal, State, and local governmental agencies and the vast array of private agencies. However, we can do better; we must do better.

Working closely in this vineyard, it is understandable that sufficient attention may not always be given to the quality of the wine being pressed down in the cellar.

Hitherto, I had assumed—too easily it appears—that the problems were being comprehensively covered in superior fashion in respect to the handicapped—aside, of course, from the customary failings found in any activity however well-run. Perhaps many others in the Congress have assumed this, too. However, this is not exact.

I employ, Mr. Speaker, as a reference point hearings held this summer by a special Senate subcommittee on the handicapped under the chairmanship of Senator ROBERT KENNEDY.

Mr. Speaker, a reading of the transcripts of the hearings—as yet unconcluded I understand—shows wide inadequacies and a startling lack of basic data. Some pragmatic areas seem to be, in effect, handicapped themselves in respect to comprehensive, integrated, effective actions. Now financing is not always involved—in fact, in some instances money itself is not invloved at all. Part of the problem is rooted in a matter of attitudes toward the handicapped themselves. There exists, for example, an absence of commonalty of purpose in several sections. One participant in the hearings referred to some program activities as "scissor and paste" goings-on.

There exists an absence of an acceptable definition of handicapped. There exists an absence of even a reliable statistic as to the total number of handicapped Americans of all ages and reliable statistics as to the number of Americans with specific disabilites, whether mental or physical.

Dr. Howard Rusk, a distinguished professional in the field of rehabilitative services, told the subcommittee that half of the physicians in the United States are not interested in the medicine and therapy and treatment of the handicapped and do not use the tools offered, for example, by the Vocational Rehabilitation Administration within the Department of Health, Education, and Welfare.

Too often among employers, whether in private or public sectors of our economy, there is found unjustifiable and incorrect assumptions such as that physical wholeness and ability are synonymous. We know this is not so.

Four or five years ago, Harold Russell of the President's Committee for the Employment of the Physically Handicapped, told the Kennedy subcommittee there was not one identified mentally retarded person employed by the Federal Government. Today, there are an estimated 1,600 to 1,700 persons so employed—a beginning, at least, due to the interest of President John Kennedy.

Secretary of Labor Wirtz and officials of agencies, within and allied to his Department, in the handicapped field testified there may be 22 million handicapped Americans of all descriptions and degrees. Another estimate offered was that of 30 million. No one knows, apparently.

Of the 22-million estimate, it is thought that perhaps 12 million are in the conventional working age category and that of these 6 or 7 million are employed in some fashion. I use the phrase "in some fashion" because there are indications some of the employment is unsubstantial, casual, and makeshift.

Secretary Wirtz further testified that at a maximum no more than one-half of one percent of the handicapped are nontrainable and unemployable. So this gage tells us how far we have yet to go to fully offer the needed services to the handicapped so that they may become full and equal participants in mankind's continuing and satisfying efforts in the world of work and family raising.

Then there are problems in respect to the workmen's compensation system—perhaps our oldest governmental program in this field—that involves perhaps as much as $3 billion a year. One witness before the Kennedy subcommittee asserted that administrative costs ate up one-third of the total outlays. Surely, we need more data on this aspect from all participants in workmen's compensation activities, but if this is, in fact, the case, it is a cause for concern and study.

Shall we now look at the problem as encountered in the operation of the Selective Service System? There were an estimated 172,000 rejectees from the draft in 1 year—of these perhaps 10 per-

cent received counseling and referral. Recently Secretary of Defense McNamara made public a program to combat this severe problem, but the problem still remains.

Here in the House of Representatives, certain legislation in the field of the handicapped goes to the Interstate and Foreign Commerce Committee; other to Education and Labor; and still other to Ways and Means.

There is opinion that less is being done for epileptics than for any other category of handicapped. The needs are broad and deep, Mr. Speaker. An inventory of needs should be undertaken. We need to explore the problem of incentives to States and encouragement for better State standards to eliminate wide variation in the quality of services to the handicapped. There is insufficient provision for mandatory referrals of handicapped from one Federal agency to another. The range of integration of functions needs to be improved. And, yes, we need a census itself just to know the gross numbers of handicapped, as well as the numbers of handicapped by specific disabilities.

One encouraging aspect does stand out—the field of services offered by the Veterans' Administration. Perhaps there is a need for a center, such as the V.A., for handicapped nonveterans in view of an estimate that there are perhaps 12 times as many nonveteran handicapped Americans as veterans who are disabled.

In sum, we have a lot of storekeepers in this area, Mr. Speaker, but each seems to be mostly minding his own counter and no one seems to be effectively minding the entire store.

Additional hearings in the Senate may unfold additional problems. I wish that these hearings had been truly covered by the newspapers and television and radio. It is not too late for them to do so. I believe that if the American people were made aware of the dimensions of the problems, the central priorities that should be assigned to their remedy and the supportive efforts that are needed, there would be a generous and heartening response.

I hope that this legislation to establish a presidentially appointed, five-member National Council for the Handicapped with an administrative standing parallel to that of the President's Council of Economic Advisers will help to generate a desirable climate. If so, the Kennedy subcommittee hearings will deserve credit as a seminal influence.

After all, Mr. Speaker, the current Federal budget, as the gentleman from Nebraska [Mr. CALLAN] points out, involves expenditures of many billions for the assistance of the handicapped. These funds are used by two dozen Federal units involved in almost 90 programs—51 of these programs themselves are within the Department of Health, Education, and Welfare.

So we here in the Congress have a stake in the proper administration and functioning of programs and proper allocation of funds.

TAX DEDUCTIONS IN TEACHER EXPENSES

Mr. PATTEN. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. HUOT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUOT. Mr. Speaker, today I introduced a bill similar to the one introduced a short while ago by my esteemed colleague from California [Mr. KING] which provides that teachers may take as a deduction from their income tax the expenses incurred in taking courses or pursuing programs of educational travel which are designed to improve their competency.

This bill will go far to make truly meaningful the new programs provided by the Congress in the Elementary and Secondary Education Act and the Higher Education Act. It is widely recognized that for the full benefit of these acts to be realized, teachers should be encouraged to upgrade their training to keep pace with the sociological changes and scientific and technical progress of our country.

For some years it has been general policy for teachers, including college faculty, to deduct such expenses. Recently the Internal Revenue Service proposed regulations which will virtually wipe out this policy. The bill I introduced will make it clear that it is the national policy, in view of the educational improvement that will result for the youth of our Nation, for educational expenses of teachers to be deductible for income tax purposes.

DENIAL OF DOOR DELIVERY OF MAIL

Mr. PATTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. PATTEN. Mr. Speaker, over 100 years ago this Nation inaugurated door delivery of mail. As cities began to grow and businesses expanded, we found that this mode of delivery had become an absolute necessity. Over the next century, this efficient and convenient system of delivery of mail was greatly expanded and, as of June 30, 1965, over 4 million businesses and 46 million residences were receiving door delivery. At this same time, 7 million postal patrons were receiving mail by curb delivery.

In 1963 the Post Office Department was forced to issue orders freezing the extension of door delivery in areas of new housing. This freeze was due to a misguided economy drive in the Congress in 1963. Because of this questionable attempt to conserve funds, new homes found themselves without door delivery of mail. The needed employees were not put on and the needed units were not installed.

In some instances, older homes on one side of the street now receive door delivery while new homes on the other side have their mail delivered only as far as the curb. With whole new communities springing up each year, millions of more residences will be denied door delivery because of this unfair policy, stemming from congressional refusal to fund new deliveries.

This problem extends from coast to coast and affects every State in the Nation. Some 56,000 homes in New Jersey now receiving curb delivery would be eligible for door delivery if legislation were to be enacted. Over 3 million addresses would be converted to door delivery across the Nation.

Since the Post Office is currently without funds to convert these addresses to door delivery, I am today introducing H.R. 17482, to appropriate funds to the Post Office Department to enable it to extend city delivery service on a door delivery basis to postal patrons who qualify for this service but who are still receiving only curbside delivery. In this way, hopefully, the inequities of the current system will be eliminated.

Since estimates from the Post Office Department set the cost of conversion at $43 million annually, I have asked for an appropriation of $39,325,000 for the remainder of fiscal 1967. This will be one more constructive step in the long history of door delivery of mail in America.

Mr. Speaker, many of my colleagues have cosponsored this legislation, including the distinguished gentleman from Wisconsin [Mr. RACE] and the distinguished gentleman from Florida [Mr. PEPPER]. Hopefully, we will see positive enactment before the 89th Congress adjourns.

MORATORIUM ON REDWOOD CUTTING

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House the gentleman from California [Mr. COHELAN] is recognized for 10 minutes.

Mr. COHELAN. Mr. Speaker, I welcome and will support the legislation, recommended by the administration today, to declare a moratorium on further cutting in the area proposed for a Redwood National Park at Mill Creek, Calif. This, of course, is the site recommended for a national park by the administration.

There can be no question that the cutting being done in this area by the Miller Redwood Co. has seriously damaged, if not destroyed, its value as a park. This cutting should be stopped, for at least a reasonable period of time, while Congress considers the pending legislation.

But, Mr. Speaker, there are two proposals for establishing a redwood national park, and this moratorium would protect only one of them. During the

last year, I have been joined by 53 other Members of the House and Senate in calling for a 90,000-acre Redwood National Park at Redwood Creek. We are supported in this decision by almost every major conservation organization in the country.

This Redwood Creek plan would preserve 33,000 acres of uncut virgin redwoods—far more than could be set aside in the administration's Mill Creek plan. But more important than size alone, it would protect several complete watersheds and an unparalleled quality of scenic, wildlife, and recreation resources. It would include the world's tallest trees and practically the only streams in the entire redwood region that still flow unaltered by erosion, siltation, and debris from logging.

The Redwood Creek plan is a logical, significant and exciting unit for addition to our great national park system. The National Park Service, in its 1964 report on the redwoods, calls it, "the largest uncut block of virgin growth not preserved—certainly the most significant large block in terms of park values."

Certainly, Mr. Speaker, this Redwood Creek proposal should also be protected by a moratorium. It should be protected for the same reasons and for the same period of time as the Mill Creek area. It should be protected while Congress considers both proposals that are before it.

If it is not safeguarded, then Congress and the American people will be given no opportunity to save this beautiful and inspiring area. We will be left with only a second choice, and the redwoods are too important a national resource for that.

Let us, then, take this simple step of precaution while there is still time. Let us extend this moratorium so we are left with an opportunity to establish a park that will be worthy of the giants we are trying to save.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McCARTHY, for September 6 through September 9, on account of necessity to attend New York State Democratic Convention in Buffalo, N.Y.

Mr. SATTERFIELD (at the request of Mr. ALBERT), for today, on account of official business in his district.

Mr. MACKIE (at the request of Mr. ALBERT), for September 1 and 2, on account of official business.

Mr. HICKS, for the week starting September 6, on account of district business.

Mr. ADDABBO (at the request of Mr. ANNUNZIO), for September 1, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. FEIGHAN, for 15 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. RANDALL, for 15 minutes, today.

(The following Members (at the request of Mr. HALL) to revise and extend their remarks and to include extraneous matter:)

Mr. BRAY, for 15 minutes, on September 6, 1966.

Mr. BRAY, for 15 minutes, on September 7, 1966.

(The following Members (at the request of Mr. PATTEN):)

Mr. COHELAN, for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. PRICE, for 30 minutes, today.

EXTENSION OF REMARKS

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

Mr. ADAIR.

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

Mr. ROBISON.

Mr. GROVER.

Mr. GURNEY.

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

Mr. WOLFF.

Mr. RACE.

Mr. DIGGS.

Mr. McVICKER.

Mr. REDLIN.

Mr. O'NEILL of Massachusetts.

SENATE BILLS REFERRED

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

S. 1572. An act for the relief of Merritt A. Seefeldt and August C. Seefeldt; to the Committee on the Judiciary.

S. 3748. An act to provide that the Federal office building to be constructed in Detroit, Mich., shall be named the "Patrick V. McNamara Federal Office Building" in memory of the late Patrick V. McNamara, a U.S. Senator from the State of Michigan from 1955 to 1966; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 399. An act to provide adjustments in order to make uniform the estate acquired for the Vega Dam and Reservoir, Collbran project, Colorado, by authorizing the Secretary of the Interior to reconvey mineral interests in certain lands;

H.R. 790. An act to rename a lock of the Cross-Florida Barge Canal the "R. N. Bert Dosh Lock";

H.R. 4665. An act relating to the income tax treatment of exploration expenditures in the case of mining;

H.R. 13284. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II);

H.R. 13558. An act to provide for regulation of the professional practice of certified public accountants in the District of Columbia, including the examination, licensure, registration of certified public accountants, and for other purposes;

H.R. 14904. An act to revise postal rates on certain fourth-class mail, and for other purposes; and

H.R. 15858. An act to amend section 6 of the District of Columbia Redevelopment Act of 1945, to authorize early land acquisition for the purpose of acquiring a site for a replacement of Shaw Junior High School.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3005. An act to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce to reduce accidents involving motor vehicles and to reduce the deaths and injuries occurring in such accidents;

S. 3052. An act to provide for a coordinated national highway program through financial assistance to the States to accelerate highway traffic safety programs, and for other purposes;

S. 3155. An act to authorize appropriations for the fiscal years 1968 and 1969 for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes; and

S. 3418. An act to amend the Peace Corps Act (75 Stat. 612), as amended, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H.R. 1483. An act for the relief of the John V. Boland Construction Co.;

H.R. 1822. An act for the relief of Won Loy Jung;

H.R. 2270. An act for the relief of the Moapa Valley Water Co., of Logandale, Nev.;

H.R. 2653. An act to provide that the U.S. District Court for the District of Connecticut shall also be held at New London, Conn.;

H.R. 2681. An act for the relief of Sidney S. Shapiro and Shirley Shapiro;

H.R. 3233. An act for the relief of Emanuel G. Topakas;

H.R. 3999. An act to provide the same life tenure and retirement rights for judges hereafter appointed to the U.S. District Court for the District of Puerto Rico as the judges of all other U.S. district courts now have;

H.R. 5552. An act for the relief of David B. Glidden;

H.R. 6926. An act to strengthen the financial condition of the employees' life insurance fund created by the Federal Employees' Group Life Insurance Act of 1954, to provide certain adjustments in amounts of group life and group accidental death and dismemberment insurance under such act, and for other purposes;

H.R. 7354. An act for the relief of Norman Morris Rains;

H.R. 9824. An act to amend the Life Insurance Act of the District of Columbia, approved June 19, 1934, as amended;

H.R. 11940. An act for the relief of Fred M. Osteen;

H.R. 12315. An act for the relief of Anthony A. Galloway;

H.R. 12884. An act for the relief of John R. Sylvia;

H.R. 13703. An act to make technical amendments to titles 19 and 20 of the District of Columbia Code;

H.R. 17419. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; and

H.J. Res. 1284. Joint resolution making continuing appropriations for the fiscal year 1967, and for other purposes.

ADJOURNMENT

Mr. PATTEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p.m.) the House adjourned until tomorrow, Friday, September 2, 1966, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2703. A letter from the Comptroller General of the United States, transmitting a report of review of program for replacement and procurement of motor vehicles, Post Office Department; to the Committee on Government Operations.

2704. A letter from the Comptroller General of the United States, transmitting a report of review of charges for the diversion of overseas household goods shipments at points in the continental United States, Department of Defense; to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

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

Mr. POWELL: Committee on Education and Labor. H.R. 11778. A bill to amend the Welfare and Pension Plans Disclosure Act to eliminate or modify certain requirements thereof with respect to the making of affidavits and the filing of copies of certain information; with amendment (Rept. No. 1930). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Bank and Currency. S. 3708. An act to assist comprehensive city demonstration programs for rebuilding slum and blighted areas and for providing the public facilities and services necessary to improve the general welfare of the people who live in those areas, to assist and encourage planned metropolitan development, and for other purposes; with amendment (Rept. No. 1931). Referred to the Committee of the Whole House on the State of the Union.

Mr. ASPINALL: Committee on conference. Conference report on S. 254. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Tualatin Federal reclamation project, Oregon, and for other purposes (Rept. No. 1932). Ordered to be printed.

Mr. BECKWORTH: Committee on Post Office and Civil Service. H.R. 15727. A bill to establish rates of compensation for certain positions within the Smithsonian Institution (Rept. No. 1953). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee on Ways and Means. S. 801. An act to improve the balance-of-payments position of the United States by permitting the use of reserved foreign currencies in lieu of dollars for current expenditures (Rept. No. 1954). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 1002. Resolution providing for the consideration of House Joint Resolution 688, joint resolution to give effect to the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character, approved at Beirut in 1948 (Rept. No. 1955). Referred to the House Calendar.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 1003. Resolution providing for the consideration of House Joint Resolution 1163, joint resolution to grant the consent of Congress for the States of Virginia and Maryland and the District of Columbia to amend the Washington metropolitan area transit regulation compact to establish an organization empowered to provide transit facilities in the National Capital region and for other purposes and to enact said amendment for the District of Columbia (Rept. No. 1956). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 1004. Resolution providing for the consideration of H.R. 8664, a bill to implement the Agreement on the Importation of Educational, Scientific, and Cultural Materials, opened for signature at Lake Success on November 22, 1950, and for other purposes (Rept. No. 1957). Referred to the House Calendar.

Mr. DELANEY: Committee on Rules. House Resolution 1005. Resolution providing for the consideration of H.R. 11256, a bill to amend the Internal Revenue Code of 1954 with respect to the priority and effect of Federal tax liens and levies, and for other purposes (Rept. No. 1958). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 1006. Resolution providing for the consideration of H.R. 13825, a bill to authorize the conclusion of an agreement for the joint construction by the United States and Mexico of an international flood control project for the Tijuana River in accordance with the provisions of the treaty of February 3, 1944, with Mexico, and for other purposes (Rept. No. 1959). Referred to the House Calendar.

Mr. COLMER: Committee on Rules. House Resolution 1007. Resolution providing for the consideration of H.R. 12047, a bill to amend the Internal Security Act of 1950 (Rept. No. 1960). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1008. Resolution providing for the consideration of H.R. 12536, a bill to amend section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services (Rept. No. 1961). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 1009. Resolution providing for the consideration of H.R. 17195, a bill to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes (Rept. No. 1962). Referred to the House Calendar.

Mr. MILLS: Committee on Ways and Means. H.R. 11257. A bill relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended; with amendment (Rept. No. 1973). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 12360. A bill to amend the Agricultural Act of 1949 to permit the sale of grain storage facilities to public and private nonprofit agencies and organizations; with amendment (Rept. No. 1974). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. S. 3421. An act to authorize the Secretary of Agriculture to convey certain lands and improvements thereon to the University of Alaska (Rept. No. 1975). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 4429. A bill to provide for reimbursement to the State of Wyoming for improvements made on certain lands in Sweetwater County, Wyo., if and when such lands revert to the United States (Rept. 1976). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H.R. 9147. A bill to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee (Rept. No. 1977). Referred to the Committee of the Whole House on the State of the Union.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 15183. A bill to adjust the status of Cuban refugees to that of lawful permanent residents of the United States; with amendment (Rept. No. 1978). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

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

Mr. FEIGHAN: Committee on the Judiciary. S. 372. An act for the relief of Antonio Jesus Senra (Rodriguez) and his wife, Mercedes M. Miranda de Senra (Rept. No. 1933). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 373. An act for the relief of Dr. Victor M. Ubieta; with amendment (Rept. No. 1934). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 993. An act for the relief of Dr. Oscar Valdes Cruz (Rept. No. 1935). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 1120. An act for the relief of Dr. Ortelio Rodriguez Perez (Rept. No. 1936). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 1449. An act for the relief of Dr. Enrique Ramon Ducassi (Rept. No. 1937). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 1468. An act for the relief of Dorothy Eyre; with amendment (Rept. No. 1938). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2091. An act for the relief of Joaquin U. Villagomez; with amendment (Rept. No. 1939). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2265. An act for the relief of Konstadyna Byni Deliroglou and her minor child, Alexandros Deliroglou (Rept. No. 1940). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2295. An act for the relief of Guiseppe Rubino; with amendment (Rept. No. 1941). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2451. An act for the relief of Margaret Lee Weil; with amendment (Rept. No.

1942). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2555. An act for the relief of Kim Kin Soon (Rept. No. 1943). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2621. An act for the relief of Ioannis A. Vasilopoulos; with amendments (Rept. No. 1944). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2800. An act for the relief of George Joseph Saad (Rept. No. 1945). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2833. An act for the relief of Irene Snyder (Rept. No. 1946). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. H.R. 1227. A bill for the relief of Gizella Erényi; with amendment (Rept. No. 1947). Referred to the Committee of the Whole House.

Mr. CAHILL: Committee on the Judiciary. H.R. 2129. A bill for the relief of Maria Rossi; with amendment (Rept. No. 1948). Referred to the Committee of the Whole House.

Mr. MOORE: Committee on the Judiciary. H.R. 3756. A bill for the relief of James S. Kabriman; with amendment (Rept. No. 1949). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H.R. 3879. A bill for the relief of Ernest Buillet; with amendment (Rept. No. 1950). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H.R. 10832. A bill for the relief of Gloria Alesna Relampagos; with amendment (Rept. No. 1951). Referred to the Committee of the Whole House.

Mr. GILBERT: Committee on the Judiciary. H.R. 12826. A bill for the relief of Kim Kap Yung (Rept. No. 1952). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2348. An act for the relief of Dr. Jorge G. Echenique (Rept. No. 1963). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2376. An act for the relief of Dr. Mario Presman (Rept. No. 1964). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2447. An act for the relief of Dr. Arturo Victor Fajardo-Carpio (Rept. No. 1965). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2529. An act for the relief of Dr. Felix Hurtado Perez (Rept. No. 1966). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2626. An act for the relief of Dr. Argyrios A. Tsifutis (Rept. No. 1967). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2789. An act for the relief of Dr. Alberto Oteiza (Rept. No. 1968). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2796. An act for the relief of Dr. Rafael Anrrich (Rept. No. 1969). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2854. An act for the relief of Dr. Gottfried A. Kaestner (Rept. No. 1970). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2865. An act for the relief of Dr. Alfredo Hernandez (Rept. No. 1971). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 2869. An act for the relief of Dr. Jose Enrique Diaz (Rept. No. 1972). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

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

By Mr. BARRETT:

H.R. 17477. A bill to incorporate Pop Warner Little Scholars, Inc.; to the Committee on the Judiciary.

By Mr. HECHLER:

H.R. 17478. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 17479. A bill to provide for the issuance of a commemorative stamp honoring Dr. Enrico Fermi, the developer of the atomic energy reactor; to the Committee on Post Office and Civil Service.

By Mr. KORNEGAY:

H.R. 17480. A bill to amend title 39, United States Code, to provide for door delivery service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LEGGETT:

H.R. 17481. A bill to amend chapter 55 of title 10 to provide additional dental care for dependents of active duty members of the uniformed services; to the Committee on Armed Services.

By Mr. PATTEN:

H.R. 17482. A bill making an appropriation to enable the Post Office Department to extend city delivery service on a door delivery service basis to postal patrons now receiving curbside delivery service who qualify for door delivery service; to the Committee on Appropriations.

By Mr. RIVERS of South Carolina:

H.R. 17483. A bill to amend chapter 141 of title 10, United States Code, to provide for price adjustments in contracts for the procurement of milk by the Department of Defense; to the Committee on Armed Services.

By Mr. WILLIS:

H.R. 17484. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. IRWIN:

H.R. 17485. A bill to amend the Internal Revenue Code of 1954 to authorize and facilitate the deduction from gross income by teachers of the expenses of education (including certain travel) undertaken by them, and to provide a uniform method of proving entitlement to such deduction; to the Committee on Ways and Means.

By Mr. PEPPER:

H.R. 17486. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. BARING:

H.R. 17487. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DORN:

H.R. 17488. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. FINO:

H.R. 17489. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HANLEY:

H.R. 17490. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HELSTOSKI:

H.R. 17491. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KORNEGAY:

H.R. 17492. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. McMILLAN:

H.R. 17493. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROBERTS:

H.R. 17494. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ROONEY of Pennsylvania:

H.R. 17495. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SECREST:

H.R. 17496. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ASHBROOK:

H.R. 17497. A bill to amend the Internal Security Act of 1950, and for other purposes; to the Committee on Un-American Activities.

By Mr. BINGHAM:

H.R. 17498. A bill to revise the Federal elections law, and for other purposes; to the Committee on House Administration.

By Mr. DANIELS:

H.R. 17499. A bill to amend the Public Health Service Act to establish the position of Chief Veterinary Officer of the Service and provide for the rank of Assistant Surgeon General for said position; to the Committee on Interstate and Foreign Commerce.

By Mr. EVANS of Colorado:

H.R. 17500. A bill to amend chapter 141 of title 10, United States Code, to provide for price adjustments in contracts for the procurement of milk by the Department of Defense; to the Committee on Armed Services.

By Mr. HALEY:

H.R. 17501. A bill to amend title 38 of the United States Code so as to increase the rates of pension payable to certain veterans and their widows, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. HUOT:

H.R. 17502. A bill to amend the Internal Revenue Code of 1954 to allow teachers to deduct from gross income the expenses incurred in pursuing courses for academic credit and degrees at institutions of higher education and including certain travel; to the Committee on Ways and Means.

By Mr. LOVE:

H.R. 17503. A bill to amend chapter 141 of title 10, United States Code, to provide for price adjustments in contracts for the procurement of milk by the Department of Defense; to the Committee on Armed Services.

By Mr. McVICKER:

H.R. 17504. A bill to provide a plan for improving the international balance-of-payments position of the United States and for the establishment of a commission to study ways and means of implementing such plan, and for other purposes; to the Committee on Ways and Means.

By Mr. MORTON:

H.R. 17505. A bill to amend the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territory of the Pacific Islands, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 17506. A bill to amend the Internal Revenue Code of 1954 to exempt servicemen from the excise tax on transportation by air; to the Committee on Ways and Means.

By Mr. HECHLER:

H.J. Res. 1292. Joint resolution to establish an Atlantic Union delegation; to the Committee on Foreign Affairs.

By Mr. O'BRIEN:

H.J. Res. 1293. Joint resolution to preserve the trees within the boundaries of the proposed Redwood National Park until Congress has had an opportunity to determine whether the park should be established; to the Committee on Interior and Insular Affairs.

By Mr. WHITTEN:

H.J. Res. 1294. Joint resolution to establish a commission to investigate the increase in riots and law violations, including loss of life and property, damage to or threat of damage to or destruction of the economy of States, counties, municipalities, or other political subdivisions, the causes thereof, and to recommend legislation that would grant States, counties, municipalities, or other political subdivisions additional rights to obtain injunctive and other relief to the end that the public welfare be protected; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H. Con. Res. 997. Concurrent resolution expressing the sense of the Congress with respect to the settlement of the indebtedness of the Republic of France to the United States; to the Committee on Ways and Means.

By Mr. IRWIN:

H. Con. Res. 998. Concurrent resolution expressing the sense of the Congress with respect to certain proposed regulations of the Internal Revenue Service relating to elimination of tax-deductible educational expenses; to the Committee on Ways and Means.

By Mr. PATMAN:

H. Res. 1000. Resolution to provide for the consideration of the bill (S. 3708) to assist comprehensive city demonstration programs for rebuilding slum and blighted areas and for providing the public facilities and services necessary to improve the general welfare of the people who live in those areas, to assist and encourage planned metropolitan development, and for other purposes; to the Committee on Rules.

By Mr. ANNUNZIO:

H. Res. 1001. Resolution to include drum and bugle corps under the Mutual Educational and Cultural Exchange Act of 1961, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BINGHAM:

H. Res. 1010. Resolution amending the rules of the House to express the sense of the House that noncompliance with elections is a basis for the denial of membership in the House; to the Committee on Rules.

By Mr. POWELL:

H. Res. 1011. Resolution to strengthen and improve programs of assistance for our elementary and secondary schools; to the Committee on Rules.

H. Res. 1012. Resolution to amend section 8(b)(4) of the National Labor Relations Act, as amended, with respect to strike at the sites of construction projects; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

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

By Mr. DANIELS:

H.R. 17507. A bill to provide for the free entry of a scale model of a variable pressure water channel for the use of Stevens Institute of Technology, Hoboken, N.J.; to the Committee on Ways and Means.

By Mr. FINO:

H.R. 17508. A bill for the relief of Vincenzo Gallina; to the Committee on the Judiciary.

H.R. 17509. A bill for the relief of Maria Versienti; to the Committee on the Judiciary.

By Mr. MORGAN:

H.R. 17510. A bill for the relief of Elpidio and Natividad Damazo; to the Committee on the Judiciary.

By Mr. MULTER:

H.R. 17511. A bill for the relief of Tack Yue Wong; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 17512. A bill for the relief of Joao Da Silvia Correia; to the Committee on the Judiciary.

H.R. 17513. A bill for the relief of Domenico, Serafina, and Maria Mazzei; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 17514. A bill for the relief of Pasquale Fuda; to the Committee on the Judiciary.

By Mr. REES:

H.R. 17515. A bill for the relief of Alice Franciska Rosta; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 17516. A bill for the relief of Dr. Chin Jo Tseng; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 17517. A bill for the relief of Allan Leslie Snape; to the Committee on the Judiciary.

By Mr. TENZER:

H.R. 17518. A bill for the relief of Moshe Ihezchel, his wife, Adelina Ihezchel, and their minor daughters Dalia Ihezchel and Bela Ihezchel; to the Commitee on the Judiciary.

By Mr. VAN DEERLIN:

H.R. 17519. A bill for the relief of Helen Belesiotis; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Amending the Act Incorporating the American Legion

EXTENSION OF REMARKS

OF

HON. E. ROSS ADAIR

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. ADAIR. Mr. Speaker, I was pleased to have supported the action of this body yesterday in approving H.R. 17419 which redefined eligibility for membership in the American Legion to permit veterans of the Vietnam conflict to become eligible for membership in this great organization.

The American Legion has traditionally and with justifiable pride zealously guarded its status as a war veterans' organization. In requesting this amendment to their charter, the American Legion recognizes the heroic sacrifices of the young men who are serving in the Vietnam area. They are truly war veterans. At the same time it recognizes that the hostilities in Vietnam are comparable in intensity to major wars in which our Nation has been engaged.

I extend my sincere congratulations to the American Legion for taking this forward step and hope that every young man who is thus declared eligible for membership in the American Legion will take advantage of this opportunity to join one of the Nation's truly great veterans' organizations.

Legislative Reference Service

EXTENSION OF REMARKS

OF

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. O'NEILL of Massachusetts. Mr. Speaker, one of the most valuable services at the disposal of Senators and Congressmen is provided by the Legislative Reference Service of the Library of Congress. Those people over there work in obscurity, behind closed doors, rarely receiving any public recognition of their invaluable services. They do their job efficiently, without any ado, and are able to meet virtually all of the diverse, unusual, and obscure requests they may receive. No matter how difficult the request, no matter how long it may take them to fulfill it, they always get the job done.

Recently I was interested in obtaining a detailed report of all the legislation I had introduced or sponsored while a Member of this body, and requested that Legislative Reference Service provide a report on this legislation to me. Yesterday I received a report from them which was one of the finest, most comprehensive reports of this type I have ever seen. It was sent through the mail without any mention of the enormous time that must have been spent compiling a report of this nature—nothing but that report itself.

I feel compelled to say that Evelyn K. Mayhugh was responsible for this project; and she deserves a great deal of credit. Because the work of the Legislative Reference Service, and its American Law Division, goes unnoticed so often, I wish to take this opportunity to express my sincere appreciation to Evelyn Mayhugh and the Library of Congress for a job magnificently well done.

John H. Wetzel

EXTENSION OF REMARKS

OF

HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. GROVER. Mr. Speaker, last week this Nation lost an outstanding and most dedicated civil servant in the death of John H. Wetzel, Assistant Deputy Administrator for Watersheds in the Soil Conservation Service. Mr. Wetzel died of cancer at the age of 55 last Thursday, August 25, and his untimely death is a tragic loss of life of a man who for over a decade was a guiding light in the administration of the all-important small watersheds development and flood prevention program of the Soil Conservation Service.

Mr. Wetzel's unusually strong dedication to the preservation of our Nation's land and water resources and his always reliable guidance of a program aimed at the preservation of those resources was well known to Members of Congress who had worked with him.

He was always more than willing to do even more than his official duties required to further the development of programs in the public interest.

His many appearances before the Subcommittee on Watershed Development of the Committee on Public Works, on which I have the privilege of serving, always gave a revitalization to those members of the committee, like myself, who feel that the sincere dedication of civil servants, as exemplified in the career of Mr. Wetzel, in the executive agencies is the only genuine way to prevent stereotyped bureaucratization of Government agencies and programs. Mr. Wetzel's dedication to the program for which he had devoted many years of his life was always obvious to me and I think to all members of the committee.

Mr. Wetzel had been with the Soil Conservation Service since 1935, joining the Service in the year that it was created by an act of Congress. Mr. Wetzel worked for the Soil Conservation Service continuously for three decades and rose rapidly to the second highest position in the watershed program of the Service.

Mr. Wetzel had a great deal to do with the formulation of the legislation which resulted in the Watershed Protection and Flood Prevention Act of 1954, and his excellent implementation of the program over the years kept it in line with the congressional intent underlying its enactment. The spirit of Mr. Wetzel will live on in the years to come in the principles embodied in that program as he knew it.

It was a privilege to work with Mr. Wetzel over the past several years in the carrying out of my responsibilities as the ranking minority member on the Subcommittee on Watershed Development. He was a man of integrity, of openmindedness, and of unbiased reporting on the watershed work plans which he presented so clearly to the subcommittee. We will miss him and his service.

For myself, and I think I speak for all of the minority members of the subcommittee, I wish to extend our deepest sympathy to his widow, his family, and the Service which he served with distinction.

Ruth Bates Harris

EXTENSION OF REMARKS

OF

HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. DIGGS. Mr. Speaker, those of us who believe in, and have worked for, good government in the District of Columbia, are gratified by the appointment of Mrs. Ruth Bates Harris as Executive Director of the D.C. Commissioners' Council on Human Relations.

Her appointment marks the first time a Negro woman has been selected to head a District Government agency.

Mrs. Harris, a native of the District of Columbia, is singularly qualified to carry on and expand the very excellent work of her predecessors.

She has served on the staff of the District of Columbia Council on Human Relations since 1960, as Director of Research and Education, and as Associate Director and Deputy Director. In 1964, she was honored by the District Commissioners for her "outstanding dedication to promoting good human relations among the residents of the District."

Mrs. Harris has contributed greatly to the betterment of community relations in the Nation's Capital through her work as consultant to the D.C. Metropolitan Police Department, the U.S. Park Police, the District's public schools, and the Community Relations Service of the Department of Justice.

She is Assistant Coordinator of the National Institute on Police and Community Relations which is held annually at Michigan State University, and is the only woman member of its National Advisory Committee.

The great insight and dedication which this remarkable woman brings to her new post were shown in her speech when she took the oath of office as Director of the Human Relations Council. She said:

> Neither fear nor favoritism shall alter my course in rooting out the evils of prejudice and discrimination. I shall miss no opportunity to work with people from all corners of Washington in making equality of opportunity a fact and understanding and appreciation for the dignity of a man a way of life. Our Council shall help spread the word that the District Building belongs to the people—all people. We shall encourage them to come to the District Building and all District of Columbia buildings—not only to pay their water bill or to get a driver's license, but to motivate their youth to work in these buildings. In addition, we shall make the work of our agencies and the Council known in every neighborhood by taking the District Building to the people.

I congratulate the D.C. Commissioners on their appointment of Mrs. Harris to this important post of community service. I am confident that, under her leadership, the District of Columbia will continue to make significant gains in the area of human relations.

Cornell Intern Program

EXTENSION OF REMARKS

OF

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. ROBISON. Mr. Speaker, this summer a new program has been established by one of America's great institutions of higher education, Cornell University. Entitled "The Cornell Public Affairs Summer Intern Program," this new project has helped place over 60 of Cornell's most talented students in top Federal and local government summer positions throughout the country. Thirty of these students are now in Washington working for various Senators, my fellow Congressmen, and executive agencies. Another 2 dozen are in New York City government departments. The remainder are in other public service positions.

Roger Adams, U.S. Dept. of State.
Dennis Ardi, NYC Dept. of Personnel.
Judith Areen, Rep. BRADEMAS (Ind.).
Steven Asher, NASA—Lenis Research Ctr.
James Avitable, Landmarks Preservation Commission.
Lawrence Bailis, Rep. REID (N.Y.)
Andrew Barchas, NYC Dept. of Welfare.
Alan Becker, NYC Dept. of Parks.
Samuel Berger, Rep. RESNICK (N.Y.)
Kenneth Burres, Am. Museum-Natural History.
Joanne Cantor, U.S. Dept. of State.
Cheryl Card, U.S. Dept. of Labor.
Cynthia Cohen, U.S. Office of Economic Opportunity.
Donna Davis, NYC Dept. of Hospitals.
J. Ken Davis, Jr., Rep. LATTA (Ohio)
Richard Deetz, Pennsylvania Dept. of Commerce.
John Elliot, Minority Sergeant at Arms, H.R.
Louise Elving, Office of the Secretary of Defense.
Robert Engel, Senator SMATHERS (Fla.).
William Falik, Library of Congress.
Daniel Feld, U.S. Mission to the United Nations.
Marilyn Friedman, N.Y. Supreme Court.
Leslie Glick, National Assoc. of Counties.
Martin Gold, Friends Washington Seminar.
Claudia Goldin, Pan American Union-World Health Org.
Seth Goldschlager, Rep. HALPERN (N.Y.)
Barry Gorski, NYC Dept. of Police.
William Grohmann, NYC Urban Corps Headquarters.
Jeffrey Grossman, NYC Dept. of Hospitals.
John Hyland, NYC Dept. of Parks.
Lucinda Jackson, NYC Dept. of Welfare.
Andrea Jacoby, NYC 1st Deputy City Administrator.
Robert Jawitz, NYC Dept. of Real Estate.
Mark Johnson, United Planning Organization.
Jerome Kirzner, NYC Water Supply, Gas & Electric.

Susan Klein, NY Republican State Committee.
Roy Lefcourt, National Aeronautics & Space Administration.
Mary Loosbrock, Internal Revenue Service.
Lawrence Mackles, NYC Mental Health Board.
David Maisel, Rep. KELLY (N.Y.).
Michael Malbin, Internal Revenue Service.
David Marcellus, National Bureau of Standards.
Barbara Miracle, U.S. Dept. of Defense.
John Myers, Internal Revenue Service.
Russell Neuman, Senator KENNEDY (N.Y.).
William O'Reilly, NYC Dept. of Real Estate.
Jerry Pfeffer, NYC City Planning Commission.
Howard Reiter, Young New Yorkers for Rockefeller.
Richard Reitz, Bureau of the Census.
Glen Rhodes, NYC Dept. of Hospitals.
Alan Rubin, NYC Dept. of Highways.
David Shafer, Bureau of the Budget.
Neal Sher, District Attorney, Queens.
Steven Simmons, Vice President HUMPHREY.
David Simon, NYC Dept. of Hospitals.
Patricia Smith, NYC Dept. of Welfare.
Lawrence Snowwhite, U.S. Office of Economic Opportunity.
Ian Spier, Bureau of National Affairs.
Ellen Stromberg.
David Unger, NYC Mental Health Board.
Phillip Verlager, Bureau of the Budget.
Abraham Wallach, NYC Landmarks Preservation Commission.
Helena Webb, NYC Dept. of Welfare.
David Weisbrod, NYC Headstart Program.
Delba Winthrop, Dept. of the Navy, Marine Corps.
Eleanor Zenn, Office of the Mayor, New York City.

An encampus steering committee—composed of two university vice presidents, two professors, a placement official, and five students—worked throughout the spring carefully screening students and directing them to potential employers.

In addition to its placement function, the Cornell program plays a highly significant educational role. Throughout the summer months Cornell interns have been meeting in weekly seminars with top government officers. Some of the Nation's best-informed leaders have been speaking on the seminar program theme: "The Legislative Process." They have been drawn from the executive, congressional, and judicial branches and from party organizations and lobby groups to give a rounded view of this process.

The main purpose of Cornell's public affairs summer intern program is to make it possible for an increasing number of the university's outstanding young men and women to become acquainted with public service even during their undergraduate years. Not only will these young people return to their studies with a new and vigorous appreciation of the way in which teaching in the classroom relates to the actual conduct of public affairs, but many of them surely will find their summer internship experience a testing ground for a future career in the direct service of State or Nation. This country continually needs to attract the highest talent to careers in public service, and programs such as Cornell's can do so much toward this end.

Cornell University's intern program, although only in its first summer, is already proving itself to be one of the more outstanding of university sponsored intern programs. I commend to my colleagues any Cornell student constituent who, as a selected member of the Cornell program, seeks appointment in 1967.

I have no doubt that if the Cornell public affairs summer intern program continues on the same road it has been traveling, it will become America's foremost university intern program. It is to this effort and this program that I offer my sincere congratulations for today and my hearty encouragement for tomorrow.

Labor Day: How It All Began

EXTENSION OF REMARKS

OF

HON. EDWARD J. GURNEY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. GURNEY. Mr. Speaker, on September 5, Americans will again observe Labor Day.

It was in June 1894 that Congress passed an act making the first Monday in September of each year a legal holiday in the District of Columbia and the Territories. Labor Day is unique in that it came into legal being as a willing recognition of the citizenry through city and State action.

Peter J. McGuire, founder of the carpenter's union and cofounder of the AFL, first proposed a day to honor American working men and women. McGuire's reasons for recommending the first Monday in September as Labor Day? Because he said:

> It would come at the most pleasant season of the year, nearly midway between the Fourth of July and Thanksgiving, and would fill a wide gap in the chronology of legal holidays.

From such a modest beginning, little did he realize how Labor Day would develop into one of our most honored national holidays.

Certainly there can be no more fitting way to honor the men and women of our history whose toil made us the great Nation that we are. Nor can we more suitably salute the workers of today whose efforts continue to make us what we are. It is greatly to the credit of the working men and women that we have become the prosperous Nation we are.

I look with pride upon the key role my own Republican Party has played in labor's march of progress. Traditionally, Republicans have been in the forefront in working toward betterment of American workers. It was the GOP that established in 1868 the first 8-hour day for Government workers, setting the pace for all industry. And in 1884 it was the GOP which established the U.S. Bureau of Labor and elevated it to a Cabinet-level Department in 1913.

Republicans have traditionally fought for the rights of the individual workers and for the dignity of every man and woman who contributes to the greatness of our Nation through his work.

So, that is the way Labor Day began—a nationwide holiday devoted to no man, living or dead; to no sect, race, or nationality. It is dedicated solely to the laboring men and women of America.

Colorado Schools Need Donable Surplus Property

EXTENSION OF REMARKS

OF

HON. ROY H. McVICKER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. McVICKER. Mr. Speaker, I have recently had the opportunity of testifying before the Special Subcommittee on Donable Property of the House Committee on Government Operations. I stated my firm conviction that the Federal donable surplus property must be continued. I protested the Defense Department's recent implementation of the GSA regulation with reference to 201–C of the Federal Property and Administrative Services Act.

I doubt that there is any question that Federal agencies derive some benefits from the exchange-sale program and that the Government as a whole benefits from the program because of increased Federal utilization of property.

If this were the only consideration, I would not question the program. But, I am questioning the recent action by the Department of Defense which has resulted in the withdrawal of 41 categories of property from Federal screening and donation. Are the Government's real interests being served by this drastic curtailment of the donable property program? The Department of Defense accounts for 90 percent of the donable property, and their recent implementation of the GSA regulation shows a blatant disregard of the intent of the program, which, among other things, provides school districts with equipment that their appropriations would never enable them to purchase through normal channels.

For example, one school district in Colorado has a yearly budget of $13 million. It is absolutely imperative that the donation program be continued in order to support the school system. In fiscal year 1965, this district selected properties valued at $172,178. The cost to the district was $4,999—a 2.9-percent service charge based on the acquisition value. For the first 8 months of fiscal year 1966, service charges in the amount of $3,807.16 were paid for property valued at $139,087.84—a 2.8-percent service charge.

The University of Colorado at Boulder received $3,489,728 of acquisition personal property and they paid $29,985 or 0.85 percent.

School districts are able, through the donable-property program, to procure fleets of buses, electronic and scientific equipment, industrial art shop equipment, plumbing fixtures, cooking utensils and kitchen appliances, as well as paper, pens, books, and light bulbs. But, this equipment is in a continual need of replacement. As you can see, a $13 million budget cannot handle this need without the aid of the donable-property program. The alternative, of heavily increasing local property taxes, is simply not acceptable either to myself or to the people of the Second District, whom I represent.

As the committee knows, this property is handled and distributed by State agencies. The Colorado Surplus Property Agency is administered by an extremely competent group of people who have handled the distribution of surplus material in a most equitable manner. From July 1, 1965, to May 31, 1966, this agency acquired property valued at $12,494,245, donated property valued at $10,672,645. The service charges on this property totalled only $198,729.99, thereby saving Colorado donees $10,473,915.01.

Much of the surplus property being sold by the Federal Government brings an extremely small return. During fiscal year 1964 the General Services Administration sold usable property for itself and the various civil agencies in the amount of $65,769,000 in terms of acquisition costs.

The proceeds totaled $9,306,000, a return of 14 percent of the acquisition costs of the property. The costs of disposal sales of surplus property by the military departments for fiscal year 1965 was 72.5 percent of gross proceeds.

When the Federal Government sells its surplus property for such a small return instead of donating it to a school which might use it for many years, the result is not economy but parsimony. We save only in a shortsighted way.

The taxpayer in truth loses and loses heavily, because the small savings involved in selling the property is destroyed by the necessity for the school to purchase comparable property, usually at a high cost, or else curtail its educational functions.

It is well known that local taxes, especially property taxes, have been rising at a far greater rate than Federal taxes. In accordance with the administration's desires and the expressed actions of Congress to prevent local communities from neglecting their schools and other public facilities and to help relieve the burden of property taxes, it is essential that they be able to receive this kind of Federal assistance—an assistance which can be given at very small cost on the part of the Federal Government.

GSA has been doing this for a long time and it will not require any additional personnel or cost to the Federal Government. It does not require a new agency. The donable property program is a tried and true program.

It is a remarkable fact that the donation of surplus property for educational use is one of the most economical and efficient aid-to-education programs of the Federal Government to States and localities yet devised.

The importance to Colorado of this program is particularly evident when we consider that Colorado has benefited more than any other State except California and Pennsylvania. In the last 6 months—January to July 1966—Colorado has received $7.8 million in personal property and $8.3 million in real property for a grand total of $16 million for the State. May I also point out that Colorado has now as heavy a burden of property taxes as most States do. I will do all I can to keep this burden from increasing.

I want to emphasize my conviction that this invaluable program be continued and even increased.

Again, Mr. Speaker, I thank you for this opportunity to voice my support of this program.

Washington Report of Hon. Lester L. Wolff to Third Congressional District, New York

EXTENSION OF REMARKS

OF

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. WOLFF. Mr. Speaker, under leave to extend my remarks in the RECORD, I include my most recent Washington report to residents of the Third Congressional District of New York which I have the honor to represent in the Congress of the United States:

DEAR NEIGHBOR: As the summer draws to a close, the Congress continues to work on much-needed legislation that affects our nation. In this report I shall cover briefly those highlights that may be of interest to you. Should you require any additional details on these or any other matters, I hope you will not hesitate to contact me.

PLAN TO MAKE L.I. WORLD OCEANOGRAPHIC CENTER LAUNCHED

My major industrial development project to make Long Island the research and engineering center for the important new oceanographic industry has been launched.

The project is seen as a long-range attempt to revitalize Long Island's industrial life. At a recent meeting called by my office, many of our prominent industrial leaders, scientists and educators selected a "task force" committee to devise measures to implement the project.

It was agreed at the meeting that to root the fast-growing oceanographic industry in this area will require the coordinated efforts of local government and industry, of labor and education leaders. Most urgently needed is an oceanographic research and training center and the commitment of private and public funds and personnel.

A giant step along the road leading to Long Island's pre-eminence in oceanographic development and engineering was taken by the Committee when, shortly after its initial meeting, it conducted an oceanography seminar in Syosset on August 24 for area businessmen and educators, presided over by prominent Federal oceanographic scientists.

A highlight of the scientists' all-day visit was an afternoon helicopter tour of the Island's industrial and educational facilities. During a stop at the Sands Point Naval Devices Training Center, the Washington oceanographic experts were presented with a coordinated, all-out program for area oceanographic research and development prepared by representatives of the Island's industry, education, labor and political groups.

The Federal oceanographic delegation participating in the seminar sessions and making the helicopter tour included: Robert B. Abel, of the Office of Naval Research and the Federal Inter-Agency Committee on Oceanography; Captain Edward Snyder of the Naval Oceanographic Center, and Dr. Edward Wenk, Jr., Executive Secretary of the Advisory Council on Marine Resources.

The lasting prosperity that an oceanographic research and "hardware" industry would bring to Long Island is a reflection of the vital importance of the oceanography field, in its search for new food and mineral sources to the future economic well-being of the world.

I have often pointed out that the world's oceans are the next and last frontier for economic development, and that presently we know more about the geology of the moon than about the geology of the ocean's bottom.

There are immense commercial possibilities inherent in the development of the ocean depths. For example: the direct conversion of plankton, a plentiful marine organism into food for the world growing population; actual ocean farming; the desalination of sea water; the extraction of minerals and undersea navigation. These are but a few of the exciting possibilities. Long Island can become the prosperous center for this burgeoning industry, if we act with vision and vigor.

WOLFF-MORSE FOREIGN AID AMENDMENT PUTS BUSINESS IN GOVERNMENT

The part of your Federal tax dollar spent for economic assistance to underdeveloped countries should prove more productive in consequence of my amendment to the multibillion-dollar 1966 Foreign Aid Bill passed recently by the House.

The measure (Wolff-Morse amendment), adopted enthusiastically by the House Foreign Affairs Committee in May, gives the American business community a larger voice in decisions affecting the annual expenditure of vast sums for foreign aid.

It should significantly cut wasteful aid costs by eliminating U.S. funding of impractical, non-productive overseas projects.

The amendment does this by making U.S. industrial and business know-how directly available to officials responsible for allocating commercial loans and grants under our aid program. It also encourages direct American private investment in underdeveloped countries, where the investor gets a fair return while contributing substantially to the economic development of those countries.

The new provision embodies a plan to give U.S. manufacturing and distribution specialists the opportunity to carefully study grant and loan proposals before they are authorized by the U.S. Agency for International Development. It also gives our businessmen, schooled in the practical survival school of business experience, the opportunity for on-the-spot supervision of overseas projects already authorized.

In practice, an advisory council composed of a revolving panel of leading American

business specialists selected by the Administrator of US AID will advise him on the feasibility of AID projects and also encourage the participation of specific private businesses in AID programs.

I authored the amendment because too many commercial assistance programs abroad have not been based on the common sense business principles that have made our nation preeminent.

My twenty-five year career in business and extensive observation of the US AID projects in many underdeveloped countries convinced me that our AID program has been staffed by too many bureaucratic generalists and it has suffered from the lack of hard-working sergeants who have come up through the ranks of American business.

The new foreign aid amendment, which has been endorsed by the U.S. Chamber of Commerce, should go far to make certain that our overseas aid achieves the maximum return for the recipient nation and for the vital interests of the U.S. It is, incidentally, one of the few amendments proposed by a freshman Congressman to become a part of major legislation in recent times.

VIETNAM SERVICE POLICY REVISED AFTER PROTEST

A letter from a concerned constituent with two sons in the Armed Forces in Vietnam and a third slated for service there occasioned my immediate protest to the Secretary of Defense. The Secretary's reply, to the effect that no policy precluded the sending of members of the same immediate family to Vietnam, resulted in my demand that the Defense Department adopt a policy to stop this inequitable practice. The Secretary then issued an order to the Armed Forces banning the assignment of more than one family member to Vietnam and providing for reassignment, if requested, of men whose brothers have followed them to Vietnam.

VIETNAM

Papal Call for Neutral Arbitration Through U.N.: The untiring efforts of His Holiness Pope Paul VI to bring peace to Vietnam have received your Congressman's unqualified support. Although a Papal appeal for neutral arbitration of the conflict has gone unheeded, the Pope recently publicly called for neutral arbitration through the agency of the United Nations.

Anxious to explore every possible channel leading to a peaceful settlement, I endorsed this latest Papal appeal in remarks to the House and inserted the Papal proposal into the RECORD.

The Pope's proposal included these remarks: ". . . trusting once more in the work of the U.N.—of that organization that works for peace in the 20 years of its existence has prevented so many conflicts and settled so many others—we thought it good to suggest arbitration, to be confident in neutral nations, for a pacific solution of the grave problem . . . Meanwhile we renew to the heads of state and to all men of good will . . . The appeal to focus their thoughts on a just peace that may give those peoples liberty, order and prosperity."

DISTRICT CONTRACTS, GRANTS

Recently my office announced the following contract awards to firms in our District: a $4,426,987 naval ship systems command contract to Sperry Gyroscope Corp., Syosset; a $9.2 million navy contract to Grumman Aircraft Corp., Bethpage.

I am also happy to announce the U.S. Office of Education's plans to establish a town "outdoor and conservation education center" for our District. The center will greatly enhance the present program of nature and conservation studies to public and private school children in North Hempstead.

The grant of $150,000 was made under a provision of the 1965 Elementary and Secondary Education Act which I vigorously fought for earlier in this Congress.

POLISH COMMEMORATIVE STAMP ISSUE

My suggestion to the Postmaster General that a stamp be issued honoring Poland's 1000 years of Christianity was favorably received. The Post Office Department has issued a five-cent Poland Millennium Stamp.

SUPPORT GROWS FOR CIVILIAN AIR ACADEMY

My bill to set up a Civilian Air Academy is rapidly gaining national recognition and support. The measure, currently before the House Interstate and Foreign Commerce Committee, would set up a federally-sponsored, four-year academy to train young men and women in all phases of aviation.

Admission to the Academy is on a strictly competitive basis and will be open to applicants between the ages of 17 and 25. I was gratified recently to be the recipient of an award presented by a delegation of aviation officials—including a number of women pilots—gathered in Washington for the National Air Races. The delegation, headed by Major General Brooke Allen, USAF (Ret.), Executive Director of the National Aeronautics Association, was enthusiastic in its support for my measure and what it means for the future of American Aviation. The Academy, similar in purpose to the Kings Point Merchant Marine Academy, is essential to the maintenance of our commercial supremacy in the air.

HIGH FOOD COSTS

My continued interest in spiralling food costs, reflected in the revealing investigation into the giant trading stamp industry, took the form of vigorous activity during the recent inquiries into increased bread and milk prices.

Besides testifying before a House Agriculture Committee Subcommittee, about wasteful uneconomic practices in the baking industry, I have launched in the District, with Nassau County Executive Eugene Nickerson, an inquiry into rising bread prices.

This Labor Day offers an opportunity for relaxation. I urge those of you who are driving or boating to exercise every possible safety precaution. To those of my constituents of the Jewish faith, may I extend Greetings for a Joyous New Year.

If you plan on visiting Washington, please contact my office so that we may make your stay more enjoyable.

Sincerely,

LESTER L. WOLFF,
Member of Congress.

Gov. John E. Davis Is the New National Commander of the American Legion

EXTENSION OF REMARKS

OF

HON. ROLLAND REDLIN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. REDLIN. Mr. Speaker, North Dakota and particularly the western congressional district, which I have the privilege of representing, has been honored by the election this day of one of its most distinguished citizens as national commander of the American Legion. The new national commander is the Honorable John E. Davis, of Bismarck.

The American Legion has chosen a man who I am sure will continue the fine Legion traditions and bring new strength to the pursuit of its noble purposes.

Governor Davis comes to this high post from a background of important experience and stature. I had the privilege of serving as a member of the North Dakota Senate when John E. Davis was Governor of North Dakota. He has served as a State senator and is a successful businessman. In 1948 he was State Commander of the American Legion of North Dakota.

John Davis was a lieutenant colonel in the Infantry during World War II serving from 1941 to 1945. He served with distinction in the European Theater of Operations and during his military career was awarded the Purple Heart, the Bronze Star, and the Silver Star.

Mr. Speaker, North Dakota is proud to have the Honorable John E. Davis as the new national commander of the American Legion and I am honored to be his Congressman.

Economic Justice for the Farmworker

EXTENSION OF REMARKS

OF

HON. JOHN A. RACE

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 1, 1966

Mr. RACE. Mr. Speaker, I would call attention today to the plight of a rather substantial number of American workers who have been passed by in the long march of progress of the organized labor movement.

Most workingmen in this country are protected by Federal laws and by the strength of united labor, but the American farmworker is a forgotten man who is left largely at the mercy of his employer.

These people are now in the process of uniting themselves to achieve a set of common goals. They have formed the National Farm Workers Association in an effort to correct some of the injustices which have gone unchallenged in the past.

In my home State of Wisconsin, these people have raised their voices in protest, and in California, they made farm-labor history by achieving recognition by a producer and winning a contract of employment.

The conditions under which these farmworkers—predominantly Mexican-Americans—live are well known and these conditions, I believe, represent a black, shameful mark against our affluent society.

I applaud the National Farm Workers Association for its efforts in improving the conditions under which these people live and work, and I pledge my support to this cause.