SENATE

MONDAY, APRIL 24, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Rev. William Hague Foster, Jr., minister, Trinity Presbyterian Church, Arlington, Va., offered the following prayer:

O Lord, in the midst of today's battles, we would not waste Thy time in vainly repeating perfunctory prayers; instead we would stand at attention before Thee to await Thy orders for the day, for we urgently need Thee. Thou knowest our enemies, their plans; Thou art our best intelligence. It is time for Thee, Lord, to work: For they have made void Thy law.

We believe Thou hast a divine purpose for us and this Nation, but forgive us for eulogizing our forefathers while we are unwilling to copy their reverence and their righteousness. Make us strong to do Thy will. Help us to keep our part of our covenant with Thee.

Give fresh courage, new wisdom, to Thy servants: the President, the Vice President, the Members of the Senate, the Members of the House. Through Thy holy spirit, make them aware of Thy presence among them this day, providing answers to hard questions in conferences and committee meetings, new insights, the discovery of unexpected solutions to problems, and the thrill of working under Thy personal command.

Believing Thou art eager to answer our prayers, give us, before the end of this day, the satisfaction of knowing, of seeing proof, that, according to Thy eternal purpose, all things are working together for good for those who love Thee, as we profess that we do.

O Thou who art a spirit, infinite, eternal, and unchangeable in all of Thy attributes, we worship and adore Thee; we praise Thee; we acknowledge Thy authority, Thy sovereignty and power. Take, therefore, control, that this day Thy will be done on this Hill, in this city, and in the world, through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 20, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

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

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, in which it requested the concurrence of the Senate.

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:

H.R. 5189. An act to amend the Internal Revenue Code of 1954 to exempt from tax income derived by a foreign central bank of issue from obligations of the United States, and for other purposes; and

H.R. 6169. An act to amend section 201 of the National Aeronautics and Space Act of 1958.

HOUSE BILL REFERRED

The bill (H.R. 6027) to improve benefits under the old-age, survivors, and disability insurance program by increasing the minimum benefits and aged widow's benefits and by making additional persons eligible for benefits under the program, and for other purposes, was read twice by its title and referred to the Committee on Finance.

CITIZENS COMMISSION FOR NATO—APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints William A. Burden, of New York, to serve as a member of the Citizens Commission for NATO, in place of David Rockefeller.

CALL OF THE CALENDAR DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the Consent Calendar be dispensed with.

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

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the transaction of routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

EXECUTIVE SESSION

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

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

EXECUTIVE MESSAGES REFERRED

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

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

U. Alexis Johnson, California, a Foreign Service officer of the class of career minister, to be Deputy Under Secretary of State;

John A. Calhoun, of California, a Foreign Service officer of class 2, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Chad;

Edward J. Sparks, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Uruguay;

James K. Penfield, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Iceland; and

James Wine of Connecticut, to be Ambassador Extraordinary and Plenipotentiary to Luxembourg.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

PUBLIC HOUSING COMMISSIONER

The Chief Clerk read the nomination of Mrs. Marie C. McGuire, of Texas, to be Public Housing Commissioner.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of David C. Acheson, of the District of Columbia, to the U.S. attorney for the District of Columbia for a term of 4 years.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

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

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

LEGISLATIVE SESSION

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

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

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, as Senators can observe from the calendar, very little in the way of proposed legislation is ready for consideration this week by the Senate. I express the hope that the committees will meet as often as possible, to the end that worthwhile measures will be reported to the Senate, so that debate on them can be had. I am sure that will be done. I emphasize

this only in order that the committees will do what they can to help expedite the handling of legislative matters.

EXECUTIVE COMMUNICATIONS, ETC.

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

AMENDMENT OF FEDERAL AIRPORT ACT

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Federal Airport Act (with an accompanying paper); to the Committee on Commerce.

REPORT ON WORKING CAPITAL FUNDS OF DEPARTMENT OF DEFENSE

A letter from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on working capital funds of that Department, dated June 30, 1960 (with an accompanying report); to the Committee on Armed Services.

REPORT ON STRATEGIC AND CRITICAL MATERIALS STOCKPILING PROGRAM

A letter from the Director, Office of Civil and Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on the strategic and critical materials stockpiling program, for the period July 1 to December 31, 1960 (with an accompanying report); to the Committee on Armed Services.

REPORT ON PROVISION OF AVIATION WAR RISK INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of aviation war risk insurance, as of March 31, 1961 (with an accompanying report); to the Committee on Commerce.

AMENDMENT OF JOINT RESOLUTION RELATING TO U.S. MEMBERSHIP IN FOOD AND AGRICULTURE ORGANIZATION OF UNITED NATIONS

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations (with an accompanying paper); to the Committee on Foreign Relations.

EXCHANGE OF CERTAIN LANDS AT WUPATKI NATIONAL MONUMENT, ARIZ.

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize an exchange of lands at Wupatki National Monument, Ariz., to provide access to certain ruins in the monument, to add certain federally owned lands to the monument, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

APPROVAL OF CONTRACT WITH HUNTLEY PROJECT IRRIGATION DISTRICT, MONTANA

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to approve the amendatory repayment contract negotiated with the Huntley project irrigation district, Montana, to authorize its execution, and for other purposes (with accompanying papers); to the Committee on Interior and Insular Affairs.

EXPENDITURE OF CERTAIN FUNDS FOR RICHMOND NATIONAL BATTLEFIELD PARK, VA.

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to expend appropriated funds to acquire approximately 12 acres of land for the Richmond National Battlefield Park, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON CERTAIN REFUNDS TO CONTINENTAL OIL CO.

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the refund of excess rentals paid in oil and gas leases to the Continental Oil Co.; to the Committee on the Judiciary.

REPORT OF PROCEEDINGS OF THE JUDICIAL CONFERENCE OF THE UNITED STATES

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting, pursuant to law, a report of the proceedings of the Judicial Conference of the United States, for the fiscal year 1960 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954, AND EURATOM COOPERATION ACT OF 1958

A letter from the General Manager, U.S. Atomic Energy Commission, Washington, D.C., transmitting a draft of proposed legislation to amend various sections of the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958, and for other purposes (with accompanying papers); to the Joint Committee on Atomic Energy.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator of General Services, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the State of Hawaii; to the Committee on Aeronautical and Space Sciences:

"SENATE CONCURRENT RESOLUTION 34

"Concurrent resolution requesting the Congress of the United States, its respective committees, and Federal agencies, to conduct a study of the feasibility of establishing a space vehicle launching facility on Mauna Kea, county of Hawaii, State of Hawaii

"Whereas the emphasis on space technology has commanded increasing attention and expenditures in an accelerated program of exploration; and

"Whereas it is vitally important to the security and to the well-being of this Nation to maintain its leadership and supremacy in coping with and harnessing the forces of outer space; and

"Whereas in keeping with the constant need for research and experimentation, a study has been completed to determine the potential of an existing site in the county of Hawaii to establish a space vehicle launching facility, and the capability of the county of Hawaii to support the construction and operation of a required industrial complex; and

"Whereas a brochure entitled 'Space Facility Capability,' dated April 1, 1960, prepared by Parsons-Law & Wilson, private consultants, reports and lists the Mauna Kea area in the county of Hawaii as having the favorable altitude, weather, location, and availability of suitable public lands, making it ideally suited as a site for space vehicle launching operations; and

"Whereas the report also cites other favorable socioeconomic factors which confirm and augment the long-held confidence in the State of Hawaii to adequately support the construction and operation of a space facility with its dependent industrial complex; and

"Whereas the establishment of a space launching site in the county of Hawaii will be of economic benefit to the entire State of Hawaii: Now, therefore, be it

"Resolved by the Senate of the First Legislature of the State of Hawaii, general session of 1961 (the House of Representatives concurring), That the Science and Astronautics Committee of the House of Representatives and the Senate of the Congress of the United States and the National Aeronautics and Space Administration are respectfully requested to study the feasibility of a space launching facility on Mauna Kea, county of Hawaii, State of Hawaii; and be it further

"Resolved, That duly authenticated copies of this concurrent resolution be sent to the President of the United States, Chairman of the National Aeronautics and Space Administration, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Representative to Congress from Hawaii."

A concurrent resolution of the Legislature of the State of Hawaii; to the Committee on Interior and Insular Affairs:

"SENATE CONCURRENT RESOLUTION 29

"Concurrent resolution requesting the Congress of the United States to make available the 6 acres of land atop Haleakala, Maui, to the U.S. Air Force in the air defense of Hawaii

"Whereas it is apparent that, due to its geographical location, without proper radar warning and modern weapons, the State of Hawaii is extremely vulnerable to surprise attack from the air; and

"Whereas the tremendous advancements in modern military equipment, especially in missile and space armament, have rendered Hawaii sensitively vulnerable to sudden surprise air attacks which could easily and swiftly cripple Hawaii as a base of operations and result in the tragic loss of thousands of lives; and

"Whereas it is a fact that the U.S. Air Force and the Air National Guard programed modifications to improve the Hawaiian air defense environment and the Congress of the United States in recognition of this need allotted funds for the improvements to afford the citizens of Hawaii the best possible and economical defense against an air attack; and

"Whereas many of the improvements such as Nike-Hercules, supersonic F-102 jet fighters and part of an improved air defense warning net have been realized; and

"Whereas the construction of a vital link in the Hawaiian air defense system is being precluded by the Department of Interior by its refusal to release the 6 acres of land on Red Hill atop Haleakala, Maui, for the alleged reason that the esthetic beauty of the national park would be affected adversely; and

"Whereas there will be in fact no defacement of Haleakala as feared by the Department of Interior; and

"Whereas the proposed installation will add to the attraction of Haleakala: Now, therefore, be it

"Resolved by the Senate of the First State Legislature, general session of 1961 (the House of Representatives concurring), that

the Congress of the United States be and is hereby respectfully requested to make available the 6 acres of land on Red Hill atop Haleakala, Maui, to the U.S. Air Force in the air defense of Hawaii; and be it further

"*Resolved*, That certified copies of this concurrent resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States and to the Senators and Representative from the State of Hawaii to the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"SENATE JOINT RESOLUTION 34

"Joint resolution relative to the proposed closing of Benicia Arsenal

"Whereas the Department of Defense has ordered the closing of Benicia Arsenal, Benicia, Calif., a unit of the Army ordnance depot and maintenance system; and

"Whereas Benicia Arsenal is the only ordnance depot located on deep water in the Western United States and has been a major supply and maintenance installation for the west coast and the Pacific area in World War II and the Korean conflict, and in support of military assistance in such crises as have occurred in Vietnam, Formosa, and Laos; and

"Whereas the function now performed by Benicia Arsenal will be continued by the Army and will, as a result of this order, be transferred to another depot; and

"Whereas the Benicia Arsenal now employs 2,400 civilians and is essentially the single industry within the city of Benicia, which has a population of only 6,000 persons; and

"Whereas the closing of Benicia Arsenal will, despite efforts to relocate existing employees, undoubtedly result in some unemployment; and

"Whereas the closing of the arsenal and exodus of employees from that community will cause grave problems regarding the financing of schools and other local governmental agencies for which commitments have already been made, and the financing of the repayment of bond issues which have been passed by Benicia's schools and the city of Benicia to finance local improvements; and

"Whereas the city of Benicia since 1848 has existed primarily to serve the U.S. Army and to provide support to the Benicia Arsenal and its predecessor Army installations at that community and has developed a corps of dedicated and experienced employees to perform the vital functions of that depot; and

"Whereas the artificial creation of an economic depressed area and the imposition of hardship on thousands of Benicia residents can be averted by Federal action in consideration of all the factors which may be involved in this problem; and

"Whereas inspections made of Benicia Arsenal during this current year by personnel of the Department of the Army from Washington, D.C., have resulted in commendations to the arsenal for excellence of performance and citing the vital function performed at Benicia and the adequacy of workload to sustain that function there: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorializes the President of the United States and the Secretary of Defense to reconsider the order closing the Benicia Arsenal at Benicia, Calif., in the light of all circumstances in order to prevent the hardships enumerated in this resolution; and be it further

"*Resolved*, That the secretary of the senate be directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Defense, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"SENATE JOINT RESOLUTION 24

"Joint resolution relative to memorializing Congress to appropriate funds for research projects in connection with the aid to dependent children program

"Whereas the States would be enabled to restore to self-sufficiency many families now receiving assistance under the aid to dependent children program if more were known about the causes of dependency and means to reduce that dependency; and

"Whereas the States could also determine, by means of an adequate research program how the administration and operation of the aid to dependent children program could be improved to the benefit of both recipients and taxpayers; and

"Whereas the States are not now financially able to undertake research programs of a magnitude sufficient to achieve these ends, and Federal funds are not available to aid the States in this regard; and

"Whereas Federal funds spent for research would ultimately result in a less costly aid program by the reduction of the aid rolls and increased efficiency in administration: Now, therefore, be it

"*Resolved, by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California hereby memorializes the Congress of the United States to appropriate funds for use by the States for research projects in connection with the aid to dependent children program; and be it further

"*Resolved*, That the Secretary of the Senate is directed to transmit suitably prepared copies of this resolution to the President of the United States, the President pro tempore of the U.S. Senate, the Speaker of the House of Representatives, to each Senator and Representative in this State's delegation to the Congress of the United States, and to the U.S. Department of Health, Education, and Welfare."

Four joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"SENATE JOINT RESOLUTION 17

"Joint resolution relative to air pollution control equipment

"Whereas air pollution control districts and other similar legislative agencies throughout the United States have adopted and will adopt further regulations controlling the emission of air pollution to the atmosphere; and

"Whereas there will be millions of dollars of air pollution control equipment installed in air pollution control districts for the community benefit in the immediate future; and

"Whereas action by the Federal Government providing the quickest possible tax writeoff for capital expenditures for air pollution control equipment will serve to encourage and support the installation of such equipment in air pollution control districts in California and elsewhere in the United States; and

"Whereas air pollution control problems and the requirements for corrective equipment are becoming less and less a matter of protection against claims for property damage by neighbors of plants that are sources of air pollution and are becoming increasingly a matter of general community betterment, even though no public liability exists for claims against the source: Now, therefore, be it

"*Resolved by the Senate and the Assembly of the State of California (jointly)*, That the Legislature of the State of California respectfully memorialize the President and the Congress of the United States to enact legislation that will provide the quickest possible tax writeoff for capital expenditures for air pollution control equipment; and be it further

"*Resolved*, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, and to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"SENATE JOINT RESOLUTION 26

"Joint resolution relative to memorializing Congress to enact legislation permitting youths receiving aid to dependent children to earn money without affecting their aid grants

"Whereas the basic purpose of the aid to dependent children program is to assist children deprived of parental support and to enable these children to grow into self-supporting, independent, and responsible members of the community; and

"Whereas this purpose is now frustrated by Federal statutes and regulations which require that the earnings of employed youth receiving aid to dependent children be deducted in computing their aid grants, thus discouraging them from seeking suitable part-time and summer employment; and

"Whereas modification of this Federal requirement would enable the youth to derive some immediate personal benefit from their employment in addition to teaching them the values of employment, self-support, and independence; and

"Whereas such a modification would also, by assisting needy families to achieve self-support, ease the burden on the taxpayers, who are now compelled to support families which are potentially capable of supporting themselves: Now, therefore, be it

"*Resolved by the senate and assembly (jointly)*, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation that would exempt 50 percent of the earnings of youth receiving aid to dependent children from deduction from aid grants, and thus to encourage these youth to become self-supporting; and be it further

"*Resolved*, That the secretary of the senate is directed to transmit suitably prepared copies of this resolution to the President of the United States, the President pro tempore of the U.S. Senate, the Speaker of the House of Representatives, to each Senator and Representative in this State's delegation to the Congress of the United States, and to the Secretary of the U.S. Department of Health, Education, and Welfare."

"SENATE JOINT RESOLUTION 27

"Joint resolution relative to memorializing Congress to provide aid to dependent children in boarding homes or foster homes

"Whereas Federal funds are now available under the aid to dependent children program only for children who are in the homes of their parents or other relatives; and

"Whereas many needy children are now deprived of the benefit of Federal aid by reason of their being confined in boarding homes or foster homes; and

"Whereas the States, as a result, are severely handicapped in providing proper care and supervision for such children; and

"Whereas it is essential that children in boarding homes and foster homes be given the same opportunities and advantages as are available to those children whose families are available to care for them: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the legislature hereby memorializes the Congress of the United States to enact legislation amending the Social Security Act to permit the payment of Federal funds to the States for dependent children who are confined in boarding homes or foster homes; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit a suitably prepared copy of this resolution to the President of the United States, the President pro tempore of the U.S. Senate, the Speaker of the House of Representatives, to each Senator and Representative in this State's delegation to the Congress of the United States, and to the Secretary of the U.S. Department of Health, Education, and Welfare."

"SENATE JOINT RESOLUTION 28

"Joint resolution relative to aid to dependent children

"Whereas there are a significant number of children receiving aid to dependent children whose caretakers misappropriate the funds granted to promote and protect the health and welfare of the children; and

"Whereas in many cases social casework services prove ineffective in correcting such money management problems; and

"Whereas the Social Security Act prohibits Federal participation in aid-in-kind and vendor payments in such cases; and

"Whereas the counties of California in administering the aid to dependent children program have demonstrated a reluctance to place such cases on aid-in-kind and vendor payment status because of the loss of Federal participation in the grant; and

"Whereas the effect, therefore, of the Social Security Act is to place in jeopardy the public funds expended under the aid to dependent children program and, more importantly, the health and welfare of such needy children: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California (jointly), That the Congress of the United States is hereby urged to amend the Social Security Act to provide for Federal participation in the costs of aid-in-kind and vendor payments to aid to dependent children recipients, but only after the extension of social casework services by the local administrators of the program, and such services have proved ineffective in solving money-grant mismanagement problems; and be it further

"Resolved, That the secretary of the senate is directed to prepare and send copies of this resolution to the President and Vice President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the U.S. Department of Health, Education, and Welfare."

A joint resolution of the Legislature of the State of California; to the Committee on Government Operations:

"SENATE JOINT RESOLUTION 25

"Joint resolution relating to repayments to the Federal Government under the aid to dependent children program

"Whereas there is a Federal conformity question relating to whether the law enforcement agencies may deduct costs incurred by them in recovering funds paid out under the aid to dependent children program when the parent was gainfully employed or had sufficient assets to assist the recipient; and

"Whereas this question arises because the Federal law requires that the program be administered by a single State agency: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States is memorialized to take such steps as may be necessary to permit a county or State to deduct the costs incurred by the law enforcement agencies in recovering aid from the amount returnable to the Federal Government in proportion to the amount contributed by the Federal Government toward the aid recovered; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of Health, Education, and Welfare, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the U.S. Department of Health, Education, and Welfare."

A joint resolution of the Legislature of the State of Nevada; to the Committee on Banking and Currency:

"SENATE JOINT RESOLUTION 2

"Joint resolution endorsing the action of the 50th session of the legislature memorializing the Congress and the President of the United States to cause to be issued silver coins commemorating the centennial of the admission of the State of Nevada into the Union

"Whereas by act of Congress Nevada was admitted to the Union October 31, 1864; and

"Whereas during the year 1964, the people of the State of Nevada expect to celebrate, with creditable pageantry and commemoration, the 100th anniversary of the admission of the State of Nevada into the Union; and

"Whereas Nevada was one of the richest and most famous silver-producing areas of all time; and

"Whereas the revenues resulting from such silver production aided materially in maintaining the integrity of the Union and in the great industrial expansion of the entire country; and

"Whereas Nevada is known as the Silver State; and

"Whereas Congress has many times previously authorized the issuance by the U.S. Treasury of commemorative coins for other States; and

"Whereas the members of the 50th session of the Legislature of the State of Nevada adopted a resolution memorializing the Congress of the United States to enact such legislation, and the President of the United States to take such action as necessary to issue commemorative silver coins commemorating the 100th anniversary of the admission of the State of Nevada into the Union: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada (jointly), That the Legislature of the State of Nevada endorses the action of the 50th session of the legislature memorializing the Congress and the President of the United States to take such action as may be necessary to issue commemorative silver coins commemorating the 100th anniversary of the admission of the State of Nevada into the Union; and be it further

"Resolved, That such coins be delivered to the Nevada Centennial Commission upon payment therefor, and that such commission be, and it hereby is, authorized to sell and distribute such coins; and be it further

"Resolved, That certified copies of this resolution be prepared and transmitted forthwith by the legislative counsel to the President and Vice President of the United States, the President pro tempore of the Senate, the Speaker of the House of Representatives, and each Senator and the Representative from the State of Nevada in the Congress of the United States.

"Passed by the assembly February 7, 1961.

"CHESTER S. CHRISTENSEN,
"Speaker of the Assembly.
"NATHAN T. HURST,
"Chief Clerk of the Assembly.

"Passed by the senate January 31, 1961.

"REX BELL,
"President of the Senate.
"LEOLA H. ARMSTRONG,
"Secretary of the Senate.
"GRANT SAWYER,
"Governor of the State of Nevada."

A resolution of the House of Representatives of the Commonwealth of Puerto Rico; to the Committee on Interior and Insular Affairs:

"RESOLUTION BY HOUSE OF REPRESENTATIVES OF THE COMMONWEALTH OF PUERTO RICO

"Resolution to express the support of the House of Representatives of Puerto Rico to the policy of alliance for progress of the President of the United States of America, Hon. John F. Kennedy, and the appreciation of the people of Puerto Rico of the designation of our fellow citizens Teodoro Moscoso as U.S. Ambassador to Venezuela, and Arturo Morales Carrión as Deputy Assistant Secretary of State for Latin American Affairs.

"Whereas the President of the United States of America, Hon. John F. Kennedy, upon assuming the leadership of democracy in the world, has pointed out the urgent need for understanding and comprehension in order to implant in America social economic systems that will guarantee increased production and its equitable distribution, and the universalization of education and of the other services indispensable for the life of man in our hemisphere to be free, secure and extolled;

"Whereas upon implementing his plan of alliance for progress, President Kennedy has shown that he is counting, up to the maximum possible, on Puerto Rican talent, in his measures of rapprochement with the Latin American countries;

"Whereas the appointment of Dr. Arturo Morales Carrión to the high responsible office of Assistant Deputy Secretary of State for Latin American Affairs has been followed by that of Teodoro Moscoso as U.S. Ambassador in Venezuela, one of the most important offices in the policy of political understanding and rapprochement in Latin America;

"Whereas we consider that Messrs. Arturo Morales Carrión and Teodoro Moscoso are outstanding exponents of our people for their cultural training and their experience in the public service as well as for their love and loyalty to the democratic principles which we know are the fundamental basis of life, both of the people of the United States and of the peoples of Latin America;

"Whereas the appointments of Messrs. Arturo Morales Carrión and Teodoro Moscoso constitute a recognition, not only of their personal capacity but of the participation of Puerto Rico in the strengthening of the relations of Latin America with the people of the United States as well: Now, therefore, be it

"Resolved by the House of Representatives of Puerto Rico,

"SECTION 1. To express, as it does hereby express, its support of the policy of alliance for progress of the President of the United States of America, Hon. John F. Kennedy,

confident that the peoples of the American hemisphere will find in that policy guidance and orientation for their necessary coexistence in democratic justice and understanding.

"SEC. 2. To express, as it does hereby express, its deep satisfaction and legitimate pride for the confidence placed in and the recognition given to our fellow citizens the Honorables Arturo Morales Carrión and Teodoro Moscoso by the President of the United States of America by designating them Deputy Assistant Secretary of State for Latin American Affairs and U.S. Ambassador to Venezuela, respectively.

"SEC. 3. To express, as it does hereby express, that so lofty recognition of our distinguished fellow citizens is also a recognition of the contribution Puerto Rico may give toward fostering the alliance for progress policy.

"SEC. 4. To transmit a copy of this resolution to the Honorable John F. Kennedy, President of the United States of America, to the Congress of the United States, to Messrs. Morales Carrión and Moscoso, to the democratic governments of our brotherly countries of Latin America and to the local and continental press.

"NESTOR RIGUAL CAMACHO,
"Secretary, House of Representatives."

A resolution adopted by the East Texas Chamber of Commerce, Longview, Tex., favoring the enactment of legislation to provide support for deserted and illegitimate children; to the Committee on Finance.

ESTABLISHING UNIFORM MILK SANITATION STANDARDS—JOINT RESOLUTION OF WISCONSIN LEGISLATURE

Mr. WILEY. Mr. President, the Nation today still faces serious economic problems. If we are to promote more rapid recovery, we need a renewed effort to resolve these difficulties.

Among other things, this means encouraging the free flow of goods and commodities to consumers, both at home and abroad.

Unfortunately, there still exists in our economy barriers to the flow of such commodities. Over the years, for example, the distribution of milk has been handicapped because of lack of uniform sanitation standards among different markets. To a substantial degree, this has acted as a barrier to the flow of milk.

Currently there is pending before Congress a series of bills, including S. 212—of which I am a cosponsor—H.R. 50 to H.R. 57, which would establish more uniform sanitation standards and encourage a freer flow of milk in interstate commerce. In addition, a major objective of the bill would be to insure good, healthful milk to all American consumers.

We recognize, of course, that legislative action cannot wholly solve problems which are basically economic. Nevertheless, we can—and I believe should—act constructively to remove barriers to the flow of commodities in our free enterprise system.

Recently, the Wisconsin Legislature passed a joint resolution memorializing Congress to enact legislation to insure the free flow of milk of high sanitation quality in interstate commerce. I request unanimous consent to have the joint resolution printed in the RECORD, and appropriately referred.

There being no objection, the joint resolution was referred to the Committee on Labor and Public Welfare, as follows:

JOINT RESOLUTION 18A

Joint resolution relating to memorializing the Congress of the United States to enact legislation which will insure the free movement of milk of high sanitary quality in interstate commerce

Whereas there is pending in the Congress of the United States a series of bills, H.R. 50 to H.R. 57, which provide for the free flowage in interstate commerce of milk of high sanitary requirements which must be met under the provisions of said bills; and

Whereas milk is the most important part of the diet for most people; it is our most perfect food, containing almost all of the essential elements for human growth, and is the principal food of infants, children, the aged and infirm; and

Whereas more than one-half of our States are importers of milk and about the same number of States are exporters; and more than 13 million gallons of milk and cream are shipped interstate each day; and

Whereas this State has a tremendous stake in this industry, about 85 percent of its production of milk going into interstate commerce in one form or another, and milk production is one of the principal industries of this State; and

Whereas although the laws of our State require that milk and milk products must be produced under high sanitary conditions and result in sanitary, high-grade products; and

Whereas importers of milk in the importer States have regulations for high sanitary quality by use of unnecessary requirements or other health regulations which result in a crazy-quilt pattern of milk sanitation regulation which duplicates inspection procedure in thousands of plants in the exporter States, thereby causing great unnecessary expense to a producer in meeting the different code requirements of his many customers; and

Whereas it is highly desirable to all the people that there be only Federal sanitation requirements, only one code, which must be complied with so as to insure the free, economical flow of milk in interstate commerce: Now, therefore, be it

Resolved by the assembly (the senate concurring), That the Congress of the United States be urged to enact one of the beforementioned bills, or a similar bill, into law, thereby insuring that milk and milk products produced within Federal requirements will have free flowage in interstate commerce; and be it further

Resolved, That properly attested copies of this resolution be sent to the President of the United States, to each House of Congress, and each Wisconsin Member thereof.

DAVID J. BLANCHARD,
Speaker of the Assembly.
ROBERT G. MAROTZ,
Chief Clerk of the Assembly.
W. P. KNOWLES,
President of the Senate.
LAWRENCE R. LARSEN,
Chief Clerk of the Senate.

RESOLUTION OF THE CITY OF NIAGARA FALLS, N.Y.

Mr. KEATING. Mr. President, I want to call attention today to a resolution adopted on April 17 by the City Council of the City of Niagara Falls, N.Y. This resolution calls on the U.S. Department of Labor and the New York State Labor Department to separately classify Erie and Niagara Counties for the purposes of "securing and evaluating unemployment statistics."

Presently, Erie County, which contains the city of Buffalo, N.Y., and Niagara County, which contains the cities of Niagara Falls and Lockport, N.Y., are classified as one labor market area. Unemployment conditions in both counties are severe. However, it is my understanding that unemployment in the city of Niagara Falls considerably exceeds that of the two counties combined. The most recent reports which I have received indicate that unemployment in Niagara Falls is somewhere between 12 and 14 percent. This is a grave situation, and one which warrants our taking every possible step to increase jobs and stimulate development in the city of Niagara Falls as well as in the surrounding area.

In an effort to be of assistance to the people of Niagara Falls, my senior colleague [Mr. JAVITS] and I have been in touch with Secretary Goldberg of the Department of Labor inquiring as to the feasibility of separately classifying Niagara County. We intend to pursue this matter and also to assist in every way we can in other projects affecting the Federal Government, wherein there is some possibility of creating new jobs and stimulating the economy of the cities of Buffalo, Niagara Falls, and the several other New York State communities in which unemployment is presently severe.

Mr. President, I ask unanimous consent to have the text of the above-referred-to resolution of the City Council of the City of Niagara Falls printed in the RECORD.

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

Whereas the U.S. Department of Labor and the New York State Labor Department presently combine Erie and Niagara Counties as the "Niagara Frontier labor area" for the purpose of securing and evaluating unemployment statistics; and

Whereas under this procedure Niagara County and the city of Niagara Falls in particular, are represented to Federal and State agencies as having a lower rate of unemployment than that which actually exists; and

Whereas Niagara County presently has a population in excess of 200,000 people and many industries of various types which employ thousands of people; and

Whereas unemployment in the city of Niagara Falls and in Niagara County as a whole is presently a very serious problem; and

Whereas it would be in the interest of the city of Niagara Falls and Niagara County to report employment information as it affects Niagara Falls and Niagara County alone, and if this were done a more complete and accurate determination would be submitted to the State and Federal agencies which are concerned with this problem; and

Whereas a more accurate reporting of Niagara Falls and Niagara County statistics would also result in the Niagara Falls and Niagara County area being placed in a better position for Federal contract allocation and for Federal and State unemployment relief: Now, therefore, be it

Resolved, That this city council does hereby request the U.S. Department of Labor

and the New York State Labor Department to provide for a separation of Erie and Niagara Counties for the purpose of reporting employment statistics and for the establishment of a separate area relating to Niagara Falls and Niagara County alone, and the city clerk be and hereby is directed to forward a copy of this resolution to the Bureau of Employment Security, U.S. Department of Labor, Washington, D.C.; the Division of Employment, New York State Labor Department, Albany, N.Y.; Senators Jacob K. Javits and Kenneth B. Keating, *U.S. Senate, Washington, D.C.*; Representative William E. Miller, House of Representatives, Washington, D.C.; Senator Earl W. Brydges, Assemblyman Ernest Curto, and Harold H. Altro, and to the Board of Supervisors of Niagara County.

JAMES E. COLLINS,
City Clerk.

AIRPLANE SERVICE FOR NORTH CENTRAL AND NORTHWEST KANSAS—RESOLUTION

Mr. CARLSON. Mr. President, additional airline service is greatly needed in north central and western Kansas and I have on several occasions appealed to the Civil Aeronautics Board for consideration and approval of the Hi-Plains Airways certificate of convenience and necessity for transportation of persons, property, and mail in this area.

I ask unanimous consent that a resolution adopted by the Beloit Chamber of Commerce be printed in the RECORD and referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

Whereas the economy of Beloit, Kans., is principally based upon the fact that it serves as a distribution point for a large agricultural area; and

Whereas many of the local merchants depend upon suppliers from Kansas City and Denver and need rapid communications and transportation between Beloit and those points; and

Whereas there are inadequate rail and bus facilities serving these points: Be it

Resolved, That the Beloit Chamber of Commerce on April 19, 1961, endorses the request of the Hi-Plains Airways of Hill City, Kans., before the Civil Aeronautics Board for a certificate of convenience and necessity for the scheduled transportation of persons, property, and mail in Aero-Commander type aircraft over routes serving north central and northwest Kansas.

Furthermore, the chamber urges the Board to give favorable consideration to this request in order for Beloit and other communities to be served by the proposed routes to have the necessary air service to keep pace with other communities in the State and area which now enjoy such service; and it is further

Resolved, That a copy of this resolution shall be sent to each of the Kansas U.S. Senators, the Representatives from the area affected by the proposed routes, and to each of the chambers of commerce in the area.

N. J. FISCHER,
President.
RON ELWELL,
Secretary.

FEDERAL AID TO EDUCATION—RESOLUTION

Mr. CARLSON. Mr. President, at a meeting on April 12 of the Solomon Presbytery, representing 52 Presbyterian churches of north central Kansas, a resolution was adopted in regard to Federal aid to education.

The resolution follows the resolution which was recently adopted by the representatives of Protestant and Orthodox churches in the general board of the National Council of Churches.

I ask unanimous consent that the resolution be printed in the RECORD and referred to the appropriate committee.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Whereas the 169th general assembly of the Presbyterian Church in the U.S.A., meeting in Omaha, Nebr., in 1957, adopted a report: (1) Affirming Presbyterian support of the public school as a vital institution in our free and democratic society, (2) safeguarding the rights of Americans to organize, support, and patronize private and parochial schools, and (3) opposing the support of independent or parochial schools through the use of public funds since such use virtually favors establishment of religion by government; and

Whereas any diversion of tax money (Federal, State, or local) from the support of public schools at primary and secondary levels will greatly weaken the public school system and even destroy it in certain areas of our country:

Therefore, the general council of the United Presbyterian Church in the U.S.A., meeting in New York City, March 8–9, 1961, calls particular attention to the statement on the church and public schools adopted by the 169th general assembly, which commits this church to wholehearted support of public education in our country;

Urges that this full statement be studied thoughtfully at this time by appropriate groups and individuals in the church and elsewhere;

Affirms that if the Federal Government extends aid to public education, Federal funds be made available only under the following conditions: (A) That the funds be administered by the States with provision for report by them to the U.S. Commissioner of Education on the use of the funds; (B) that there be no discrimination among children on the basis of race, religion, class, or national origin; (C) that there be adequate safeguards against Federal control of educational policy, which conditions are those recently adopted by the representatives of Protestant and Orthodox churches in the general board of the National Council of Churches of Christ in the U.S.A.; and

Commends the President of the United States for his statements upholding the constitutional guarantees against Government support of sectarian education at primary and secondary levels.

BILLS INTRODUCED

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

By Mr. METCALF:

S. 1696. A bill to authorize the Secretary of the Interior to conduct a survey of federally owned lands for the purpose of locating strategic minerals; to the Committee on Interior and Insular Affairs.

By Mr. METCALF (for himself and Mr. MANSFIELD):

S. 1697. A bill to approve the amendatory repayment contract negotiated with the Huntley Project Irrigation District, Montana, to authorize its execution, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 1698. A bill for the relief of Athena Nicholas Euteriadou; to the Committee on the Judiciary.

By Mr. FONG:

S. 1699. A bill for the relief of Felomina C. Blanco; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1700. A bill for the relief of Andreas Georgakopoulos, Apostolos Georgakopoulos, and Nikoletta Georgakopoulos; to the Committee on the Judiciary.

By Mr. YOUNG of Ohio:

S. 1701. A bill for the relief of Huey Rong Hsi, Chich Shang Hsi, and Shuan Hsi; to the Committee on the Judiciary.

By Mr. GORE (for himself, Mr. COOPER, Mr. ELLENDER, Mr. FULBRIGHT, Mr. HOLLAND, Mr. JOHNSTON, Mr. JORDAN, Mr. KEFAUVER, Mr. LONG of Louisiana, Mr. MORTON, Mr. RANDOLPH, Mr. RUSSELL, Mr. SMATHERS, and Mr. THURMOND):

S. 1702. A bill granting the consent and approval of Congress to the Southern Interstate Nuclear Compact, and for related purposes; to the Committee on the Judiciary.

By Mr. MONRONEY (for himself, Mr. ANDERSON, Mr. BARTLETT, Mr. BEALL, Mr. BIBLE, Mr. BUTLER, Mr. BYRD of West Virginia, Mr. CANNON, Mr. CARROLL, Mr. CHAVEZ, Mr. CHURCH, Mr. CLARK, Mr. COTTON, Mr. ENGLE, Mr. GRUENING, Mr. HART, Mr. HARTKE, Mr. HILL, Mr. HUMPHREY, Mr. JACKSON, Mr. KEFAUVER, Mr. KERR, Mr. MAGNUSON, Mr. MCCARTHY, Mr. MCGEE, Mr. MCNAMARA, Mr. METCALF, Mr. MORTON, Mr. MOSS, Mrs. NEUBERGER, Mr. PASTORE, Mr. PELL, Mr. RANDOLPH, Mr. SMATHERS, Mr. SMITH of Massachusetts, Mr. SPARKMAN, Mr. SYMINGTON, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH):

S. 1703. A bill to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes; to the Committee on Commerce.

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

By Mr. WILEY (for himself, Mr. JAVITS, Mr. CAPEHART, Mr. YOUNG of Ohio, Mr. HUMPHREY, and Mr. MCCARTHY):

S. 1704. A bill to provide for an investigation and study of means of making the Great Lakes and the St. Lawrence Seaway available for navigation during the entire year to the Committee on Public Works.

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

By Mr. KEATING:

S. 1705. A bill to provide for the temporary free entry of religious sceneramas and other articles imported for exhibition by religious societies or institutions; to the Committee on Finance.

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

By Mr. JOHNSTON (by request):

S. 1706. A bill to authorize an additional Assistant Secretary in the Department of Health, Education, and Welfare; to the Committee on Post Office and Civil Service.

By Mr. KEFAUVER:

S. 1707. A bill for the relief of Mariano Rodgers; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 1708. A bill to amend title II of the Social Security Act to increase to $1,800 the annual amount individuals are permitted to earn while receiving benefits under such title; to the Committee on Finance.

By Mr. THURMOND (for himself, Mr. MORTON, Mr. BARTLETT, Mr. BENNETT, Mr. BUTLER, Mr. DOUGLAS, Mr. HART, Mr. LONG of Louisiana, Mr. PROXMIRE, Mr. RANDOLPH, Mr. SPARKMAN, and Mr. YARBOROUGH):

S. 1709. A bill to amend the Federal Aviation Act of 1958 with respect to the ratemaking elements for the transportation of mail by air carriers; to the Committee on Commerce.

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

By Mr. MOSS:

S. 1710. A bill to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. ERVIN (for himself and Mr. JORDAN):

S. 1711. A bill to provide for the disposal of certain lands held for inclusion in the Cape Hatteras National Seashore Recreational Area, North Carolina, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ALLOTT:

S. 1712. A bill relating to membership in Indian tribal organizations; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 1713. A bill to establish a system for the classification and compensation of professional engineering, physical science, and related positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SMITH of Massachusetts:

S. 1714. A bill for the relief of Kourken Sarikechichian; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 1715. A bill to provide for the free importation under certain conditions of exposed or developed picture film; to the Committee on Finance.

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

By Mr. LAUSCHE:

S. 1716. A bill for the relief of Dr. Alexander Corpacius; and

S. 1717. A bill for the relief of Georgios Alexopoulos; to the Committee on the Judiciary.

CONCURRENT RESOLUTION

STUDY OF COMPETITIVE BIDDING UTILIZED BY THE MILITARY ESTABLISHMENT IN PROCUREMENT

Mr. PROXMIRE submitted a concurrent resolution (S. Con. Res. 21) to study the extent of competitive bidding utilized by the Military Establishment in procurement, which was referred to the Committee on Armed Services.

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

AMENDMENT OF THE FEDERAL AIRPORT ACT

Mr. MONRONEY. Madam President, I introduce, for appropriate reference, for myself, the distinguished senior Senator from Washington [Mr. MAGNUSON], and Senators ANDERSON, BARTLETT, BEALL, BIBLE, BUTLER, BYRD of West Virginia, CANNON, CARROLL, CHAVEZ, CHURCH, CLARK, COTTON, ENGLE, GRUENING, HART, HARTKE, HILL, HUMPHREY, JACKSON, KEFAUVER, KERR, MCCARTHY, MCGEE, MCNAMARA, METCALF, MORTON, MOSS, NEUBERGER, PASTORE, PELL, RANDOLPH, SMATHERS, SMITH of Massachusetts, SPARKMAN, SYMINGTON, WILLIAMS of New Jersey and YARBOROUGH, a bill to extend the Federal Airport Act so as to provide $75 million a year in Federal matching grants for each of the next 5 fiscal years.

This bill conforms to the recommendations of the President for the airport program. I ask unanimous consent to have printed at this point in the RECORD a copy of the bill, a summary of its provisions, and a table showing the apportionment of funds under the proposed bill.

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

A BILL TO AMEND THE FEDERAL AIRPORT ACT SO AS TO EXTEND THE TIME FOR MAKING GRANTS UNDER THE PROVISIONS OF SUCH ACT, AND FOR OTHER PURPOSES

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4 of the Federal Airport Act (49 U.S.C. 1103) is amended by inserting "(a)" immediately after "SEC. 4." and by adding at the end thereof the following new subsection:

"ANNOUNCEMENT OF PROGRAM

"(b) It shall be the duty of the Administrator to make public by January 1 of each year the proposed program of airport development intended to be undertaken during the fiscal year next ensuing, and he may revise such program to the extent he finds necessary to accomplish the purposes of this Act."

SEC. 2. (a) The first sentence of section 5(a) of such Act (49 U.S.C. 1104(a)) is amended by inserting immediately before the period at the end thereof the following: "and the sum of $66,500,000 for each of the fiscal years ending June 30, 1962, June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966".

(b) Section 5(b) of such Act (49 U.S.C. 1104(b)) is amended by inserting "(1)" immediately after "(b)" and by adding at the end thereof the following new paragraph:

"(2) For the purpose of carrying out this Act with respect to projects in Puerto Rico and the Virgin Islands, there is hereby authorized to be obligated by the execution of grant agreements pursuant to section 12 of this Act the sum of $1,500,000 for each of the fiscal years ending June 30, 1962, June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized, and shall continue to be so available until so obligated. Of each such amount, 65 per centum shall be available for projects in Puerto Rico and 35 per centum for projects in the Virgin Islands."

(c) Section 5 of such Act is further amended by redesignating subsections (c) and (d) as subsections "(d)" and "(e)", respectively, and by inserting immediately after subsection (b) the following new subsection:

"SPECIAL AUTHORIZATION FOR CERTAIN GENERAL AVIATAION AIRPORTS

"(c) In addition to other sums available under this Act, there is authorized to be obligated by the execution of grant agreements pursuant to section 12, the sum of $7,000,000 for each of the fiscal years ending June 30, 1962, June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966, for the development in the several States of airports the primary purpose of which is to serve general aviation and to relieve congestion at airports having high density of traffic serving other segments of aviation. Each such authorized amount shall become available for obligation beginning July 1 of the fiscal year for which it is authorized and shall continue to be so available until so obligated."

(d) Subsection (d) of such section 5 (as so redesignated by subsection (c) of this section) is amended by striking out "subsections (a) and (b)" and including in lieu thereof "subsections (a), (b), and (c)".

SEC. 3. (a) The second sentence of section 6(a) of such Act (49 U.S.C. 1105(a)) is amended to read as follows: "Each amount so apportioned for a State shall, during the fiscal year for which it was first authorized to be obligated, be available only for grants for approved projects located in that State, or sponsored by that State or some public agency thereof but located in an adjoining State, and thereafter any portion of such amount which remains unobligated shall be redistributed as provided in subsection (c) of this section."

(b) Paragraph (1) of section 6(b) of such Act (49 U.S.C. 1105(b)(1)) is amended to read as follows:

"(b)(1) Twenty-five per centum of all amounts authorized to be obligated by section 5(a) and all of the amounts authorized to be obligated by section 5(c) shall, as such amounts become available, constitute a discretionary fund."

(c) Section 6(c) of such Act (49 U.S.C. 1105(c)) is amended to read as follows:

"REDISTRIBUTION OF FUNDS

"(c) Any amount apportioned for projects in a State pursuant to subsection (a) of this section which has not been obligated by grant agreement at the expiration of the fiscal year for which it was first authorized to be obligated shall be added to the discretionary fund established by subsection (b) of this section. Until July 1, 1962, the first sentence of this subsection shall not apply to amounts so apportioned prior to July 1, 1961, unless such amounts have not been obligated by grant agreement for two fiscal years after originally authorized."

SEC. 4. Section 9(d) of such Act (49 U.S.C. 1108(d)) is amended by inserting "(1)" immediately after "(d)" and by adding at the end thereof the following new paragraph:

"(2) No project shall be approved by the Administrator which does not include provision for installation of such of the landing aids specified in section 10(d) as are determined by him to be required for the safe and efficient use by aircraft of the airport taking into account the category of the airport and the type and volume of traffic utilizing the airport."

SEC. 5. Section 10 of such Act (49 U.S.C. 1109) is amended by striking out subsection (c) and inserting in lieu thereof the following:

"LANDING AIDS

"(d) To the extent that the project costs of an approved project represent the cost of installation of (1) land required for the installation of approach light systems, (2) inrunway lighting, (3) high intensity runway lighting, or (4) runway distance markers, the United States share shall be not to exceed 75 per centum of the allowable costs of such installation."

SEC. 6. (a) Paragraph (5) of section 11 of such Act (49 U.S.C. 1110) is amended to read as follows:

"(5) the airport operator or owner will furnish without cost to the Federal Government for use in connection with any air traffic control activities, or weather-reporting activities and communication activities related to air traffic control, such areas of land or water, or estate therein, or rights in

buildings of the sponsor as the Administrator may consider necessary or desirable for construction at Federal expense of space or facilities for such purposes;".

(b) Section 11 of such Act is further amended by adding at the end thereof the following new sentence: "Whenever the Administrator shall obtain from a sponsor any area of land or water, or estate therein, or rights in buildings of the sponsor and shall construct thereon at Federal expense space or facilities, he is authorized to relieve the sponsor from any contractual obligation entered into under this Act to provide free space in airport buildings to the Federal Government to the extent he finds such space no longer required for the purposes set forth in paragraph (5) of this section."

SEC. 7. Section 13(b) of such Act (49 U.S.C. 1112) is amended to read as follows:

"COSTS NOT ALLOWED AFTER JUNE 30, 1961

"(b) With respect to amounts obligated under this Act after June 30, 1961, the following shall not be allowable project costs: (1) the cost of construction of that part of a project intended for use as a passenger automobile parking facility; or (2) the cost of construction of any part of an airport building except such of those buildings or parts of buildings intended to house facilities or activities directly related to the safety of persons at the airport."

SEC. 8. (a)(1) Paragraph (7) of section 2(a) of such Act (49 U.S.C. 1101(a)(7)) is amended by striking out "Alaska, Hawaii";

(2) Paragraph (12) of section 2(a) of such Act (49 U.S.C. 1101(a)(12)) is amended by striking out "on May 13, 1946,".

(b) Section 3(a) of such Act (49 U.S.C. 1102(a)) is amended—

(1) by striking out "Alaska, Hawaii, and" where it appears in the first sentence thereof; and

(2) by striking out "Alaska, Hawaii," in the third sentence thereof.

(c) Paragraph (2) of section 6(b) of such Act (49 U.S.C. 1105(b)(2)) is amended by striking out "States, Alaska, and Hawaii" wherever appearing therein and inserting in lieu thereof "States".

(d)(1) The heading of section 7 of such Act (49 U.S.C. 1106) is amended to read as folows: "Availability of Funds for Projects in Puerto Rico and the Virgin Islands".

(2) The text of section 7 of such Act is amended by striking out "Alaska, in Hawaii, or in Puerto Rico," and inserting in lieu thereof "Puerto Rico".

(e) Section 9(c) of such Act (49 U.S.C. 1108(c)) is amended by striking out "Alaska, Hawaii,".

(f) Section 10(c) of such Act (49 U.S.C. 1109(c)) is amended by striking out "Alaska and" where it appears in the heading and in the text of such section.

SEC. 9. The amendments made by this Act shall take effect on July 1, 1961, but shall not apply with respect to projects for which amounts have been obligated by the execution of grant agreements before July 1, 1961. With respect to such projects, the Federal Airport Act shall continue to apply as if this Act had not been enacted.

SUMMARY OF PROVISIONS OF THE BILL TO AMEND THE FEDERAL AIRPORT ACT

1. Extends the Federal Airport Act, which expires June 30, 1961, for 5 years, through June 30, 1966.

2. Authorizes Federal matching grants to State and local authorities in the amount of $75 million per year for each of the next 5 fiscal years. This amount is allocated as follows:

(a) Forty-nine million eight hundred seventy-five thousand dollars to specific States under the existing area/population formula (compared to $47,100,000 in fiscal year 1961).

(b) One million five hundred thousand dollars to Puerto Rico and the Virgin Islands (compared to $900,000 in fiscal year 1961).

(c) Sixteen million six hundred twenty-five thousand dollars for use in any State at the discretion of the Administrator (compared to $15 million in fiscal year 1961).

(d) Seven million dollars for use in any State, at the discretion of the Administrator, for construction and improvement of general aviation airports designed to provide suitable alternate facilities for private pilots to relieve congestion at commercial airports having high density of traffic (representing a net addition to the discretionary funds available in fiscal year 1961).

3. Makes available for use in that or any other State, at the Administrator's discretion, any part of the funds apportioned to particular States which are not used or obligated in the fiscal year for which they are authorized.

4. Provides that no project shall be approved by the Administrator which does not include provisions for installation of such landing aids as he determines to be required for safe and efficient operations considering the type and volume of traffic at the particular airport or at the class of airports to which it belongs.

5. Prohibits use of Federal funds for any part of an airport building except space for an activity directly related to safety.

6. Permits Federal participation in approved airport projects on the following basis:

(a) Up to 75 percent of certain costs relating to landing aids, including procuring land required for installation of approach lights and installing center line or narrow gage lighting, high intensity side lighting on runways, and runway distance markers.

(b) Up to 50 percent of other allowable project costs, such as clear zones, runways, and taxiways.

7. Eliminates provisions in the present act giving special treatment to Alaska and Hawaii and treates them in all respects on the same basis as other States.

Federal-aid airport program—State apportionment of $75,000,000 authorization (75 percent State apportionment and 25 percent discretionary)

State:	State apportionment
Alabama	$806,890
Alaska	3,994,844
Arizona	950,979
Arkansas	607,329
California	3,258,755
Colorado	948,502
Connecticut	390,289
Delaware	78,332
District of Columbia	106,705
Florida	1,096,112
Georgia	946,607
Hawaii	131,618
Idaho	657,532
Illinois	1,793,445
Indiana	895,215
Iowa	763,932
Kansas	859,060
Kentucky	695,524
Louisiana	787,763
Maine	366,734
Maryland	514,350
Massachusetts	778,275
Michigan	1,742,125
Minnesota	1,057,902
Mississippi	629,166
Missouri	1,071,649
Montana	1,088,320
Nebraska	718,232
Nevada	786,796
New Hampshire	147,285
New Jersey	899,232
New Mexico	954,576
New York	2,698,477
North Carolina	989,872
North Dakota	565,565
Ohio	$1,651,795
Oklahoma	796,355
Oregon	901,766
Pennsylvania	1,885,489
Rhode Island	127,824
South Carolina	542,163
South Dakota	615,385
Tennessee	781,577
Texas	3,139,146
Utah	697,789
Vermont	119,165
Virginia	837,737
Washington	873,882
West Virginia	422,155
Wisconsin	997,096
Wyoming	707,687
Puerto Rico	975,000
Virgin Islands	525,000
U.S. total	49,875,000
Territory totals	1,500,000
General aviation discretionary fund	7,000,000
Regular discretionary (25 percent)	16,625,000
Grand total	75,000,000

Mr. MONRONEY. Madam President, I wish to express my appreciation to the Senator from New Hampshire [Mr. COTTON], whose ideas as reflected in an earlier bill introduced by him have been most helpful in preparing this bill.

Madam President, I ask unanimous consent that the bill lie on the desk until the close of the next session of the Senate, so that other Senators who may desire to add their names as cosponsors may do so.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested.

The bill (S. 1703) to amend the Federal Airport Act so as to extend the time for making grants under the provisions of such act, and for other purposes, introduced by Mr. MONRONEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Commerce.

Mr. GRUENING. Madam President, Alaska is the flyingest State in the Union.

The people of Alaska, per capita, fly more miles, own more planes, and are more completely dependent on air transportation than those of any other State. Measured by passenger miles or per capita flights, Alaskans fly about 30 to 40 times as much as citizens of the other States. With the least population of any State—less than 300,000—our State boasts more airports than any other with the exception of California and Texas.

While commercial air transportation connections were late in coming to Alaska—we had none until 1940—the Alaska bush pilot is a legendary figure in our history. Without the benefit of expensive aids to air navigation which came with the advent of Federal interest in Alaskan aviation during World War II, the bush pilots were invaluable in providing the only transportation available to many Alaskans. Before Alaska had airports worthy of name, and no radio range stations, Alaska bush pilots

would hold a moistened finger to the breeze and take off. They landed on beaches, local clearings, or on rivers, lakes, and coastal waterways with the aid of floats. In the winter they landed, and still do, on snow-covered tundra with ski equipment.

Now Alaska is an important hub of international commercial and military aviation. Our international airports at Anchorage and Fairbanks are major intermediate points for over-the-pole flights to Europe and the Far East.

As I pointed out in the beginning of this statement, Alaska depends on air transportation to a greater degree than any other State for intrastate transportation.

In no respect is the contrast between Alaska and all the other States more marked than in surface transportation. Alaska entered the Union unique in that not merely a few but a majority of her communities are unconnected with any others by highway or railroad. By the same token, these isolated Alaska communities are unconnected with the continental highway system.

Perhaps nowhere in the other 49 States does there exist a community, no matter how small, to which it is not possible to drive in an automobile or ride in a train. The whole economy and civilization of 20th century America is based on this free and ready access for goods and people. The very character of the American citizen is undoubtedly conditioned in an important way by the circumstance that, no matter where he lives, he can get in the family automobile and drive somewhere—to the nearest city, to the capital of his State or Nation.

In Alaska, five of the seven largest cities, including Juneau, the capital, have no road system which leads to any other place. A dozen cities with a population of 1,000 or more have neither road nor rail connection with any other city. In Alaska, there is but one railroad—the Government-owned Alaska Railroad which runs for 480 miles from Seward to Fairbanks. In terms of surface transportation, when Alaska entered the Union in 1959, it was in about the same situation as other States found themselves in 1850 before the construction of transcontinental railroads or a nationwide road network.

The reason for this state of affairs in the 49th State is not far to seek. It is owing to long-standing and almost totally unrelieved discrimination in the manner in which Federal highway programs have been enacted. Until 1956, Alaska was totally excluded from Federal aid highway legislation. From 1956 to 1961, Alaska was included, but on a sharply reduced basis. The State is still totally excluded from the interstate or throughway part of Federal programs—except that Alaska is included in the collection of excise taxes which support the interstate program. In view of this long history of lack of participation in national programs for the development of surface transportation, it is natural that Alaskans welcome enthusiastically an opportunity to obtain benefits of Federal assistance for air transportation on the same basis as the other States.

The importance of air transportation to Alaska produces some strange contrasts which are of particular interest. A recent publication of Wien Alaska Airlines, an intrastate transportation company, described the inauguration of weekly air service by bush pilot James "Andy" Anderson to the village of Anaktuvuk. Here, in the rugged Brooks Range, deep within the Arctic Circle, 293 miles northwest of Fairbanks and 238 miles southeast of Point Barrow, air transportation has reached one of the last primitive areas of the United States. Anaktuvuk is a village of about 100 Eskimos, where these Alaskans live in sod igloos—a form of housing becoming rare indeed.

The cargo carried to Anaktuvuk and other similarly isolated communities of Alaska may include anything and everything needed for the life of the people—from ice cream cones to sewing machines. Alaska airlines are used to flying any kind of cargo, including entire dog sled teams, live reindeer to be used for Christmas celebrations in the other States, baby walrus and polar bear cubs. Anything goes and anything flies.

Thus, there is no State in the Union where additional funds for airport construction and navigational aids are more important.

As an enthusiastic cosponsor of the bill my distinguished colleague from Oklahoma, Senator MONRONEY, has introduced, I am very hopeful this legislation will be speedily enacted so that its benefits will soon be available to all the States.

For the first time Alaska would, under terms of the legislation introduced, receive treatment equal with that of the other States under provisions of the Federal Airport Act. Although, as I have pointed out, Alaska is primarily dependent on air transportation, and to a greater extent than the other States, yet, paradoxically, Alaska has been, in the past, allocated funds under a $3 million statutory limit applicable to Hawaii, Puerto Rico, and the Virgin Islands as well.

During the current fiscal year Alaska has received additional funds from the discretionary funds of the Federal Aviation Administrator, funds which became available as a result of legislation introduced by my colleague, Senator BARTLETT and me during the 86th Congress. Prior to this Alaska received no funds from the discretionary sum of the Administrator.

Under the proposed amendment to the Federal Airport Act which would not only include Alaska on the same basis as the other States, but, also, increase total amounts of funds available, Alaska would, in the next fiscal year, receive an allocation of $3,994,844—an increase of more than $1 million above what the State obtained during the current fiscal year under its statutory allocation combined with discretionary fund contributions. With these additional funds Alaska can build and improve the safe airports on which we are so dependent at a rate which will be compatible with our needs.

I commend my distinguished colleague from Oklahoma for his unflagging interest and hard work in the interest of safety in aviation. I assure him of my support of this important measure he has introduced, not only because of its obvious value to Alaska, but because it is necessary to the welfare of the entire Nation.

Mr. CARROLL. Madam President, I am extremely pleased and proud to join once again with my distinguished colleague, the Senator from Oklahoma [Mr. MONRONEY], in sponsoring a bill to extend the Federal Airport Act for the next 4 years.

Progress has been made toward the goal of building an airport system worthy of this great Nation, but that progress has not been enough to keep up with the barest minimum requirements of transporting people and goods in the ever-accelerating conduct of our daily business.

Since 1950, the domestic and international air passenger traffic has more than tripled, and cargo traffic has more than doubled. General aviation has also shown a remarkable growth. Last year the general aviation fleet—over 75,000 aircraft—flew approximately three times as many hours—a total of 12.7 million—and twice as many miles as the domestic certificated airlines. The small aircraft has become an important part of business and industrial operations and agriculture.

In our western region, where great distances and formidable problems of terrain exist, small aircraft have enjoyed a tremendous boom. Many businesses maintain small planes—not as a luxury, but as a virtual necessity. Many oil firms use small aircraft to keep track of their exploration and other operations; many other companies, whose primary business is selling goods, rent small aircraft as matter of factly as similar firms in the East rent automobiles by the day or week for their sales forces.

Farming and ranching in the West have been greatly furthered by small private planes. During a grasshopper plague in 1958, spraying operations by small aircraft were credited with saving a multi-million-dollar wheat crop from disaster. "Flying farmers" are so numerous that they have a large national organization which holds regular conventions.

Such increased flying activity, present and projected, means that the aviation facilities system must be improved to match the increased tempo. The airport is the key to this system. Airport planning and construction must advance with the technological development of aircraft. The inadequacy of our existing airport system is reflected in loss of time and money, but the most significant fault is the failure to maintain safety standards. The emphasis of this bill is safety of operations.

As one example, a number of our small city airports lack even rudimentary lighting for their runways, so that a landing after dark is dangerous, if not foolhardy. As a consequence, most of these airports are not supposed to be open at night. But a flyer with a limited fuel supply sometimes has no choice;

he must try to land on an unsafe, ill-lighted strip.

I am glad to cosponsor this bill, because I know that the safe and efficient operation of the air transportation system is of national significance. It is part and parcel of the economic growth of our country, and the benefits which result are shared by all our citizens.

But, Madam President, I speak in support of the bill for a more particular reason, also, and that is because my State of Colorado plays a key role in what the Federal Aviation Agency calls the hub structure. The Federal Aviation Agency believes that the proper planning of a balanced system of airports should be based on recognized air-traffic patterns. These hubs are not airports, but are concentrated areas of air commerce. Denver, Colorado, is designated by the FAA as a "large hub." There are 23 such "large hubs" in the United States, so designated by the FAA in this planning concept. Sixteen of these are located east of the Mississippi. Three are on the west coast; two are in Texas; and one is in Missouri. Denver, Colo., stands like a beacon in the center of the great West—a region of 17 States. It is the focal point for air commerce from Kansas City and the East to the west coast. It is for this reason that I am especially alert to the need for the construction of an adequate airport facilities system to take care of our air traffic requirements.

As I have pointed out, the term "hub" does not refer to the municipal airport in Denver. It means an area of concentrated flying activity, and this includes general aviation as well as air carrier aviation. Small airport construction, as well as airports capable of handling jet aircraft, is essential in this area. Incidentally, Madam President, as a further indication of the development of air commerce in Colorado, I may point out that ours is one of the few States in the West which will be able to boast of two jet airports by 1966.

The Federal Aviation Agency has made a thorough and careful survey of the future needs for airport development, geared to known air-traffic patterns. As a result of this study, the FAA has recommended specific airport development in a 5-year plan. These recommendations cover all airport needs, including runways, lighting, traffic-control facilities, and public-use facilities. This bill is limited to facilities which are directly related to the safety of operations. No terminal buildings, hangars, parking areas, or the like are covered by this bill. But the funds provided for safety of operations features will go a long way toward converting the recommendations made by the FAA into completed airports to serve Colorado and the West.

The FAA estimates that a total of $4,367,000 will be needed to meet the costs of airport development in Colorado for the fiscal year 1962 alone. The total for the years 1962 through 1966 is $12,012,000. I wish to insert at this point in the RECORD a table showing estimated cost figures for the fiscal years 1962 through 1966:

1962	$4,367,000
1963	3,151,000
1964	2,242,000
1965	1,085,000
1966	1,167,000
Total	12,012,000

Madam President, I ask unanimous consent to have printed in the RECORD the complete chart of recommendations for airport development over the next 5 years in Colorado, as prepared by the FAA.

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

Colorado

Airport type	Community	Airport	Hub type	Based aircraft 1960/1966	Total passengers (thousands) 1960/1966	Longest runway 1960/1966 (feet)	Type of aircraft, 1966	Forecast longest nonstop flight	Recommended airport development, 5-year plan
GA	Akron	Akron-Washington County		5		4,100	Gp-I		None.
AC	Alamosa	Municipal	N	6 5	5	4,400 5,933	DC-3	200	Land; construct runway extension; surface taxiways and apron and construct apron extension and access road; lighting.
GA	Aspen	Sardy Field (Aspen-Pitkin County.		6 11	7	6,800 5,200	Gp-II		Land; construct runway and apron extensions; strengthen and overlay existing runway; public use facilities; fencing.
GA	Boulder	Municipal	L	13 51		7,200 4,200	Gp-II		Light runway; construct and light taxiways; construct public use facilities, apron, segmented circle; beacon; lighted wind cone; access road.
GA	Broomfield	Jefferson County	L	61 60		5,500 6,000	Gp-II		Extend runway; enlarge apron; construct runway; marking; lighting.
GA	Burlington	Municipal		72 3		6,500 3,800	Gp-I		Land; construct runway, taxiway, apron, access road, segmented circle, wind cone; fencing.
GA	Canon City	Fremont County		4 10		3,900 5,414	Gp-II		None.
AC	Colorado Springs	Peterson Field	S	12 50 60	86 134	5,800 9,092 11,400	B-720	544	Land; site preparation; pave runway extension, parallel taxiway, exit and connecting taxiways, holding aprons, parking apron; widen taxiway with exits at runway; widen and extend taxiway parallel to runway with holding aprons; construct public use facilities; entrance road and fence; lighting.
AC	Cortez	Cortez-Montezuma County	N	30	7	5,900	CV-340	200	Construct parallel taxiway, access road, and segmented circle; lighting.
GA	Craig	Municipal		36 13	10	6,500 5,600	Gp-II		Light runways; construct segmented circle, beacon, and lighted wind cone.
GA	Delta	New		15 0		5,600 0	Gp-I		Construct new airport.
GA	Denver	New (South)	L	10 0		4,500 0	Gp-II		Do.
AC	do	Stapleton Airfield	L	100 170 202	1,699 2,440	5,300 10,000 11,300	B-707-100	1,650	Pave runway, taxiways and holding apron; lighting; construct new control tower and service roads; expand and reconstruct apron; grade and drain general aviation area; enlarge public use facilities; relocate street and acquire land for extension and clear zones for runways.
AC	Durango	LaPlata Field	N	14	12	7,200	CV-340	250	Construct parallel taxiway and runway extension; lighting.
GA	Eagle	Eagle (FAA)		16 0	17	7,700 5,100	Gp-I		None.
GA	Estes Park	New		1 0		5,100 0	Gp-II		Construct new airport.
				3		5,200			

Colorado—Continued

Airport type	Community	Airport	Hub type	Based aircraft 1960/1966	Total passengers (thousands) 1960/1966	Longest runway 1960/1966 (feet)	Type of aircraft, 1966	Forecast longest nonstop flight	Recommended airport development, 5-year plan
GA	Fort Collins	Christman Field		21 25		4,000 5,600	Gp-II		Land; construct taxiway and apron; light runway; install wind cone and segmented circle.
GA	Fort Morgan	Municipal		12		5,200	Gp-II		Land; widen and extend runway; construct access road; lighting; miscellaneous.
GA	Granby	Granby-Grand County		14 10		5,500 4,900	Gp-II		Land; construct runway, taxiway, apron, and access road; light runway; install beacon, wind cone, and fencing.
AC	Grand Junction	Walker Field	N	12 91	46	6,200 5,403	DC-7	450	Land; construct runway extension, parallel taxiway, apron extension, and taxiway extension; lighting.
GA	Greeley	Municipal		109 55	66	7,100 5,020	Gp-II		Land, clear zones; construct taxiways and apron; pave runway.
AC	Gunnison	Gunnison County	N	66 6	3	5,300 6,000	CV-340	200	Land; construct apron extension and public use facilities.
GA	Hartsel	New		7 0	4	7,300 0	Gp-II		Construct new airport.
GA	Julesburg	Municipal		2 3		5,500 3,200	Gp-I		None.
GA	Kit Carson	Trading Post (SU)		4 1		3,500 4,200	Gp-III		None.
GA	Kremmling	Kremmling-Grand County		2 1		4,500 5,500	Gp-II		Land, clear zones.
GA	La Junta	Municipal		2 35		5,400 8,274	Gp-II		None.
AC	Lamar	do	N	42 13	2	5,500 4,800	DC-3	200	Construct apron, taxiway, public use facilities; access road; light taxiway.
GA	Leadville	New		15 0	3	4,800 0	Gp-I		Construct new airport.
GA	Limon	Municipal		6 8		5,000 4,000	Gp-II		Land; construct runway, taxiway, apron, and channel change; light runway; install beacon and fencing.
GA	Longmont	do	L	9 53		5,200 4,200	Gp-II		Widen and extend runway, taxiway, and apron; construct access road.
GA	Loveland	New		63 0		4,900 0	Gp-II		Construct new airport.
GA	Meeker	Meeker		12 11		4,800 4,500	Gp-II		Light runway; install beacon, land; extend runway.
GA	Monte Vista	San Luis Valley	N	13 5		5,900 6,285	Gp-II		Land, clear zones; construct runway, access road; install segmented circle.
AC	Montrose	Montrose County	N	6 12	5	5,200 5,700	CV-340	200	Land; reconstruct runway, taxiways, and apron; construct runway extension; relocate threshold lights; construct apron extension and access road; lighting.
GA	Nucla	Hopkins Field		14 12	7	7,300 4,600	Gp-I		Construct access road.
GA	Pagosa Springs	New		14 0		4,800 0	Gp-I		Construct new airport.
GA	Paonia	Municipal		6 5		3,800 3,250	Gp-I		Acquire land; construct runway, taxiway, apron and access road; install segmented circle.
AC	Pueblo	Pueblo Memorial	N	6 57	17	3,900 8,820	V-810	250	Light taxiways; reconstruct apron; enlarge public use facilities.
GA	Rangely	Rangely		68 7	25	8,500 4,500	Gp-II		None.
GA	Rifle	Garfield County		8 5		5,500 5,000	Gp-II		Land; construct and light runway; construct taxiway; apron, access road, beacon, segmented circle, lighted wind cone, fencing.
CA	Salida	Salida (SU)		6 4		5,600 3,600	Gp-I		Land; construct runway, access road, segmented circle, wind cone, fencing.
GA	Springfield	Municipal		5 3		4,500 3,500	Gp-I		Land.
GA	Steamboat Springs	New		4 0		3,400 0	Gp-I		Construct new airport.
AC	Sterling	Crosson Field	N	5 27	1	4,300 4,700	DC-3	200	Widen runway and relocate runway lights; construct entrance road and public use facilities.
AC	Trinidad	Municipal	N	32 4	2 0	4,700 5,500	DC-3	200	Land; light taxiways; reconstruct runway, taxiways, apron, and access road.
GA	Walden	Walden-Jackson County		5 6	1	5,500 5,900	Gp-II		Construct runway; access road.
GA	Walsenburg	Huerfano County		7 1		5,200 5,200	Gp-I		None.
GA	Westcliff-Silvercliff	Custer County		2 0		3,700 4,800	Gp-I		None.
GA	Wray	Municipal		2 7		4,200 4,230	Gp-I		None.
				8		4,200			

PROPOSALS FOR DEICING THE GREAT LAKES AND ST. LAWRENCE SEAWAY

Mr. WILEY. Madam President, I introduce, for appropriate reference, on behalf of myself and Senators JAVITS, CAPEHART, YOUNG of Ohio, HUMPHREY, and MCCARTHY, for appropriate reference, a bill to authorize the study of the feasibility of developing a deicing system for the Great Lakes and the St. Lawrence Seaway.

The creation of an effective deicing system would result in tremendous benefits for our people and the economy. Among other things, it would extend the present shipping season; help to resolve icing problems in harbors, on lake routes and in the seaway; and, if completely successful, open the way to year-round shipping in the Great Lakes and the seaway.

We recognize, of course, that the task would be extremely difficult.

By human ingenuity and technology, however, we have, first, harnessed many of the forces of nature; second, cracked the powerful atom; third, established programs to explore—and ultimately conquer, I believe—outer space; and fourth, reached other previously unattainable goals.

Now, there has been sufficient progress in methods of deicing—in my judgment—to warrent further investigation. Among the methods there are included first, the "bubble system," an underwater pattern of piping in which compressed air moves through tiny holes to the surface melting the ice; second, use of chemicals; third, underground explosives; and other techniques.

OBJECTIVES OF LEGISLATION

The proposed legislation would authorize the Corps of Engineers to first, make a complete investigation and study of the problems involved in the development of deicing systems; second, review the applicability of deicing methods developed by private concerns or governments in the United States and abroad, to the seaway and Great Lakes region; third, review data, information, reports, surveys, or other information developed either by Government or private enterprise, relative to the establishment of a deicing system; fourth, make a comparative study of the conditions and problems between areas now successfully utilizing deicing methods, and the northern U.S. ports and waterways; fifth, prepare an evaluation of the feasibility, practicability, and cost of applying such systems to the Great Lakes and St. Lawrence area.

The report should be completed and made available to the President and the Congress not later than January 1, 1963, together with such recommendations for legislative or administrative action as may be deemed advisable.

The study would also require a comprehensive review, and correlation of such factors as: water thermal conditions, geography, prevailing weather conditions, and other factors.

Initially, the program may well be applicable to only fringe areas around the lakes, enabling ports and harbors normally icebound to stay open longer into the winter season, rather than directly to the seaway itself.

However, there is sufficient promise in this field, I believe, to justify carrying out a comprehensive study which, at a future date, may well result in substantially extending the shipping season, and, eventually, providing for all-year-round commerce.

I ask unanimous consent to have the bill printed at this point in the RECORD.

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

The bill (S. 1704) to provide for an investigation and study of means of making the Great Lakes and the Saint Lawrence Seaway available for navigation during the entire year, introduced by Mr. WILEY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in view of the fact that the winter ice blockade of the Great Lakes and the Saint Lawrence Seaway is one of the most serious obstacles to the economic advancement of our country, particularly the midwestern United States, and thereby presents a hindrance to our national defense, the Chief of Engineers, Department of the Army, under the direction of the Secretary of the Army, shall make a full and complete investigation and study of waterway deicing systems, including a review of any previous pertinent reports by the Department of the Army, any available information from any of the other departments of the Government, and waterway deicing methods in use by private concerns and foreign governments, for the purpose of determining the practicability, means, and economic justification for providing year-round navigation on the Great Lakes (including connecting channels and harbors) and the Saint Lawrence Seaway by eliminating ice conditions to the extent necessary. The Chief of Engineers may submit such interim reports to the President and the Congress with respect to such investigation and study at such time or times as he deems advisable, and shall submit to the President and the Congress, not later than January 1, 1963, his final report of the results of such investigation and study, together with his recommendations, including his recommendations for such legislation and administrative actions as he may deem advisable.

SEC. 2. There are authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act.

TEMPORARY FREE ENTRY OF ARTICLES IMPORTED FOR EXHIBITION BY RELIGIOUS SOCIETIES OR INSTITUTIONS

Mr. KEATING. Madam President, I introduce, for appropriate reference, a bill to provide for the temporary free entry of religious sceneramas and other articles imported for exhibition by religious societies or institutions. This bill was passed by the House in the 85th Congress, but in light of the short time remaining before the end of the session, it was not enacted by both bodies.

I first took an interest in this matter in light of the problems faced by the Sisters of Notre Dame in Rochester, N.Y., in arranging to temporarily import certain religious objects from the Motherhouse in Canada for exhibition in the United States.

Last year when I introduced this bill, which was S. 1333, reports were received from the Commerce Department, the State Department, and the Tariff Commission. All three Departments indicated that they could find no objections to the enactment of this measure.

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

The bill (S. 1705) to provide for the temporary free entry of religious sceneramas and other articles imported for exhibition by religious societies or institutions, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 308 of the Tariff Act of 1930, as amended (19 U.S.C., sec. 1308, relating to temporary free entry for articles under bond), is amended by adding at the end thereof the following new subdivision:

"(14) Articles for exhibition by any corporation or association organized and operated for religious purposes, including cemeteries, schools, hospitals, orphanages, and similar nonprofit activities staffed and controlled by such corporation or association."

(b) Such section 308 is further amended by striking out "and" at the end of subdivision (12), and by striking out the period at the end of subdivision (13) and inserting in lieu thereof "; and".

AMENDMENT OF SECTION 406 OF THE FEDERAL AVIATION ACT

Mr. THURMOND. Madam President, on behalf of myself and Senators MORTON, BARTLETT, BENNETT, BUTLER, DOUGLAS, HART, LONG of Louisiana, PROXMIRE, RANDOLPH, SPARKMAN, and YARBOROUGH, I introduce for appropriate reference, a bill to amend section 406 of the Federal Aviation Act and ask that it be appropriately referred.

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

The bill (S. 1709) to amend the Federal Aviation Act of 1958 with respect to the ratemaking elements for the transportation of mail by air carriers, introduced by Mr. THURMOND (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Commerce.

Mr. THURMOND. Madam President, this bill is substantially the same as S. 3887 of the 86th Congress and S. 3603 of the 85th Congress.

The purpose of this bill is to make the domestic trunk airline systems ineligible for subsidy for their domestic service, and the bill would also prevent the payment of subsidy to all-cargo carriers. The authorization for subsidy for the trunkline carriers for their foreign operations would be unaffected. All other types of carriers holding mail certifi-

cates, except domestic trunkline routes and all-cargo carriers, would remain eligible for subsidy.

The original subsidy provision was written into the Civil Aeronautics Act in 1938 at a time when air transportation was an infant industry and the Congress concluded that it would need assistance to get started. The domestic trunkline system, however, is no longer operated by an infant industry, as evidenced by the fact that in 1960, gross revenue of the 11 domestic trunkline carriers was $2 billion. The Civil Aeronautics Board recently pointed out that the domestic trunkline carriers have now operated without subsidy for about 9 years.

The all-cargo lines have never drawn subsidy. The Civil Aeronautics Board issued certificates to all-cargo carriers originally, with the understanding from the all-cargo carriers that they did not want subsidy, and both the certificates originally issued and those now held by the all-cargo carriers expressly prohibit subsidy payments to them.

Mr. President, in the period subsequent to 1939 the domestic trunklines were paid in excess of $191 million in subsidy for their domestic operation. The purpose of the Congress to help an infant industry to get on its feet has been served. Now is the time to take steps to preclude a heavy potential tax burden which will no longer serve a useful purpose. Experience has proven that the domestic trunkline system can now be operated without subsidy, and there is no justification whatsoever for parts of it, or for individual companies within it, to be subsidized. Were one trunkline carrier to be awarded subsidy now that the system has proved self-sufficient, it would seriously jeopardize the stability based on competition now providing service without subsidy.

We have heard much in recent months concerning the existence of competitive advantages flowing from governmental policies allegedly enjoyed by one mode of surface transportation in relation to other modes. A repeal of the authorization for subsidy for the domestic trunkline carriers would prevent, at least in this area, the creation of an unfair advantage for the domestic trunklines over their railroad and bus competitors. At the same time this bill will put the American public on notice that the domestic trunk carriers are now competing on their own without benefit of unearned subsidy from taxpayers.

The considerations which recommended passage of this proposed legislation are not confined to the economic area, however. The passage of the bill would lead to decisions more in harmony with the public interest and to route assignment cases which are decided more on the basis of facts and less on the basis of pressures. At the present time any carrier, in determining to apply for a new trunk route, can afford to be overly optimistic concerning its ability to provide the necessary service on a competitive and profitable basis; for existing law insures such a carrier not only against financial loss but also of a profit on its invested capital. It is thus clear that it is to the interest of airline managements merely to be in the business, which is almost riskless insofar as the financial security of the airline is concerned. Once in the business, it is to the advantage of the airline management to build up the size of its route structure, because, by so doing, they acquire a greater number of local pressure groups throughout the country who will often, uncritically, support the company's aspirations. In summary, therefore, it is to the advantage of an airline management to promote a large rather than a small company; first, because subsidy claims in bad times will be larger, and, secondly, insofar as the subsidy claim is one for operating profit, that profit will presumably be a larger dollar figure than in the case of a smaller company, since the percentage will be computed on a larger dollar base.

Under the proposed legislation the carriers would merely have to shoulder the normal business responsibility of taking calculated risks in their route applications. They would be forced to make a hard factual analysis to determine whether or not they could provide the required service and operate the route profitably.

Obviously, if a particular airline company cannot do so, there would be no application for the route and no pressures on the Board to grant it.

Mr. MORTON. Madam President, will the distinguished Senator from South Carolina yield?

Mr. THURMOND. I am happy to yield to the distinguished Senator from Kentucky.

Mr. MORTON. Madam President, it is a pleasure to join with the distinguished Senator from South Carolina [Mr. THURMOND] and other colleagues in sponsorship of legislation eliminating the domestic subsidy eligibility of our trunkline air carriers.

For many years now, trunkline carriers have indicated that they no longer require Federal subsidy payments to maintain profitable operations over their domestic routes. Although small amounts have been paid to some carriers within the past 8 years, the evidence is very strong that trunkline subsidy payments are no longer necessary and that their eligibility should be terminated.

Enactment of the Civil Aeronautics Act in 1938 reflected congressional sentiment that Federal subsidy could be used to help the trunkline carriers get started. That need is long since past. The Civil Aeronautics Board in its order in the United-Capital merger case, decided April 3, 1961, rejected Capital's request for subsidy with the observation that no trunkline is now on subsidy, that with minor exceptions no payments had been made in the past 8 years, and that no other trunkline had a domestic subsidy claim pending.

The domestic trunk carriers have demonstrated that sound management practices and efficient operating economies can get the job done without having to rely on Federal subsidy. Chairman Boyd of the CAB noted in his concurring opinion in the United-Capital case that he had grave reservations that the CAB could "properly provide direct subsidy" to the trunks where nonsubsidized service is available.

Thus, as a practical matter, the CAB no longer feels the trunklines are eligible for Federal subsidy. The legislation now introduced would give full support to the CAB policy by simply eliminating the eligibility provision in the law as it relates to domestic routes of domestic trunkline carriers. Other classes, such as local-service carriers, international carriers and helicopter airlines, would remain fully eligible.

The bill would also prohibit subsidy payments to cargo airlines, none of which have received subsidy although some seek it, and to any future new classes of airlines. I certainly hope that legislation accomplishing this end can be enacted at this session of Congress.

EMERGENCY LIVESTOCK LOANS

Mr. MOSS. Madam President, I introduce, for appropriate reference, a bill to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes.

Many ranchers in my State of Utah and elsewhere in the West are in distress because of prolonged drought, imports of sheep and cattle, and increased expenses without a corresponding increase in income. A serious credit situation has developed. Immediate assistance can best be provided through reactivation of the special livestock loan program.

This program was first authorized in 1953, primarily to assist livestock owners in maintaining basic herds during the period of prolonged drought and unstable livestock prices. Under the original authority, loans could be made to new applicants only through July 14, 1957, but the authority was extended to authorize loans to indebted borrowers until July 14, 1961. Unless authority is extended by additional legislation, special livestock loans cannot be made after the July 14 expiration date.

Ranchers conducting family-type operations are eligible for consideration under the Farmers Home Administration regular operating loan program. However, this program, even if amended as recommended in the new farm legislation, is not adequate to finance many of the larger livestock operations now in trouble in my State and throughout the West.

The special livestock loan program has proved sound and highly successful in the past. Approximately $90 million has been loaned, with more than 93 percent paid back, with interest, to date. Officials of the Farmers Home Administration anticipate that total payout will be 98 percent.

The program will not require specific appropriation since the Secretary of Agriculture already has the authority under Public Law 38 to use the revolving funds provided for emergency loans for

special livestock loans. This is fortunate, since time is of the essence.

I hope my colleagues who have similar credit problems among livestock operators in their States will wish to join me in cosponsoring this legislation. I ask unanimous consent that the bill lie on the desk until Thursday to enable those who wish to join as cosponsors to do so before the bill is printed.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah.

The bill (S. 1710) to amend the act of April 6, 1949, as amended, so as to authorize the Secretary of Agriculture to make emergency livestock loans under such act until July 14, 1963, and for other purposes, introduced by Mr. Moss, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

FREE IMPORTATION UNDER CERTAIN CONDITIONS OF PICTURE FILM

Mr. MAGNUSON. Madam President, by request, I introduce, for appropriate reference, a bill to provide for the free importation under certain conditions of exposed or developed picture film.

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

The bill (S. 1715) to provide for the free importation under certain conditions of exposed or developed picture film, introduced by Mr. MAGNUSON, by request, was received, read twice by its title, and referred to the Committee on Finance.

Mr. MAGNUSON. Madam President, the purpose of the bill is to amend the Tariff Act of 1930, so as to permit colleges, academies, schools, and all institutions of higher learning to transport, without duty, into the United States, sound recordings, films, and slides, which are to be used by them in the nonprofit television and radio broadcasts.

The Tariff Act of 1930 provides for the free entry of books, maps, music, engravings, photographs, etchings, lithographic prints, and charts, by such institutions for their own use, or for the encouragement of fine arts. It fails to include new visual and aural techniques of communication and instruction.

The instant bill attempts to bring the provisions of the Tariff Act of 1930 up to date, so as to permit these educational organizations and institutions to import, free of duty, sound recordings, film, slides, and transparencies, so as to encourage arts, science, and education, over radio and television stations owned by them.

A comparable bill, Public Law 85-458—85th Congress, H.R. 7454—was passed by the Congress and became law on June 13, 1958. However, that bill extended paragraph 1631 of the Tariff Act for only the period of June 13, 1958, to July 1, 1960.

BOARDS OF VISITORS TO COAST GUARD AND MERCHANT MARINE ACADEMIES—APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. METCALF in the chair). The Chair wishes to announce for the Vice President the appointment of Senator SMITH of Massachusetts, to be a member of the Board of Visitors to the Coast Guard Academy; and the appointment of Senator MUSKIE, of Maine, to be a member of the Board of Visitors to the Merchant Marine Academy.

ASSISTANCE TO STATES FOR WATER RESOURCES PLANNING—ADDITIONAL COSPONSOR OF BILL

Mr. HUMPHREY. Mr. President, on behalf of the junior Senator from New Mexico [Mr. ANDERSON], I ask unanimous consent that the Junior Senator from Nevada [Mr. CANNON], be listed as an additional cosponsor of S. 1629, the bill to provide financial assistance to the States for comprehensive water resources planning and that at the next printing of the bill, his name be added.

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

NOTICE OF HEARING ON NOMINATIONS OF RICHARD M. SCAMMON TO BE DIRECTOR OF THE CENSUS AND LOUIS J. DOYLE TO BE GENERAL COUNSEL OF THE POST OFFICE DEPARTMENT

Mr. JOHNSTON. Mr. President, as chairman of the Post Office and Civil Service Committee, I wish to announce that a public hearing on the nominations of Richard M. Scammon to be Director of the Census and Louis J. Doyle to be General Counsel of the Post Office Department will be held Thursday, April 27, 1961, at 10:30 a.m. in room 6202 of the new Senate Office Building.

The hearing will be open to the public and will be held before the full committee.

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

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

By Mr. METCALF:

Article entitled "Interdependence Key to Mutual Welfare of Canada and the United States," written by Hon. Stewart L. Udall, Secretary of the Interior, and published in the spring 1961 issue of Inco.

CONDUCT OF FOREIGN POLICY

Mr. DIRKSEN. Mr. President, this morning I was more than a little dismayed, upon reading the Washington Post, when I noticed a statement by the Secretary of the Interior that evidently was made in the course of a television program sponsored by the ABC network. I quote from the statement:

> Interior Secretary Stewart L. Udall said last week's anti-Castro Cuban invasion was conceived a year ago by President Eisenhower and then Vice President Richard M. Nixon.
>
> "They started it and handed it over to Mr. Kennedy," Udall said in a television interview. * * *
>
> "Eisenhower directed it," he said. "Another administration carried it out."

Mr. President, frankly, I am dismayed about that statement—for a number of reasons. The first is that I think everyone who attended the conferences at the White House was very circumspect, very careful, and very restrained in any comments which were made. There was no hint of partisanship; no partisan line was drawn; and there was the utmost restraint on every conceivable occasion when we had any sessions with the press or when any inquiry was made.

Now it would appear that the Secretary of the Interior is drawing a partisan line, and is seeking to fix the blame. I hope this will not go any further, because if it does, it may call for some lack of restraint in some quarter unforeseen; and then, of course, there will be an interesting ventilation of sentiment, which will not be in the interest of the unity of the country.

I can say, for myself and my Republican colleagues in the House of Representatives and in the Senate, that we gave the President of the United States every assurance of our unequivocal support; and I give it now, and we mean to carry it out.

I trust that Mr. Udall does not want to become Secretary of the Exterior as well as Secretary of the Interior, and take over a domain in which he has no business. I would say this calls for some discipline by the President of the United States.

But I assure the President now that nothwithstanding what the Secretary of the Interior may have said or will say, we shall still unequivocally support the President and support the kind of unity that the Chief Executive deserves in an hour when he is dealing with a delicate problem.

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

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. I wish to say that I agree with what the distinguished minority leader has just now said. The President has been forthright, and has assured the American people, as well as the Members of Congress, that the responsibility in the present difficulty in which we find ourselves is his.

This is no time to look for scapegoats; this is no time to render curbstone opinions. The responsibility for the conduct of our relations with other nations rests only with the administration in power. That should be understood, and the President has emphasized that point.

A President assumes that responsibility when he takes office. In this case, the President assumed that responsibility on January 20 of this year.

But foreign policy does not come to an end with one administration, and begin

anew with the next; the slate is not wiped clean every 4 years. There is a continuity of the problems which confront the Nation from abroad, and there is a continuity of the responses of our Government to those problems, from one administration to another.

It seems to me that on the basis of the efforts made by President Kennedy to keep the leadership and other interested parties informed, he has lived up to the responsibilities he has assumed; and that so far as the conduct of the foreign policy of our Nation at this time is concerned, it rests, as it should, under the Constitution, in the hands of the President of the United States.

CIVIL DEFENSE

Mr. SYMINGTON. Mr. President, for several years now one of our colleagues, the able and forthright junior Senator from Ohio [Mr. YOUNG], has been examining the structure and functioning of the civil defense setup in this Government.

To the best of my knowledge, he has spent more time on it than all the rest of us combined.

Last Friday the Senator issued a memorandum summarizing his thinking in this vitally important defense field.

I do not necessarily agree with all the conclusions arrived at by the distinguished Senator, but am confident in my own mind that his basic position is sound.

Two points he makes cannot be denied:

First, there has been incredible waste.

Second, we do not have adequate civil defense.

In any case, I hope that every member of this body will read this interesting and thought-provoking analysis.

To that end, I ask unanimous consent that the analysis be printed at this point in the RECORD.

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

APRIL 21, 1961.

DEAR COLLEAGUE AND FRIENDS: Beginning shortly after my election to the Senate in November 1958 I commenced an intensive study of civil defense and its operations.

On February 16, 1959, I made my first speech in the Senate against this sprawling bureaucracy. From that time on to this good hour my comments on the floor of the Senate and elsewhere, and my research on the operations of the Office of Civil and Defense Mobilization have been continuing.

During this time, articles written by me appeared in the Saturday Evening Post of July 11, 1959, entitled "The Disgrace of Civil Defense," and the Progressive of December 1960 entitled "Civil Defense: Billion-Dollar Boondoggle."

What I have been trying to say, just as a trial lawyer would argue in a cause in which he believes, is in substance as follows:

Our civil defense program is nothing more than a deception. By reason of poor planning, confused thinking, negligence, maladministration, inordinately high salaries and colossal ineptitude, the paid officials and employees charged with defense of civilians in event of war have managed to squander more than $1 billion of taxpayers' money since 1951, exclusive of $100 million worth of surplus Government property turned over to civil defense agencies. I maintain it is time to abolish this billion-dollar boondoggle and adopt a realistic approach for the entire problem of civil defense in this nuclear age.

The indictment of the Office of Civil and Defense Mobilization reads like a roster of malpractice: waste, inefficiency, unrealistic, in fact, schizophrenic, planning; malfeasance; and inability to overcome public apathy which has rapidly burgeoned into widespread public resentment.

The current daily outlay for civil defense activities by the Federal Government alone is more than $120,000. State and local funds are spent at approximately the same rate. Other Federal agencies also spend money and devote staff time to civil defense projects. This amounted to $6 million last year. If the Congress had not wisely slashed the OCDM's budgetary request, Federal spending on this useless agency would be doubled for the current year. Now it appears that this agency has requested that its appropriation be doubled, and even tripled.

Of the appropriated funds, more than 60 percent has been siphoned off for salaries and expenses. Interestingly enough, more than 40 percent of the paid personnel of this agency draw salaries of $10,000 a year or more. Of the money spent for civil defense, approximately 40 percent is wrung from States and municipalities where tax dollars grow increasingly scarce, and where vital programs for schools, hospitals, and housing die for lack of funds. It is the program on the national level that spawns the growth of city and State organizations and multiplies the waste. If we cut off the head of the bureaucratic octopus in Washington, its wasteful satellites in States and cities will soon wither away.

What is the basis of civil defense planning? The blunt answer is, there is none. Civil defense plans suffer from a bad case of schizophrenia. Unbelievable as it may appear, at one and the same time OCDM officials advocate both evacuation and shelter programs. This is precisely the program urged by paid OCDM officials in Ohio and in many other States.

The theory of evacuation in this missile age is not only silly but dangerous. Enemy submarines off our coasts could hurl missiles 1,500 miles inland with accuracy. Civilians in the target areas would be lucky to have 3 minutes warning. Intercontinental ballistic missiles fired from within the Soviet Union would reach their target in 15 to 18 minutes. It is absurd even to consider evacuation under these circumstances. The thermonuclear weapon with its great speed and tremendous destructive power now makes evacuation not only impractical but impossible.

At the same time it preaches evacuation, OCDM urges a bomb shelter in backyards and basements. Various shelter plans range from Gov. Nelson Rockefeller's modest $20 billion proposal to other authoritative estimates of $100 billion. The conditions of modern warfare probably make shelter of little or no use in saving American lives. Were we to be attacked, the total destruction and remaining radioactive elements would be such that most, if not all, underground shelters would offer little, if any, protection. Hundreds of square miles would be covered with deadly contamination and the lethal effects would last not for hours or weeks, but for months, or possibly even years.

The most optimistic estimate of the devastation of nuclear attack, despite a network of shelters, places probable death at 50 million Americans with some 20 million others sustaining serious injuries. Assuming, for the sake of argument, that shelters would save lives, there is no assurance that they would not be outmoded by more advanced weapons or offer protection against an attack even more deadly than a nuclear attack—biological warfare. Will any responsible Government official and conscientious Member of the Congress support a $20 to $100 billion questionable gamble under these conditions?

For too long now, our citizens have been confused and confounded with periodic doses of psychological pablum administered by the OCDM. Americans no longer take seriously the contradictory programs of this agency. Steadily, Americans have reacted against the hysteria, the alarms, and annoying and expensive practice alerts. Reaction to the hopeless shenanigans of the OCDM has changed from an early tolerant amusement to massive indifference. Thoughtful people, judging our future by the past, are convinced that were any air or missile bases or industrial or other places in our country to be assailed by missiles or manned aircraft the President would immediately declare a national emergency and the Armed Forces would take over.

We can be proud of the hundreds of thousands of patriotic Americans who volunteered their time and efforts as civil defense volunteers. In times of disasters such as floods, fires, wind storms, they are the individuals who made sacrifices, performed nobly and on occasion suffered injuries or gave their lives while paid OCDM officials remained at telephones behind safe desks and made no sacrifices whatever. These fine men and women can and will render equally needful service as auxiliary firemen, special policemen and special deputy sheriffs. Or, a National Volunteer Disaster Corps could be created to utilize their services—an organization devoted solely to enabling Americans to help their neighbors without the doubtful leadership of the OCDM. Americans have always been good neighbors in times when their fellow citizens needed help.

The performance of the OCDM in the past makes it clear that the entire problem should be wrested from its hands and reappraised with these questions in mind: Since evacuation is impossible, would any mass shelter program be adequate? If any shelter program is practical at a cost within attainment considering our national needs and objectives, how should it be implemented? If not, what can we reasonably do beyond education and training to help our citizens in event of nuclear war?

My view is that the defense of our civilians is a vital part of our national defense—too important to be entrusted to civilians wearing armbands. As in Canada and England, it should be under the direction of those trained and experienced in defense—the Armed Forces of the United States. Defense of civilians is surely a major factor in the defense of our country.

A task force called the Committee on the Defense Establishment, headed by Senator STUART SYMINGTON, and including many of the Nation's foremost authorities on our defense needs, reported to the President that there should be established a unified command in charge of the National Guard and organized reserve elements of all the services. In addition to its other functions, this command would be responsible for civil defense. Placing civil defense within the Military Establishment is the logical and only effective means of providing adequate defense of civilians. National Guardsmen and members of the organized reserve could be given special training, education, and responsibilities on all matters of civilian defense. Millions of dollars wasted on civil defense during the last 10 years could be saved.

Coupled with this, we should initiate a vigorous and continuous campaign of education on realistic self-protection in a nuclear war using all media of communication

at our command—television, radio, newspapers, magazines, and our schools. Courses on lifesaving, protective measures for lifesaving and aid to survival procedures could be taught and explained to our people.

In naming Frank Ellis to be director of the OCDM, President Kennedy said that his first responsibility was to review the structure and functions of this agency. I recently received a letter from Lawrence F. O'Brien, special assistant to the President, in which he said: "It is the President's feeling that civil defense should be organized and performed with maximum effectiveness at minimum cost to the taxpayer consistent with the national security, and that he (Frank Ellis) should work through the existing organizations of established Government agencies in order to utilize police, firemen, etc., and the Red Cross to the fullest.

President Kennedy's appointment of Frank Ellis is an excellent one. Mr. Ellis was the head of a prominent New Orleans law firm and has made a financial sacrifice in accepting public service. He brings far greater qualifications to this post than his predecessor, Leo A. Hoegh, who was appointed to this $25,000-a-year position after the citizens of Iowa denied him a second term as Governor. Citizens of Iowa evidently considered him undeserving of the $12,000 a year he received as Governor of that State. Incidentally, Leo A. Hoegh, who ceased to feed at the public trough on Inauguration Day, is now executive vice president of the Wonder Building Corp. of America, located in Chicago. This corporation constructs and seeks to sell and install in Federal buildings and public buildings generally, steel fallout shelters. He is in charge of this company's shelter division.

Civil defense, as it has been operated on National, State, and local levels, is a myth. It is based on theories as outmoded as mustache cups, tallow dips, and Civil War cannonballs. In this nuclear age there can be no adequate civil defense program. We should devote efforts to the utmost toward seeking a peaceful solution to the world's problems and at the same time keep our Armed Forces strong. This is our only permanent shelter.

Surely our only shelter is a strong and prepared Military Establishment. We must continue to be alert and powerful in the air, on the ground, and with our Polaris submarine strength. The men of our Armed Forces, adequately equipped and trained, are the only real defense upon which our civilians depend.

May I respectfully present my views to you, my colleague. It is my hope that when the appropriation bills containing the budget requests of the Office of Civil and Defense Mobilization come before us, you will keep in mind the tremendous waste of the past. I feel certain you will.

Sincerely,

STEPHEN M. YOUNG,
U.S. Senator.

ADDRESS BY HENRY FORD II

Mr. HART. Mr. President, on Thursday last, before the Minneapolis Junior Chamber of Commerce, there was delivered a most significant speech. Any utterance which manages to penetrate in the press of this country as deeply as the speech to which I refer, at a time when the Cuban crisis crowds the front pages, as it does, is a most significant utterance indeed.

I am proud to ask unanimous consent that the address of a distinguished citizen of Michigan and of this country be made a part of the RECORD. I refer to the address of Henry Ford II, chairman of the board of Ford Motor Co., delivered to the Minneapolis Junior Chamber of Commerce. The address is a most eloquent reminder, eloquent in its simplicity and its directness, and reflects a sensitivity which the business leaders of this country should welcome.

I ask unanimous consent, additionally, that a column entitled "Executive of Principle," which appeared in the New York Times of Friday, April 21, describing, very aptly, Henry Ford II, be also printed as a part of the RECORD.

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

(See exhibits 1 and 2.)

Mr. SALTONSTALL. Mr. President, on February 9 of this year I discussed briefly in this Chamber the price-fixing and bid-rigging case involving certain electrical industries. I mentioned that these developments tended to shake the public confidence and undermine the national will needed to enable us to remain a strong, free nation, particularly in the light of the Communist threat.

Last week Mr. Henry Ford II, chairman of the board of the Ford Motor Co., delivered an able address in Minneapolis which I consider expresses the strong sense of principle and conscience which this Nation particularly needs, and which I feel more accurately represents the true nature of our business community. Mr. Ford is to be commended for his precise and forthright remarks, and I commend them to the Senate's attention. I therefore join the junior Senator from Michigan in requesting that the full text of the address be printed in the RECORD.

Mr. KEFAUVER. Mr. President, I join in the request for the printing in the RECORD of the most penetrating speech on April 20, 1961, by Henry Ford II, chairman of the board of the Ford Motor Co. The address was given at the annual bosses' night dinner of the Minneapolis Junior Chamber of Commerce. In the speech, Mr. Ford stressed the fact that, like all other segments of our society, businessmen, in their role as managers of our great corporations must exhibit a sense of responsibility to the public as a whole. He stated that the American corporation "must assume responsibilities beyond its traditional function of making money for the stockholders"; and he went on to say:

Too fast and too close together for comfort we have had a series of falls from grace involving some of our oldest and most respected business firms. As a director of one of the electrical goods manufacturers, and as a chief executive officer of an automotive manufacturing business, my concern is more than academic. In addition to price-fixing convictions in the one industry and conflict-of-interest charges in the other, congressional committees, in still other industries, have turned up evidence of widespread collusion between corrupt unions and equally corrupt management. Let me note that, whatever differences our company may have had with the UAW (United Automotive Workers Union) we have developed a genuine respect for the determination of its leadership to keep it free of corruption.

The speech of Mr. Ford reflects a high level of industrial statesmanship.

Many of us on the Senate Antitrust and Monopoly Subcommittee have been impressed with the lack of appreciation of the vital importance of our antitrust laws on the part of many persons who have appeared before our committee. I feel that one of the important problems for the Congress, the executive agencies, and the public generally, is to endeavor to secure a better appreciation of the importance of the antitrust laws and the necessity for their improvement and enforcement. We must lose no opportunity to point out the importance of competition and fairplay in the economic picture. It is the heart of our free, competitive enterprise system.

Price rigging and illusive arrangements of the kind that we have seen among some in the electrical manufacturing industry strike at the very heart of the American economic system and only make a mockery of the laws and ordinances of the Federal Government and local governments in regard to secret bidding in an effort to secure a reasonable price. I hope that more leaders of American industry will speak out, as Mr. Ford is doing, in favor of a more competitive system.

I think the current hearings of the Monopoly Subcommittee on the electrical manufacturing industry are making an important contribution in this regard. Efforts are being made to require these hearings to be held in executive session. Much would be lost if that were permitted. I favor a continuation of full open hearings.

EXHIBIT 1

I want to speak this evening on a subject that I believe merits our immediate and serious attention.

Our American industrial system has long been one of the most outstanding accomplishments of our society. We started out as a pioneer people, fervently independent and individualistic, and we built an economic system to match. With time there came increasing complexity in our society and certain excesses in our corporate behavior. Laws were passed and the untrammeled freedom of business action was restricted. On the whole, it was wisely restricted, so that America was able to enjoy the benefits of substantially free competition, risk capital, and profit incentive without the social and human abuses that often attended early-day capitalism.

Because of its early excesses, as we all know, business fell under a cloud and for long years became the scapegoat for many of the Nation's problems, a whipping boy for most of its griefs. Chastened by antitrust laws, squeezed in the giant wringer of the great depression and restricted by the emergence of huge and powerful labor unions, the American corporation painfully learned that it must assume responsibilities beyond its traditional function of making money for the stockholders.

It learned that, however legal and proper its actions, to act in terms of profit and loss alone was not quite good enough. Something more was required—a positive awareness of national goals and objectives, social as well as economic, and an effort to make its actions conform as much as possible with the prevailing tides of public opinion.

In the past 20 years, there has been a material change in the whole outlook of our larger business enterprises, a change toward far greater social maturity and responsibility. Business today understands well how its actions may impinge not only on the

lives of individuals but also upon the goals and the policies of our Nation both at home and abroad.

A MIRROR OF SOCIETY

This maturing process did not take place in a vacuum. The business corporation is a mirror of society. It exists at the sufferance of society to serve the broad purposes of society. It reflects at most times the prevailing ethical, moral, and even cultural values of society. More particularly, it tends to reflect the values of the people at the top levels of management.

One of the many fascinating things about a business corporation is that—in its daily life, and not merely in the legal sense—it does take on many of the attributes of a person. It may have quite a distinct personality. It may be liked or hated with real emotion. It may be venal and greedy, negative and reactionary, pompous and self-righteous, just like some people; or it may be full of good will and a sense of public service, adventurous and confident, open and forthright—just like some other people. It may be corrupt, shady and dishonest, like a few people; or honest and law abiding—to the best of its ability—like most people.

One thing that most corporations—like most people—cannot do is to succeed in creating the impression that they are something other than what they really are. No amount of false front will keep the real character of your company or mine from showing through.

Another important similarity between people and corporations is that both tend to behave as people expect them to behave. Though the business enterprise, like any person, must earn and deserve the respect of society, it too can be discouraged and disheartened by an atmosphere of constant hostility, suspicion and criticism.

COLLUSION IS DECRIED

I am concerned, as I am sure many of you are, at a recent chain of events that could arouse broad popular distrust and that could revive old and worn-out hostilities toward American business and industry. Too fast and too close together for comfort we have had a series of falls from grace involving some of our oldest and most respected business firms. As a director of one of the electrical goods manufacturers, and as the chief executive officer of an automotive manufacturing business, my concern is more than academic. In addition to price-fixing convictions in the one industry and conflict-of-interest charges, in the other, congressional committees, in still other industries, have turned up evidence of widespread collusion between corrupt unions and equally corrupt management. Let me note that, whatever differences our company may have had with the UAW (United Automotive Workers Union) we have developed a genuine respect for the determination of its leadership to keep it free of corruption.

It would indeed be a sad thing if the good will and confidence that business has laboriously built up over the years should now be washed away at this very critical juncture in our history.

I am sure all responsible people would hate to see a return of that national pastime of the 1930's—business baiting—or, for that matter, an outbreak of labor baiting or any other kind of diverse attacks on American solidarity.

We have vast national problems to solve at home and abroad, problems of chronic unemployment and economic breakthrough, problems of competing more effectively in world trade, problems of leading the free world in strengthening freedom and economic progress in vast continents being courted by international communism.

I think it may be no exaggeration to project the 1960's as the most critical and far-reaching 10 years in the history of the world. In such a decade, America needs more than ever before an atmosphere of mutual trust and confidence among such major elements of our society as industry, labor, and government. Without that confidence, we will not only be far less effective in meeting the goals of our country, we will present to the world at large the image of a quarrelsome, divided and possibly corrupt society. World communism could not ask for a better gift than this.

ASK FREEDOM TO COMPETE

When I say this, I am not suggesting for a moment that we should abandon the real benefits of vigorous competition. Neither am I suggesting that American businessmen—or unionists or farmers or any other element in our society—should suddenly play dead, that we should transform ourselves from a society of freemen to a country of docile followers. Freedom to compete, to differ, to dissent, to criticize, to urge change—these all are a cherished part of our heritage as Americans, of the values that we seek to defend against the onslaughts of communism. Most of the world, I believe, understands these basic things about our country, and multitudes of its people long for them. But there is a difference between the kind of earnest, healthy, rational debate that forwards America's interests—indeed, is essential to the workings of the American system—and the kind of internal warfare that can weaken it.

No doubt there are those who will say that it is neither necessary nor wise for us to wash our business linen in public, that by talking about these things we will draw attention to them and, by so doing, foster the impression that things are much worse than they actually are.

I don't agree, I think what has happened has very grave implications for all of us in business. I believe we need to think very hard about what we can do, individually and collectively, to reduce the likelihood of such things continuing to happen. If they still happen now and then—since sin has never been entirely eliminated—we need to think about how business can handle itself so as to minimize the unfavorable impressions that result.

Of one thing I am sure, the confidence and faith of the American people in business—particularly in the big corporations that play so vital a role in our whole life—will not be strengthened by alibis, excuses, or counterrecriminations.

If we are to preserve the good name of our respective companies, we must be sure that management does everything reasonable in prudence and good sense to prevent such things happening, and takes swift and sure corrective action when the occassional misdeed does occur. At the very least, the top operating executives are responsible for establishing strong and explicit policies concerning the conduct of employees under the law and in conformance with high ethical standards.

EXECUTIVES URGED TO ACT

These executives also are responsible for communicating these policies to their employees and making sure they are understood. Let me emphasize that this is not a simple or a routine matter. It must be carried out with the utmost thoroughness and intensity. Employees at all levels must be made to feel in their bones that their company's codes and policies mean exactly what they purport to mean.

Finally, it is the responsibility of the executives to punish swiftly and impartially violations of those policies at whatever level of the business they may occur. If they are firm in this, there will be far less danger that subordinate officials will apply their own standards of judgment and conduct in place of the company's.

In other words, it is the job of our corporate executives to keep their own houses in order. If and when they fail to do so, the housecleaning job certainly will be put in less friendly hands.

I believe these recent happenings should alert outside directors to the need to be aware of the pertinent codes and policies of the companies on whose boards they sit. Normally, the outside director has only a broad picture of the business and cannot be completely familiar with the day-to-day operating details. But, when serious improprieties occur, all companies, whole industries and individuals, whether legally responsible or not, suffer the consequences of an inflamed and properly outraged public opinion.

Comforting as it may seem, and true as it may be, I am afraid it is little use—for instance—to drag out the old bad-apple alibi to explain away things—the idea that there are always a few bad ones in every barrel. In my opinion, it is up to business to find the bad apples in the barrel, if there be any, and clean them out before they contaminate the whole.

And it does even less good to yell foul and blame all our troubles on those so-and-so's in Washington, out to smear business all over again. Like all of you, I read the newspapers and I have recently read that the Kennedy administration is now showing its true colors and that the honeymoon with business is now over, that the President's Advisory Committee on Labor-Management Policy, of which I am a member, is a Trojan horse devised to impose wage and price controls on the economy.

KENNEDY POLICY DEFENDED

I don't happen to believe this is true. Thus far, I have seen no reason to draw such a conclusion. President Kennedy in a talk to the National Industrial Conference Board, said—and I certainly agree with him—that the revenues and the successes of his administration depend on business profits and business success, that far from being natural enemies, business and Government are necessary allies. He pointed out that the 1960 drop of $6 to $7 billion in corporate profits cost the Government enough taxes to pay—and I quote the President—"the Federal share of all our antirecession, health and education proposals for the next fiscal year, and still have enough left over to start closing what the Democrats and this administration used to call the missile gap."

The President also said this: "If * * * business and Government are necessarily partners, what kind of partnership is it going to be? Will it be marked by mutual suspicion and recrimination, or by mutual understanding * * * us spectacle of old-fashioned and fruitful collaboration?"

I, for one, don't believe America can afford the ludicrous spectacle of old-fashioned guerrilla warfare between business and Government; certainly not in this moment in history. We need all the energy we can muster to fight Communist economic aggression. Without ceasing to uphold the things we in business believe are right, we have got to learn to live in decent dignity and mutual respect with our Government.

There is really only one thing for top executives to do at such a time as this. That is to forget the alibis and the explanations and have the fortitude—the plain guts—to stand up and say: "This is our failure. We are chagrined and sorry. It will not happen again."

Since it has happened, I think that we now run a serious risk of having codes with sharp teeth imposed on business, not by chambers of commerce or associations of manufacturers, but by a Federal legislature. Because such codes would further restrict

the areas of free business action and decision, it is up to us in our various companies and industries to see to the establishment of our own formal principles of ethical practice, plus the effective means of self-policing those principles.

ASKS UNSHAKABLE INTEGRITY

I recognize that no amount of law, no amount of written codes of ethics or pious promises will take the place of a rigorous and unshakable integrity in the total conduct and in the ideals of industrial management.

I do not agree that the time has come, or is likely ever to come, when a corporation should assume social or political or other nonbusiness roles. I believe business corporations will continue to serve society best by individual companies vying to achieve maximum long-range profitability consistent with the public interest.

Nor do I believe that industry should submit supinely to domination by the ideas of other groups in the society with which it may not concur.

Let me be specific. It is a fact well known to businessmen and lawyers, but often not to laymen, that there are many areas of law, and particularly of antitrust and monopoly law, that it is highly difficult to be sure not to violate in the normal course of business.

Along with most businessmen, I believe that strong and effective antitrust law is essential, that it preserves competition and over the years has benefited all groups in our society, business included. But it is important that we understand that, in broad areas of action, the law is far from a clear guide.

As our general counsel explains it, the Sherman Act, which has cast a long shadow over American industry for 70 years, has worked mainly as a kind of enabling legislation. It has allowed "judges—in the particular economic and social climate of their particular days—to apply the brakes to a course or trend of conduct that—in its context—looked unhealthful. Antitrust laws are never in a state of being; they are constantly in a process of becoming. You can never close the book and say that now we know what we cannot do."

That is a lawyer's view. I could add that in numerous specific actions involving matters of pricing, dealer relations, acquisitions or mergers, you simply can't expect to get in all cases a consensus from lawyers as to whether what you want to do is lawful or unlawful.

Business must often act in a legal no man's land, moving on the advice of counsel—if indeed it is aware of the need for counsel—and not knowing whether at some future time it may be found in violation of antitrust or other laws.

Through sheer excellence of performance, superiority of product, efficiency and aggressiveness a company may come to so dominate a market as to bring itself in violation of the law for monopolizing, under section 2 of the Sherman Act.

In industries where there are large complex sales organizations, distributors and franchised dealers you walk a constant legal tightrope. A few months ago Ford Motor Co. entered a plea of nolo contendere in an antitrust pricing case where, unfortunately a subordinate district sales employee of ours did not realize that he had legal problems on his hands, and did not clear it with counsel. His was not the only fault. It was also the fault of our management for failing to communicate effectively with the field, for failing to instruct the field personnel fully on the details of proper conduct.

Unfortunately, whenever you are hailed into court, or asked to testify before a committee of Congress, the popular supposition is likely to be that you are up to no good, probably guilty of willful wrongdoing, and very possibly a bunch of crooks.

Great caution should be exercised by the courts, legislatures, and press, particularly in vague areas of antitrust and monopoly, to let it be understood that the mere fact that you are sued, investigated, or even indicted—or that Senator ESTES KEFAUVER's committee disagrees with how you price your products—that all this does not necessarily mean that you are crooked, unethical, or even wrong. A distinction should be made between the obviously criminal situation and that in which the court's purpose is to define, clarify, or correct a situation. Otherwise, irreparable harm may be done to ethical firms and their management acting, to the best of their understanding, within the law and in the best interests of stockholders and the public at large.

DISAVOWS A LOOPHOLE

But, in making this comment, I do not mean to offer business a loophole through which to escape the requirement to deal fairly and ethically.

There is one and only one way for business to keep its skirts clear; that is to insist that top management maintain the highest standards of integrity in all aspects of business operation.

Perhaps more than anything else, our integrity will be reflected in the products we offer. I believe today, more deeply than ever before, that the future of the company I represent, indeed of our whole industry, depends directly on our ability to produce products that perform exactly as we say they will perform, products that establish their own standards of integrity—of quality, durability, and dependability.

Indeed, gentlemen, all American industry will be judged before the court of world opinion on the basis of its success or failure in maintaining high integrity in its actions, its products and its services. We live in a world that is bigger than our own world and must compete with products from all over the globe—many of them of the highest integrity of manufacture. We must compete also with a way of life, an ideology, an imperialist system that seeks every opportunity to hold us and our economic way of life up to scorn.

Around the world, we are often described as a corporate society. If that is so, and if it is judged that the corporations are corrupt, then it will be assumed that the society itself is corrupt.

So I would like to suggest that all of us in business management take a new long look at ourselves and all our business practices. I suggest we look not only at the obvious areas of danger, where we may run afoul of the law, but also at those borderline areas of corporate action which might have unfortunate social consequences for our fellow man.

Morality is not just avoiding price fixing or conflict of interest. Obedience to the law is not enough. The law is negative. It tells us only what we must not do. As Crawford Greenewalt, president of Du Pont, has suggested: We in industry must be concerned more specifically with "obedience to the unenforcible—the things we do, not because they are required but because they are right. This strength is more potent and compelling than the law."

A corporation may be primarily a producer of goods, but it is more than just that; it is a small society within society, one with motivations, with rules and principles of its own. It is a purposeful organization that can and must give more than just money to those who serve it, and those it serves. It should reflect in its daily actions the principles and aspirations of our society in its finest tradition. If it does so, I have no fear for America's ability to stand strong and free before the world for long and good years to come.

EXHIBIT 2

EXECUTIVE OF PRINCIPLE: HENRY FORD 2D

Henry Ford 2d regards himself primarily as a businessman and an industrialist who maintains in both his corporate and personal responsibilities a high ethical standard.

In a speech before the Minneapolis Junior Chamber of Commerce last night, the burly, dynamic descendant of one of America's noted free-swinging, free-enterprise industrial pioneers issued a challenge to all the Nation's corporation executives to "keep their houses in order."

The man who told business leaders they should have the "plain guts" to declare, "This is our failure. We are chagrined and sorry. It will not happen again," is a member of the board of the General Electric Co. He was challenging it, and all industry, to maintain orderly houses on the heels of a "recent chain of events that could arouse broad popular distrust."

The reference was to recent convictions of electrical industry executives for price fixing.

As both an industrialist and a philanthropist, Mr. Ford has sought to fix in the public mind a picture of him and his enterprises as a sharp delineation of high principle.

CHIEF AIM IN LIFE

His closest associates feel his chief aim in life is to guide his giant enterprise into a preeminent position as a leading producer of automobiles.

Yet such acts as the Ford Motor Co.'s recent gift of a $10 million university center in Dearborn, Mich., underline the fact that Mr. Ford's major interests extend far beyond the making of cars.

Indeed, his activities as philanthropist, civic leader, participant in international affairs, and philosopher of business have come to be as important, at least in the public mind, as his role of Detroit manufacturer.

His achievements have not been easily attained. He was born September 4, 1917, to high position, but his career has been a struggle to maintain and enhance the status he inherited.

At Yale, Mr. Ford made a move that foreshadowed the present-day breadth of his interests: he dropped his initial studies in engineering to major in sociology.

After Yale, he was commissioned in the Navy and was getting ready to begin wartime oversea duty when his father died in 1943. The late Edsel Ford had been president of the Ford Motor Co., and the Navy released young Henry at the age of 26 to handle company affairs.

The business was run like a country store. It had dropped its leadership in the automobile field in the 1930's, and had begun to lose money at an alarming rate.

A pistol-toting, antilabor man, Harry Bennett, was overall executive and with Henry Ford, he exercised a capricious tyranny over other company officials.

In the end, old Henry relinquished the presidency to Henry 2d (the last official act of the old man, who died in 1947 at the age of 83) and agreed to Mr. Bennett's dismissal.

DRASTIC REORGANIZATION

Young Henry promptly led a drastic reorganization of the sprawling Ford empire. He brought in a former General Motors man, Ernest R. Breech, to act as executive vice president and work with other aids in instituting decentralization and other essential efficiency moves.

Ford began to hum and make profits again. Today it ranks second in the industry to the General Motors Corp.

Increasingly of late, Mr. Ford has been a leading voice in expressing the views of enlightened business leaders. He received the first annual Voice of Business award in 1955 from the Society of Business Magazine Editors for making the most substantial contribution to industry "in leadership,

in business ethics, and in making it understood that most businesses are conducted with careful regard for the public interest."

Robust, straightforward, and emotionally uncomplicated, Mr. Ford has a cheerful disposition and the likes and dislikes of most other Americans. He is brown haired, dresses immaculately, and usually has a Florida suntan. Golf is his major hobby.

He lives a comfortable but decidedly not lavish life at his brick colonial house in fashionable Grosse Pointe, outside Detroit. He has a house in Florida where he spends some time in the winter, and another in Southampton, Long Island, for summer visits.

He became a Roman Catholic under the tutelage of Bishop Fulton J. Sheen before marrying a Catholic, Anne McDonnell of the wealthy New York McDonnell family, when he was a senior at Yale. The wedding, held at Southampton, was one of the great social events of the time.

Mr. and Mrs. Ford have two daughters and a son.

EXPENSE ACCOUNTS

Mr. GORE. Mr. President, one of the loopholes recommended for closure by President Kennedy is "expense account living." This is a rather strange phenomenon which has sprung up in recent years. This is made possible by a tax loophole in which many seem to feel they have a vested interest.

I was amused, and at the same time somewhat surprised, by the article regarding this which appeared in the New York Times on April 21, written by Mr. Charles Grutzner.

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

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

HOTELMEN FEAR EXPENSES CURB—CREDIT CLUBS ALSO CONCERNED—YACHT BROKER CONFIDENT

(By Charles Grutzner)

"Let's have another martini on the expense account—we might have to pay for them ourselves before long," said a business executive to an advertising man in the Twenty-one Club yesterday afternoon.

Before the first commuter train pulled out of Grand Central Terminal this invitation was repeated in many bars in the business district. It was said, in most cases, with a laugh but there lurked behind some of the joking a real concern over President Kennedy's request to Congress to rewrite the income tax laws so as to eliminate "expense account living."

The spenders who run up company bills for "business entertainment" and the restaurateurs, hotelmen, theater and sports entrepreneurs, yacht brokers and others who make out the bills expressed varying views on the President's special message of yesterday.

While the President's message made it clear he wanted to have yachts, hunting lodges, summer homes, and other such luxuries eliminated as allowable corporate deductions, it was left unclear, pending the introduction of the proposed new tax laws, how far down the line the administration intended to go in curbing allowable deductions for food, drink, and other lesser inducements to cordial relations between buyers and sellers.

HOTEL MEN CONCERNED

Fear was expressed by the Hotel Association of New York City that a clamping down on the entertainment deductions would seriously hurt hotel business here and might affect the entire economy of this city. Aside from what business travelers spend for rooms, food, and drink, many bring their families on trips to New York and charge at least part of the costs to business expenses.

About half of the billings of the Diners' Club are made out to business concerns instead of individuals. The club, with about 1 million cardholders in the United States, did $165 million business last year. It is only one of several credit clubs whose members charge it for travel, hotel accommodations, food, drink, gifts, and other purchases or services.

"We do not know what part of the billings to companies or to individuals are listed by them as tax deductions," said Matthew Simmons, vice president of the Diners' Club.

EFFECT ON YACHT BROKERS

The proposed ban on company-owned yachts as tax deductions may result in a few less moderate sized yachts but will not affect the really big ones, according to one of the Nation's leading yacht brokers.

Drake Sparkman, president of Sparkman & Stephens, Inc., said the biggest of the company yachts—those over 80 feet—were operated for corporations so big that the vessels were owned by their foreign subsidiaries and thus did not come under the U.S. income tax laws.

Mr. Sparkman said there were a few hundred yachts here, between 60 to 80 feet long, owned by private individuals or companies. He said the private owners were in many cases company executives who kept a careful log and charged as business expenses only a share of the costs. Such a moderate yacht might require $50,000 a year to operate with a crew of three.

PRACTICE IS DEFENDED

Defending a liberal allowance for legitimate deductions for business entertainment, Bob Kriendler, a partner in the Twenty-one Club, waved a hand toward the 450 persons at lunch yesterday in the restaurant at 21 West 52d Street.

"A good 40 to 50 percent of them are businessmen who came here for the specific purpose of discussing a deal with other businessmen," Mr. Kriendler declared.

The luncheon check for two, likely to be somewhere between $15 and $20 with a drink or two, should remain a legitimate business deduction, Mr. Kriendler said.

A similar view was expressed by Jerome Brody, president of Restaurant Associates, whose 30 establishments range from such high temples of gracious dining as the Four Seasons and the Forum of the XII Caesars to modest eating places like Riker's. He said there had been too much exaggeration of high spending on expense accounts at the city's better restaurants.

An internal revenue official, who requested anonymity, said the President's proposed clampdown on tax-deductible company yachts, company summer homes for its executives and their families, and other perquisites of that sort would be an extension of steps already being taken by the Internal Revenue Service.

SOME CASES RECALLED

WASHINGTON, April 20.—A businessman once deducted as a business expense the cost of his daughter's debut because many of his customers were invited.

Another tried to charge off a swimming pool, listed it as a water purification experiment.

A funeral-home operator deducted the costs of a vacation because he took some business photographs—pictures of different types of tombstones.

And still another businessman claimed his personal grocery bill on the ground his wife often met important contacts at the market.

Cases of this kind, and more in the files of the Internal Revenue Service, lay behind President Kennedy's tax proposal.

Mr. GORE. Mr. President, in addition to the usual complaints from hotel and restaurant men who fear there will be less luxury-type spending if people must use their own money, some rather shocking points are brought out.

A partner in the Twenty-one Club, where, according to this report, a modest luncheon for two costs between $15 and $20, feels that 40 to 50 percent of his luncheon clientele are businessmen eating and drinking at the expense of the taxpayers while discussing a deal with other businessmen. I am not sure that other taxpayers feel inclined to contribute to the cost of their Twenty-one Club bills.

The point, though, which really intrigues me most, is the one concerning yachts.

Mr. Sparkman, a yacht broker, is reported to have said that the really big yachts belong to foreign subsidiaries of American corporations, and it is intimated that, since these subsidiaries do not pay taxes anyway, no harm will be done.

This tends to confirm my view that many foreign operations have no legitimate purpose, or, if they have a legitimate purpose, their operations are carried out in such a way as to make a mockery of our tax laws, while at the same time doing possibly untold damage to our foreign relations.

I have written a letter to Mr. Sparkman to ask for a list of yacht owners, both in the 60- to 80-foot category and in the over 80-foot class. It is this latter type of yacht which, I gather, does not enter the tax picture, since their operation is so expensive. These yachts are owned by companies which pay no U.S. taxes at all.

WASTE OF ARMY FUNDS

Mr. GORE. Mr. President, we are all too familiar with the vast defense expenditures, and the correspondingly heavy taxload, necessitated by our perilous times.

Certainly, no patriotic citizen or conscientious Member of Congress can turn his back on any legitimate call for funds by the military services. Deliberate waste is quite another matter.

I had hoped that the new administration, with fresh personnel at the top, would be more aggressive in supervising the military, and in putting a stop to some of the time-honored, but wasteful, practices we have, perhaps, come to expect.

One of the most cherished and time-honored practices among the armed services is the annual rush to expend all funds for maintenance and training before the end of the fiscal year. It seems that no activity wants to turn back unexpended funds for fear of getting a cut the following year. This is a sort of monetary Parkinson's law.

It now appears that the Army has certain funds left over for the training of Reserve personnel. If this money is not spent before June 30, it will no longer be

available. Therefore, the XXI Corps, the headquarters which handles Army Reserve affairs in this area, last week sent out the following telegram:

1. An immediate requirement exists at this headquarters for USAR officers to perform 30- to 60-day tours of active duty for training. Following criteria apply:

(a) Grade of captain or above.

(b) Desired MOS: 2110, 2200, 2260, 2162, 9300, 6000, 9310, tech service MOS's. (Requirements are not limited to aforementioned MOS's; all interested officers should apply regardless of MOS.)

(c) Tours commence as soon as possible. All tours terminate not later than June 30, 1961.

2. Request action be taken immediately to contact interested USAR officers. DA Forms 1058 should be submitted soonest. DA Forms 1058 will be endorsed by SUAS for nonunit officers; endorsed by unit commanders and SUAS for unit officers; 201 files must accompany DA Forms 1058 submitted by unit officers.

3. USAR officers will be placed on active duty for training with XXI Corps, and probably with sector headquarters, subsector headquarters, and USAR centers. Forwarding endorsements by SUAS should indicate whether or not subject officers' services are required and desired at sector headquarters or USAR center of origin.

I note some rather striking points in this telegram:

First. All tours must terminate by the end of the fiscal year—a clear indication that this is a deliberate attempt to use up this year's funds.

Second. Although administrative personnel are called for, it is hastily added that all are welcome.

Third. Although the telegram states that a requirement exists at the headquarters of XXI Corps for the people, lower headquarters are called on to see if they cannot dig up some excuse for asking that some of these people be detailed for duty with these lower headquarters. Evidently there is more money available than can be used at Indiantown Gap without obvious and embarrassing overcrowding.

Mr. President, I do not know whether similar telegrams have gone out from the other corps headquarters around the country concerned with Reserve affairs, or whether the Navy and Air Force are also taking similar action. I would venture to guess that all the services are engaged in similarly wasteful activities.

This may be a small thing. The sums involved may be only a few hundred thousand dollars, but we must make every dollar serve a useful purpose. I hope the Secretary of Defense will take action on this matter.

THE VERSATILE SALMON

Mrs. NEUBERGER. Mr. President, the versatile salmon is no stranger to Oregonians. King salmon often serves as the main course of a dinner or luncheon prepared by an Oregon chef. Fresh from the Columbia River or canned, the salmon is a cook's joy.

Broiled, baked, served in a bisque, or made into a salmon loaf, this fish is a true delight to the satisfied consumer everywhere.

The New York Times magazine of April 23, 1961, carried an article entitled "Salute to Salmon," which gives a brief historical background of salmon lore. A portion of the salute contains recipes for salmon use.

I ask unanimous consent that a portion of this article by Craig Claiborne be printed in the RECORD.

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

SALUTE TO SALMON

(By Craig Claiborne)

Of all the fish that swim there are few that enjoy the gastronomic favor of salmon. A Welsh proverb makes the claim, baseless perhaps, that it is the cleanest of fish, and it also has long been admired as among the most beautiful creatures of the deep. Edward and Lorna Bunyard, in that estimable tome "The Epicure's Companion" (E. P. Dutton & Co., Inc., 1937), place salmon in that "royal family of unquestioned greatness who reign over every feast of distinction where connoisseurs gather."

Salmon has not always held such lordly rank. It is said that a couple of hundred years ago the mouths of Scottish rivers were so glutted with the fish that they were given to servants as the meanest sort of wage. On occasion indentured Highland apprentices had to stipulate their willingness to eat salmon "thrice a week" in order to get employment.

For some peculiar reason salmon also was once associated with insobriety. According to Charles Dickens, when Mr. Augustus Snodgrass, a charter member of the Pickwick Club, returned from an annual cricket match, his was a condition to alarm the ladies.

" 'Is anything the matter with Mr. Snodgrass, sir?' inquired Emily (the host's daughter) with great anxiety.

" 'Nothing the matter, ma'am,' replied the stranger. 'Cricket dinner—glorious party—capital songs—old port—claret—good—very good—wine, ma'am—wine.'

" 'It wasn't the wine,' murmured Mr. Snodgrass, in a broken voice. 'It was the salmon.' "

There are several bodies of water that are famous for this prince of fishes. Probably the most notable is the Loire River of France. In America, salmon comes from the oceans and—in season—from the rivers of both the east and west coasts. The peak of the season will be reached within the next few weeks.

Tinned salmon is available, of course, the year round and it is a creditable ingredient in many cooked dishes.

SALMON NEPTUNE

One 1-pound can of salmon, drained, boned and flaked.
Two cups fresh breadcrumbs.
One-third cup sliced pitted ripe olives.
One cup grated sharp Cheddar cheese.
One-half cup finely chopped parsley.
One cup milk.
Three eggs.
One-fourth cup minced onion.
One teaspoon salt.
One-fourth teaspoon freshly ground black pepper.
One-fourth cup lemon juice.
Additional sliced pitted ripe olives for garnish.

1. Preheat the oven to 375°.

2. In a large mixing bowl combine the flaked salmon with the breadcrumbs, sliced ripe olives, grated cheese and parsley.

3. In a small mixing bowl mix lightly with a fork the milk, eggs, minced onion, salt, and pepper.

4. Add the milk mixture and the lemon juice to the salmon-breadcrumb mixture and mix thoroughly.

5. Pack into a well-greased 1½-quart mold or a 9- by 4- by 2-inch loaf pan.

6. Place the mold or loaf pan in a larger pan containing water 1 inch deep. Bake until set, about 1 hour.

7. Let the mold stand 5 minutes. Then turn it out onto a serving dish and serve garnished with additional sliced olives.

Yield: Six servings.

SALMON EGGS MONTAUK

Six hard-cooked eggs.
One 7¾-ounce can of salmon, drained, boned, and flaked.
One teaspoon minced onion.
One pimento, chopped.
One-fourth cup mayonnaise.
One tablespoon lemon juice.
One teaspoon salt.
One-fourth teaspoon cayenne pepper.

1. Slice the eggs in half and remove the yolks.

2. Mash the yolks and mix in the salmon, onion, pimento, mayonnaise, lemon juice, salt, and cayenne.

3. Fill the egg whites with the salmon filling and garnish with lemon wedges if desired.

Yield: Six servings.

NEEDED: STRONGER EFFORT TO COMBAT COMMUNISM

Mr. WILEY. Mr. President, the military advances of the Communists in Laos; the firmer entrenchment of the Red-tinged Castro regime in Cuba; the unceasing troublemaking of Mr. Khrushchev and his cohorts in the Congo; the tension in Berlin.

These and other Red-agitated trouble spots in the world reflect the diverse, multipronged way in which the Communists are attempting to expand their influence.

Since World War II, the Reds have gained control over nearly a billion people and vast land, military, industrial, agricultural, scientific, and manpower resources.

Overall, there are an estimated 36 million Communists operating in about 86 countries.

The free world, in my judgment, must soon develop more effective ways for combating Red expansionism—if we are to survive.

The balance of power—and of world opinion—for example, once was largely on the side of the Western nations. Now, this balance is teetering precariously. If we are to defeat the Communists' aim of world conquest, then we need to adopt a stronger, nonmilitary offensive against the Communists. Among other things, this, in my judgment, should include:

First. Strengthening our information-spreading program to beat—not be beaten by—the Communist propaganda machine.

Second. Adopt more effective machinery against infiltrative penetrations—the fruits of which are being witnessed in Cuba and Laos. Today there are an estimated 26 million Communists operating in 86 nations around the globe. Time and events—and the global Red strategy—will determine the next explosion.

Third. A sharper counteroffensive to penetrate the Iron and Bamboo Curtains—not leave this as untouchable territory for the Reds.

Fourth. Better tailored U.S. programs, such as the Latin American plan, to meet special needs in Asia, Africa and elsewhere in the world; and

Fifth. Finally, undertake a more dynamic effort to present the efforts and objectives of U.S. policies to the people of the world.

In summary, the U.S. needs to adopt a stronger political, economic, social, and ideological counteroffensive against the Communists. By experience, we know that a so-called containment policy is obsolete and unworkable. For the most part, the result has been loss of more and more land and people until the Reds now control nearly a billion people and vast natural, manpower, industrial, scientific, and military resources.

Unless we are willing to dedicate the effort, manpower, and resources to stop the Communists now, the survival of our way of life—indeed, of freedom itself—will be in serious jeopardy.

PUSSYFOOTING WITH THE SOVIETS

Mr. JOHNSTON. Mr. President, I bring to the attention of the Senate an editorial entitled "The Climax Is Here!" written by David Lawrence, and published in the U.S. News & World Report of May 1, 1961. The editorial was first printed in U.S. News & World Report for January 9, 1961, and at that time was entitled "The Coming Climax."

It is so absolutely applicable to our present condition that everyone should read it. Mr. Lawrence has covered the Soviet threat against this country in a nutshell. He has compressed into a single package of words the intolerable position which the United States now suffers as a result of Soviet plotting and planning for world revolution.

As Mr. Lawrence says, "The Climax Is Here!" and this is an hour of decision for the United States. We cannot be pushed back any farther. We cannot allow ourselves to be heeled under by the Soviet boot in our own hemisphere. Pussyfooting and politicking with the Soviets on this score will gain us no more than what has happened in Laos.

The time has come for us to kick Soviet spies, revolutionists, and agents out of the Western Hemisphere. If we fail to act now, the cost later will be very dear—perhaps our own freedom.

Mr. President, I ask unanimous consent that the editorial 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 CLIMAX IS HERE!

(By David Lawrence)

The cycle of events that inevitably precedes a war is beginning to emerge.

The free world is tormented by a desire to pay almost any price to avoid a catastrophe. Yet bitter experience tells us that this is the very thing that can plunge us into bloody conflict.

We are being threatened today in every continent.

Soviet imperialism is subverting government after government—in Latin America, in Africa, in Asia, and in Europe.

Even in our own country, there are some misguided newspaper editors, some misguided businessmen and some misguided intellectuals who pooh-pooh the menace. They raise smokescreens about the need for trade or to defend Communist activity as a right of "free speech."

It was Justice Oliver Wendell Holmes who, in a famous decision, said that free speech does not include the right to cry "Fire" in a crowded theater. Nor is there in our Constitution any guarantee of protection for a Communist Party which organizes demonstrations and tries to infiltrate the churches and the colleges, the radio and the press—all at the behest of an enemy government.

This technique of infiltration is being applied throughout the free world—in Britain and in France and in Italy, as well as in North America.

When will we wake up to the fact that we are engaged in a world war—Communist style?

We call it a cold war as if this makes it remote from a hot war and hence a mere routine of modern diplomacy.

No country in this hemisphere apparently is free from the Soviet invasion.

We have placed our hopes in the Organization of American States, but its members are themselves weak because their own governments are threatened from within by Communist-inspired opposition.

We read of the troubles in Laos and in the Congo, and we are misled into believing that they are just part of the process of evolution from colonialism to independence. But the truth is that Western democracies are being fooled by the argument that all that's needed is economic help to remove poverty and illiteracy.

Something sinister has been introduced which must be faced squarely if the holocaust is to be averted.

The simple fact is that the Soviet Union, which spends billions of dollars annually on the cold war, is convinced that the free world will not fight—that its alliances are weak and that it is disunited. That's what Hitler, too, believed, especially after the summit conference at Munich in 1938.

Every day there are signs that the Munich philosophy of appeasement pervades many of the free governments. Why should Moscow change its policy if it can make headway toward complete conquest by peacefully taking over government after government?

Nikita Khrushchev rants against colonialism, but hypocritically maintains a system of tyranny that has made colonies for the Soviets out of several countries in Eastern Europe which once enjoyed independence.

What shall the free world do about all this? Shall it continue to hand out hundreds of millions of dollars every year and have no real voice in what happens to those funds? The propaganda against making grants with "strings" attached is of Soviet origin. So is the much-vaunted "neutralism," the whole object of which has been to put strings on America's policies and to prevent us from making our funds effective.

The time has come to stop fooling ourselves.

Not a dollar of "foreign aid" ought to be appropriated for use by any government which tolerates Communist agents or intrigue or a political party with affiliations in Moscow or Peiping.

If the countries which we are to help will rid themselves of Communist influence, we can support them to a certain extent, but we must not be expected to do that job alone. The nations aided must show some signs of a capacity to establish and maintain their own independence and self-governing system.

A showdown in Latin America is due.

The Monroe Doctrine warned European governments in 1823 to stay out of this hemisphere. It is still a valid doctrine today.

The Soviets have established a base in Cuba and are invading other Latin-American countries.

A warning should be issued to the Soviet Government to get its agents, spy rings, and munitions depots out of Latin America.

If necessary, an armed blockade must be imposed—as was done recently along the coasts of Nicaragua and Guatemala—to enforce our position. Unless we show we are ready to fight, there will be no peace in the world.

The Soviets can't afford a war in the Caribbean. They are bluffing. It is time to call their bluff, or soon we will face a tragic climax—the big war.

PROPOSED INTERNATIONAL SOCIAL CLUB FOR FOREIGN DIPLOMATS

Mr. JOHNSTON. Mr. President, the Washington Post and Times-Herald of this morning, April 24, 1961, has published an article to the effect that the Office of Protocol of the Department of State is planning to come before Congress and give strong support to a proposal to establish in Washington an international social club for foreign diplomats.

I think it would be a blemish on our history for Congress even to consider such a ridiculous means of wasting taxpayers' money. A great number of people do not belong to exclusive clubs, but we do not propose legislation to expropriate taxpayers' money to satisfy the social needs of those citizens. I think it is ridiculous to spend money to build a private club for foreign diplomats simply because they have not been invited to private clubs in the Washington area.

If the United States were to construct such a social center for foreign diplomats, we know that it would be nothing more than a 24-hour nightclub. Naturally, we would have to operate the center and probably would be forced to underwrite the giving away of free liquor, food, and forms of entertainment. The backers of this plan says they will need about $2 million to construct the center.

I wonder how many hungry children in depressed areas of the United States could be provided with a bottle of milk with this $2 million. I wonder how much closer to outer space the United States could be with this $2 million. The proposal is one of wanton waste.

We recently saw pictures of the exclusive dining rooms, club rooms, and other lavishly furnished quarters of the State Department as published in newspapers and magazines. I should think this would be club enough for visiting dignitaries that have business with our Government. It is not our responsibility to construct private entertainment facilities for visiting diplomats.

In my opinion, it would be a slap in the face to millions of American taxpayers, as well as an act of immorality, for the United States to spend $2 million on building such a monumental international country club.

We are engaged in a life-and-death struggle for the survival of freedom in this world, and we are also engaged in a struggle to free our own Nation of poverty, disease, and depression.

With all these very real problems facing us, it would be the act of an idiot to waste money on such a project. I hope Congress will dismiss this plan.

NATIONAL POLICY FOR WILDERNESS PRESERVATION

Mr. ANDERSON. Mr. President, 3 years ago this spring I recall an occasion when one of the great conservationists this body has known, the late Senator Richard L. Neuberger, had a copy of a national magazine placed on the desk of each of his colleagues because it had devoted its entire issue to the beauty and wonders of natural America. That was the July 1958 Holiday magazine.

On Friday it was my privilege through the courtesy of the publishers of Life magazine to have a copy of the April 21, 1961, issue of that magazine delivered to the desk of each of my colleagues, because that magazine features a 10-page picture-and-text essay on wilderness, a matter of important concern to the Senate.

The beautiful and impressive photographs presented by Life magazine in this feature and the earnest and urgent comments that accompany the illustrations encourage us to move forward with the legislation now before us for establishing a national policy and program for wilderness preservation.

As the sponsor of the wilderness bill, S. 174, as the chairman also of the Committee on Interior and Insular Affairs, to which the legislation has been referred, I am glad to call attention to this new demonstration of the widespread interest in our remaining areas of wilderness. This public interest has grown remarkably in recent years and is now a constant evidence of the national concern with wilderness preservation.

Dick Neuberger, speaking in this Chamber on June 18, 1958, said:

> I can remember the time—not too long ago—when the wilderness was considered a matter of interest only to a minority.
>
> Yet today widespread recognition of the fundamental values which wilderness offers to all Americans has been evidenced by public expressions of interest from individuals and by the press in all parts of the country.

In the nearly 3 years since then these expressions have continued to increase both in number and urgency.

The Holiday magazine of 1958 devoted exclusively to natural America emphasized editorially the special importance of wilderness.

> Americans—
>
> Said its editors—
>
> tend to love natural nature best, wild forests and big mountains and nonirrigated deserts and unpopulated stretches of the coastline.
>
> We prefer the untended, the fresh, the unmanhandled.
>
> Americans—
>
> Holiday declared—
>
> admire most in nature a primal force which has not been subdued by man.

Senator Neuberger quoting these sentiments nearly 3 years ago called attention to the earlier version of the wilderness bill then introduced by Senator HUMPHREY, himself, and others, and declared:

> It is the purpose of the wilderness bill to see that we shall always have some areas in America where these primitive forces have not been subdued.

To the warning of Holiday's editors that the ever-growing mechanistic aspects of our civilization could lead to our becoming more and more out of touch with the great flows of meaning which nature sends out to her creatures, Dick Neuberger replied:

> The wilderness bill can help prevent such an occurrence by perpetuating the opportunity to come in contact with nature in unspoiled wild country.

Mr. President, these exciting pictures in this issue of Life magazine inspire us anew with the pride we know in the great frontiers where unspoiled wild country still stretches beyond the end of the road:

"Haven for Seaside Birds, Bird Bank in Cape Romain National Wildlife Refuge, S.C."

"Moss Laden Trees Form a 'Hall of Mosses,' Olympic National Forest in Washington's Olympic Peninsula."

"Wading Buck on Olympic Shore."

"Alligator in Georgia's Okefenokee Swamp."

"Purple Lupine and Arnica in a Glacial Meadow, Cascade Pass, Wash."

"Mariscal Canyon of the Rio Grande, Big Bend Country of Texas."

"Sunset Over the Chisos Mountains, Tex."

"Quetico-Superior Lake Country of Minnesota and Canada."

It is our purpose through the wilderness bill to keep these frontiers where we can still face the wilderness—where our children and grandchildren can too.

Commenting on this bill, the editors of Life voice again the opinions that urge us here in the Congress to move forward promptly:

> These scenes of untrammeled loveliness are among the last heritages of primeval wilderness which remain to the people of the United States. As vestiges of an all-but-vanished frontier, they are precious. Now in Washington strenuous efforts are being made to give them the kind of permanent protection which they ought to have. A bill before Congress, pushed by President Kennedy himself, would make it national policy to keep these areas forever inviolate, free of lumbering or mining or building of any kind—even the building of roads or tourist facilities. All the areas are already Government-owned. Some of them in national parks, though now protected, are subject to the day-to-day changing policies within the Department of the Interior. Others in national forests under the Department of Agriculture are still open to exploration, roadbuilding, and use by mining interests. The new bill would forbid changes in the wilderness status except at the request of the President and the approval of Congress.
>
> The unspoiled areas which need protection are in all parts of the country and of every kind. Camp Romain, S.C., an east coast sanctuary for shore and ocean birds, is part of only 240 miles of Atlantic and gulf shore—240 out of an original 3,700—which is in State or Federal hands. Like the other wilderness areas, it needs to be preserved absolutely intact and authentic, not only for the livelihood and survival of the wild creatures which live in it but also for man that he may always have, in President Kennedy's words, fresh water and green country to turn to for spiritual refreshment.

Mr. President, many Senators have sent me notes and letters favorably commenting on this issue of Life. They join me in thanks to a splendid magazine for its public service.

DEATH OF DMYTRO HALYCHYN

Mr. CASE of New Jersey. Mr. President, it was with sadness that I learned of the untimely death on March 26 of Dmytro Halychyn, president of the Ukrainian Congress Committee of America and president of the Ukrainian National Association, Inc.

Mr. Halychyn had been an active fighter in the cause of Ukrainian freedom for many years. In 1917 he volunteered for the Ukrainian national army and served as a lieutenant for over three and a half years in the struggle for independence of the Ukraine. Mr. Halychyn immigrated to the United States in 1923 and then became active in Ukrainian American life. He has been especially noted for his devotion to helping the Ukrainian people both in this country and in Europe in his position of president of the Ukrainian Congress Committee of America and as a member of the board of directors of the United Ukrainian American Relief Committee. His devotion to the Ukrainian cause will be greatly missed.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

ORDER OF BUSINESS

Mr. MORSE. Madam President, I promised the majority leader I would suggest the absence of a quorum before the conduct of business after conclusion of the morning hour. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. NEUBERGER in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MORSE obtained the floor.

Mr. MORSE. Madam President, with the understanding that I do not lose my right to the floor, I am willing to yield to the Senator from West Virginia [Mr. RANDOLPH], then to the Senator from Alaska [Mr. GRUENING], and then to my good friend the Senator from Louisiana [Mr. ELLENDER], who, with the approval of the majority leader, seeks to take up a very brief conference report. I understand it is nothing that would be controversial. I am willing to yield for that purpose, too. But I do have a major speech that I wish to make as soon as I can.

The PRESIDING OFFICER. Without objection, the Senator may yield with the understanding he has stated.

PRESIDENT KENNEDY'S TAX PROPOSALS ARE ENCOURAGING; CORRECTIVE MEASURES MUST BE ENACTED TO ELIMINATE TAX BENEFITS ON FOREIGN PRODUCTION BY AMERICAN FIRMS; NEED FOR EXPANDED INVESTMENT IN UNITED STATES IS REAL

Mr. RANDOLPH. Madam President, the President's tax message, delivered to the Congress last week, is a significant step forward in achieving greater coherence and equity in our tax system. In addition, the message contains some very timely recommendations designed to improve the economic position of the United States today. Each of the President's recommendations, whether in the area of tax reform or tax incentive, deserves the serious and attentive consideration of the Congress.

Tax reform is needed, not only to preserve the integrity of our tax system, but also, in the foreign area particularly, to maintain and build world confidence in our economy. Unemployment in the United States today is largely attributable to the depressed rate of economic growth in recent years. The tax incentive granted for increased investment in plant and equipment will provide an added encouragement for American business to step up its expansion and this, in turn, will provide more jobs for American labor.

TAX DEFERRAL FOR OPERATING OVERSEAS IS BAD

Of particular interest to me is the President's recommendation to eliminate tax deferral for American companies operating abroad through foreign subsidiaries. It is time that we take corrective measures and stop encouraging, through tax benefits, the flight of American capital to the countries of Western Europe, particularly in view of the need for expanded investment here in the United States, and especially in our own "underdeveloped areas."

This provision goes hand in hand with the President's other recommendation for a tax incentive to increase expansion of plant and equipment in the United States. Since 1957, production abroad has exceeded our own exports, and the gap has increased steadily. I can think of no justification, particularly under present circumstances, for permitting American companies with foreign production and foreign labor to accumulate their profits after a 30 percent foreign tax, for example, while American production must pay tax at the rate of 52 percent.

TAX HAVEN ABROAD SHOULD BE STOPPED

Furthermore, where a foreign tax-haven corporation is involved, the tax imposed abroad may be utterly trivial or nonexistent. The tax savings thus derived from channelling profits from the United States, as well as from other countries, into subsidiaries in Switzerland, Liechtenstein, and other tax-haven countries are well publicized. I suspect that a survey would show that a majority of large American corporations with foreign operations have a tax-haven corporation somewhere in their organization.

Present law amounts to a tax-free loan by the Federal Government in an amount equal to the U.S. tax deferred. This advantage is far more significant than a rate reduction because the taxpayer, in effect, is given a completely unrestricted choice as to when he pays his taxes. Moreover, a portion of these profits accumulated by foreign subsidiaries may be reinvested through expansion and may never come into the tax base. If we are to assure the achievement and maintenance of increased economic growth in the United States as well as confidence in the U.S. dollar, this recommendation must be enacted.

I would like to direct the attention of this body to several other problems in the foreign area which President Kennedy has considered in his tax message. As we all know, corporations are normally subject to a tax of 52 percent, but, because of the mechanics of computing the foreign tax credit on dividends received from a foreign subsidiary, the continuing tax burden of a U.S. corporation operating through a foreign subsidiary may be reduced from 52 to 45 percent, and in some cases to as low as approximately 40 percent. While some may regard this as a small point, I believe that our corporate rate of tax is so basic that this discrepancy, this anomaly, in present law is completely unjustified and can only be excused as an unintended mathematical error. The policy of tax equality demands that this be removed and that the corporate tax rate of 52 percent be applied generally.

SUBSTANTIAL ABUSE BY OUR CITIZENS' EARNINGS

Another recommendation would remove from existing law the exemption now granted earned income of American citizens living in any of the economically developed countries. The provision under existing law, which grants an unlimited exemption for earned income to American citizens residing abroad and an annual exemption of $20,000 for citizens temporarily present abroad, has been subject to substantial abuse and is unwarranted in the light of present economic conditions.

Special difficulties in living abroad, particularly in the European countries, are largely of the past. The ease with which people move from one country to another is such that individuals whose business requires them to be in various countries can as easily establish their residence in one place as another. Some individuals establish their residence abroad for tax purposes even though the nature of their business does not require it. It is manifestly unfair to other taxpayers to continue the exemption granted to those with a foreign residence in a country which may offer in all material respects living conditions comparable to those of the United States. Moreover, inducements to individuals to live abroad also contribute to our adverse balance of payments. Yet, to continue encouraging persons skilled in industry, education, medicine, and other professions to work in the less developed countries, the message recommends that a limited exemption be retained for persons residing and working in these areas.

CORRECTIVE ACTION NEEDED ON FOREIGN INVESTMENT

The President has also proposed corrective legislation to deal with the abuse of foreign investment companies. These companies are for the most part established in Canada, but recently the device has spread to Bermuda and, I believe, to the Bahamas. Stated in its simplest terms, the practice permits a shareholder in a foreign investment company to obtain capital gains treatment with respect to accumulated income while an investor in a comparable domestic company is currently taxed at the rates applicable to ordinary income. As a matter of tax equity, an investor in a foreign company should be treated no better than an investor in a domestic company. It is also significant that these foreign investment companies constitute a potential which, given the appropriate conditions, could add substantially to the outflow of dollars abroad.

EXEMPTION ON FOREIGN ESTATE TAX SHOULD END

Finally, the President recommends that the existing exemption from the Federal estate tax of foreign real estate be eliminated. In recent years this also has been the subject of abuse. Primarily because of this tax feature, persons have converted investments into foreign real estate in countries which, because of their very low tax rates, could be appropriately termed "estate tax havens." For example, in 1959 Canada revised her death duty law, providing for a flat rate of tax at 15 percent on the Canadian property of any decedent domiciled outside Canada. There is reason to believe that considerable real property is being purchased in other places, such as the Bahamas, Venezuela, and elsewhere. In view of the fact that we allow a credit for taxes paid abroad, there is no justification for continuing this special exemption for foreign real estate.

These are but the special provisions relating to the tax treatment of foreign income in the President's broad and comprehensive tax message. It is my hope that the Congress will move with dispatch to give serious consideration to these and the President's other tax proposals.

AMENDMENT OF AGRICULTURAL TRADE AND ASSISTANCE ACT OF 1954

Mr. ELLENDER. Madam President, I move that the Senate proceed to the consideration of Calendar No. 148, Senate bill 1027.

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

The LEGISLATIVE CLERK. A bill (S. 1027) to amend title I of the Agricultural Trade Development and Assistance Act of 1954.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. ELLENDER. Madam President, the bill was considered by the Committee on Agriculture and Forestry and was unanimously reported to the Senate. I took up the subject with the Senator from Vermont [Mr. AIKEN] who is the ranking Republican on the committee, and there is no objection to the consideration of the bill at this time.

This bill would increase by $2 billion the authorization of title I of Public Law 480, 83d Congress, for the calendar year 1961. This would result in a total authorization for title I for calendar 1961 of $3.5 billion plus any unused authority carried over from 1960.

Under title I of Public Law 480 the President is authorized to enter into agreements with friendly nations to provide for the sale of surplus agricultural commodities for foreign currencies.

The administration has made this request because the total authorization available for calendar 1961, consisting of $1.5 billion plus a carryover of $335 million from 1960, has all been committed in signed agreements or in agreements expected to be signed. The major part, $1,589 million, was committed against the last 3 years of the India agreement. This left $246 million available for all other programs.

The Department of Agriculture reported that the additional $2 billion is needed in order to go forward with program negotiations with a number of countries. No new negotiations can go forward until funds are provided.

The Department plans to use the $2 billion in the following fashion:

First. Country programs approved for negotiation when funds become available, $50 million: This category includes a few countries for which programs have been approved by the Department and need only the availability of funds to be placed into negotiation.

Second. Programs under development resulting from country requests, $1,250 million: This group involves countries who have made requests for programs, and whose requests are now being reviewed and analyzed by the Department. This category includes a request from the Government of Pakistan for a 4-year agreement. At the present time the Department is thinking in terms of a 4-year program for Pakistan of nearly $1 billion, and programs for additional countries such as China—Taiwan—and Indonesia.

Third. Additional programs expected, $600 million: Although no formal country requests have been received in this category, several programs are now in preliminary stages of discussion. The principal program in this category is the possible negotiation of a multiyear agreement with the Government of Brazil as a result of the special food-for-peace mission to Latin America. Other programs in this group include such countries as Chile, Israel, Paraguay, the United Arab Republic, and Poland.

These planned programs will use the great bulk of the $2 billion authorization provided by the bill.

Poor crop conditions abroad have resulted in increased need of commodities under title I in many countries. In addition, there is increasing interest in longer term commodity agreements by underdeveloped countries having large food deficits.

Multiyear title I agreements such as the 4-year agreement concluded with the Government of India last year, assure the availability of adequate supplies for such food deficit countries.

It lets them plan commodity procurement and shipment over longer periods, and conduct such operations more effectively; it permits maximum use of facilities to receive, store, and distribute commodities; it allows coordination of import programs with local production; and it supports long-range plans for total economic development.

The present law provides that any unused funds can be carried over from one year to the next. For example, a total of $335 million was carried over from calendar year 1960 for use in 1961. Therefore, any sums unspent or unallocated in calendar 1961 will be available for 1962.

Later this year, when the Committee on Agriculture studies the feasibility of extending Public Law 480 beyond December 31, 1961, this matter of carryover of funds can be explored fully.

In reporting on my investigation last summer for the Appropriations Committee, I commented on a number of unbusinesslike practices in the management of foreign currencies acquired under Public Law 480. For instance, I found that the use of unrealistic exchange rates under title I agreements was costing the United States in excess of a billion dollars. In my report and in the hearings of the Committee on Agriculture and Forestry, there is set out a table showing losses of over $600 million in four countries alone.

Another instance of improper management of these funds results from their deposit in foreign banks pending their loan to foreign governments. Deposited in their banks, these funds become a part of those countries' economies. They do not have to borrow these funds from the United States for purposes agreed upon with the United States and pay interest on them. They may borrow them from their own banks for any purpose they see fit, or they may issue new money instead of borrowing.

These unbusinesslike practices were discussed by the Committee on Agriculture and Forestry and there was a uniform agreement that they should be corrected. They were discussed in the committee report on this bill. If they are not corrected, the committee will propose legislative correctives. Such correctives are not in the pending bill, but could be included in later legislation this year making more extensive changes in Public Law 480 procedures. The pending bill relates only to funds for the current year, and the committee felt that it should be restricted to that purpose.

I ask unanimous consent that the portion of the report dealing with these practices be printed in the RECORD at this point in my remarks.

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

USE OF FOREIGN CURRENCIES

The committee is concerned with unbusinesslike practices and procedures which are being followed in the operation of the Public Law 480 program and particularly in the acquisition and use of foreign currencies generated by title I of such program.

Pending further study of the program incident to consideration of the renewal of the Public Law 480 program, it is strongly recommended that all steps possible be taken to correct these practices which result in the loss of vast amounts of money by the United States. These practices include:

1. Unrealistic exchange rates negotiated with participating countries: In numerous instances, the exchange rate agreed upon between the United States and the foreign country in connection with the sale of agricultural commodities was substantially less than the free market rate of the local currencies or the rate used by the Treasury when selling these currencies to other Government agencies. This means that the dollar equivalent of the foreign currencies collected has been considerably less than would have been the case if the exchange rate negotiated in the sales agreement had more nearly conformed to the free market rate of exchange. In fact, such losses are in excess of $1 billion.

2. Failure to report losses resulting from unrealistic exchange rates: The committee feels there is a need for more forthright reporting of what Public Law 480 sales actually generate in foreign currencies, and in the event the exchange rate at which any commodity is supplied, or the sale or exportation thereof financed under title I, is less favorable than the rate at which the United States is able to acquire currencies of the particular foreign country on the date of the dollar disbursement by CCC relating to the transaction, then a detailed report of the circumstances, and justification therefor, should be made in the next semiannual report to the Congress.

3. Substantial amounts of currency are lying idle: Large amounts of foreign currencies received by the United States from Public Law 480 sales are placed in special accounts in foreign depositories where they become a part of that country's economy. In view of this, some countries, while signing loan agreements for this money, do not borrow it from the United States, and the United States receives no interest on it while it depreciates to the extent that the country's currency may depreciate in relation to the dollar. Thus, in effect, the country may have the use of the money during this period without interest to the United States for purposes which may not be prescribed in the act or concurred in by the United States. Reportedly, as of September 30, 1960, the United States had received the equivalent of $4.013 billion, while disbursements totaled only $1.715 billion, leaving $2.3 billion in Treasury accounts which had not been used as of that date. Most of this is lying in the banks of foreign countries without bearing interest and depreciates to the extent that the country's currency may depreciate in relation to the dollar.

4. Division of currencies is tug of war: In developing title I sales agreements, an interdepartmental committee, consisting of representatives of various Government agen-

cies having an interest in the use of sales proceeds, determines the division of currencies to be negotiated with foreign governments. This involves a tug-of-war with the Department of State trying to obtain the largest possible amount for use by the country in the form of loans and grants, while other U.S. agencies try to obtain as much as they can for their own programs abroad.

The committee feels that the interdepartmental committee should exercise greater prudence in setting aside the portions of sales proceeds to be used for various purposes specified in the act. The committee is well aware, of course, that the amount of currencies made available to the foreign country is an important consideration in the title I agreement. On the other hand, the committee believes that the United States should make maximum use of these foreign currencies where they can be used for appropriate U.S. agency programs.

Mr. WILLIAMS of Delaware. Madam President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. WILLIAMS of Delaware. For the record, I should like to ask the Senator a question. It is my understanding that under Public Law 480, title I, the money provided in the bill can be used to finance the sale in foreign countries only of the agricultural commodities which actually are in surplus. Is that correct?

Mr. ELLENDER. The Senator is correct.

Mr. WILLIAMS of Delaware. I understand that the money cannot be used to finance the sale in foreign countries for foreign currencies of agricultural commodities which are not in surplus.

Mr. ELLENDER. The Senator is correct.

Mr. WILLIAMS of Delaware. Am I correct in understanding that there are no provisions in Public Law 480 which are applicable with respect to authority to subsidize through Public Law 480 sales of any agricultural commodity which is not in surplus?

Mr. ELLENDER. That is my understanding.

Mr. WILLIAMS of Delaware. To use specific instances, corn and wheat at the moment are in surplus, and would be eligible for financing under the proposed program.

Mr. ELLENDER. As a matter of fact, they are the principal commodities which will be considered. There is also cotton and rice.

Mr. WILLIAMS of Delaware. There are many other commodities which are in surplus. However, as an example of the other side, the legislation would not extend to soybean, soybean oil, or soybean meal, which at the moment, during the calendar year which we are considering, are selling at high prices, and therefore would not be eligible under the proposed program. Is that correct?

Mr. ELLENDER. Not unless they became surplus.

Mr. WILLIAMS of Delaware. At the present time they are not.

Mr. ELLENDER. At the present time they are not. The Senator is correct.

Mr. WILLIAMS of Delaware. They would not be eligible, as in the case of the commodities mentioned.

Mr. ELLENDER. The Senator is correct.

Mr. AIKEN. I should like to make a brief statement.

Mr. WILLIAMS of Delaware. I should like to ask the Senator from Vermont the same questions that I asked of the Senator from Louisiana, and ask him whether his answers would be the same as those of the Senator from Louisiana.

Mr. AIKEN. My answers to the questions asked by the Senator from Delaware of the Senator from Louisiana are the same answers that the Senator from Louisiana gave to the Senator from Delaware.

Madam President, this authority applies only to the commodities which are in surplus at the present time.

I shall support the enactment of the proposed legislation, which grants authority to the Secretary of Agriculture to dispose of $2 billion more of agricultural surpluses under Public Law 480, which is an act that has been on our books for 6 years. During that length of time it has been in an instrument through which $9¼ billion worth of our agricultural surplus commodities have been disposed of in other countries.

The Secretary of Agriculture has asked for authority to sell $2 billion worth more of these surplus commodities between now and the 1st of January next year. He seems to believe that he can do that. I am inclined to agree with his assumption.

Agricultural commodities have been the most potent instrument this country has possessed in securing the cooperation of other democratic governments of the world. They have been an even more potent instrument than our military strength, I believe. Certainly we have averted famines in foreign countries. Through the use of agricultural commodities we have stopped what would almost certainly have been inflation in some foreign countries.

So I believe we must use the productivity of our Nation to try to maintain democratic governments of the world—not only maintain democratic governments in foreign countries, but also maintain democracy here at home.

It is common knowledge that there are two schools of thought with respect to agricultural programs in this country. One school seems to feel that we should have our agricultural programs directed by the Government, with the Government regulating the farms and directing the use of the land, and through rules and regulations reduce our production until it comes into a so-called balance, or perhaps even produces a shortage.

We have in this country today perhaps a billion bushels of wheat and possibly 500 million or 600 million bushels of feed grains in surplus.

If we approve the proposed legislation, as the Senator from Louisiana has already pointed out, we can dispose of a large percentage of what is now called surplus farm commodities owned by the Government in this country. If we do that, there will be no need for asking for controls over the farmers of this country, to see to it that they do not continue to produce in the future as abundantly as they have in the past.

We certainly do not want that to happen, when we are using these surpluses to fight that very thing in other countries.

I am very glad to support the proposed legislation.

Mr. HOLLAND. Madam President, every other great nation with a large population has trouble producing sufficent food and raiment for its own people. There is no other nation comparable to ours in size which is not up against that problem right now.

We hear of famines in China. We know through friends that in India and Pakistan the people are in dire need of food. We know from what we read in the newspapers that one of the few things that are admitted as being a matter of trouble to the rulers in the Soviets is that they are having trouble in this field.

I am sure it is practically incomprehensible to most of the rest of the world that a nation of 180 million people, as we now have, is able to produce not only enough food for its own people, but have the highest standard of living in the world—probably too high a standard of living so far as the number of calories that are consumed are concerned—and at the same time have a great overabundance to pass on to the other free peoples of the earth.

I believe that is our principal ace in the hole, if I may use that term, in our dealings with the rest of the world right now.

While there may be some questioning and caviling about some of our other policies in other fields, no one questions the fact, and the whole world knows, that our American farmers are producing agricultural products in such great abundance that they are able to pass these great supplies to people who are less fortunate than ourselves. I call attention again to that fact, as has already been pointed out.

I wish to call attention to another point, and that is that practically every committee in the Senate now has something to do with matters which relate directly to our troublesome problem of foreign relations. When I first came to serve on the Committee on Agriculture and Forestry that was not the case. Later, after the adoption of the international world wheat program, and then through the passage of Public Law 480, and through the passage of special acts from time to time, such as the one under which we sent great quantities of grain to India, this committee has had more and more to do with foreign relations in vital fields.

The same can be said about the Committee on Commerce and various other committees. I believe it is a very wholesome thing that that is so, because if there ever was a time when Congress needed to become acquainted with foreign problems, international problems, and be a great influence in this field, that time is now.

I strongly support the proposed legislation. I hope it will be unanimously

enacted and will again become an instrumentality for the showing of our power in a field where the rest of the world cannot compete with us at all.

Mr. HUMPHREY. Madam President, I fully support the extension of Public Law 480 through the additional authorization which is made possible by the bill before us, S. 1027, as reported by the Committee on Agriculture and Forestry.

The program of Public Law 480—and it ought to have a much more dynamic name—has done immeasurable good, not only for America, not only for our farmers, not only for our national prestige, not only for our national security, but, more significantly, for the people who have received the food under titles I, II, and III.

The bill is an extension of title I. It is a plan and a means of utilizing in a constructive manner the American agricultural production over and beyond what we need for our own domestic uses. It is a way of being able to sell these agricultural products in return for the currency of the purchasing nation. It is a way of being able to convert agricultural commodities into economic development in the recipient countries.

Recently, when the Soviet Union placed a man in orbit in a space capsule, and he orbited the earth two or three times and then was brought back to earth, everyone was startled, on the one hand; and on the other hand, there was a sense of admiration for the spectacular scientific accomplishment. But I remind Senators that while we are praising, or at least standing in awe of, some of the accomplishments of the Soviet Union in the field of science—and, indeed, in the area of naked military power—we might very well point out some of our own achievements.

Several times every year some Senators, including those who have addressed the Senate today, have stated that one of the great achievements of our Nation is the production of food and fiber. I do not know why it is that we are not able to project this remarkable accomplishment of the production of food and fiber in a more constructive and a more positive manner. Actually, the United States of America is one of the few nations of the world which produces an adequate supply of food and fiber for its own people and a sufficient quantity for a large number of other people.

I think America's farm production is a miracle. It is actually much more important right now than to put a man in outer space. To my way of thinking, the remarkable success story of America's agricultural production ought to be trumpeted throughout the world. Instead, almost every public official and large numbers of private citizens talk about the problem of agricultural surplus. Yet, if the so-called surplus, which is nothing more or less than a manifestation of America's productive efficiency, were called an abundance, we would be able, I think, to give a much better and truer picture of the real America.

Madam President, I hope the time will come when we will not have to rely upon the extent of our agricultural production for the oversea food program. It seems to me the time ought to be at hand now when we can project the production of food and fiber just as we do the instruments of defense or of a host of other commodities.

During World War II we had a War Food Administrator. Food was considered an essential part of our defense; and the War Food Administrator called upon the Department of Agriculture, which in turn called upon the Nation's farmers to produce the food which was necessary as a part of our great victory force in that war.

Today, we have a war going on; as a matter of fact, it is a war that we are not winning. It is a more sinister war and, in a sense, a crueler war and a war of greater proportions than World War II. It is a war only 90 miles from our shores—in Cuba; and there is a cold war in Latin America; and a war in Laos. Now we have a Food for Peace Administrator who is given the privilege, if we can call it that, of utilizing whatever food is left over.

Madam President, this is a foolish way to win a war. No wonder we are losing, as we are. We are losing because we are not trying; we are not utilizing the productive capacity and the raw materials and the processed material of which this country is capable. We are not trying to win. We have millions of unemployed; we have closed factories; we have mines that are not producing; we have workers who are without jobs; and we have the humiliating experience in Cuba. We have farmers who are being paid not to produce, although there is great hunger in the world. We have $9 billion worth of food and fiber in storage, but we talk about that food and fiber as if they constitute a surplus of no real value—or, in other words, a real headache.

Madam President, I repeat that until the United States of America comes to grips with the vital need to utilize its agricultural abundance, it does not have the faintest chance of winning the cold war.

If we cannot find out how to use our food and fiber in a world in which there are so many who are naked and so many who are hungry, I do not know how we can expect to win the cold war in Cuba or in Latin America or in other parts of the world.

So, Madam President, I hope the programs which have been very ably referred to by a number of distinguished Members of the Senate will prevail. I hope we shall look upon them as essential elements of our victory program. I should like to have the Congress talk about victory, rather than defeat, and talk about the use of our food and fiber as a positive force for freedom, rather than as a problem in connection with the disposal of surpluses. I submit that until we think correctly and talk correctly about these problems, we shall experience the licking of our lives. Khrushchev now is winning the cold war—winning it going away; and I think it is time, here in America, where we are concerned with saving lives, not losing them, and inasmuch as we call upon our people to do what God wants them to do—in other words, to create, rather than destroy—that, as regards our food and fiber, we get to work to use them. If we do, they can be used for peace and freedom throughout the world.

I commend the committee for reporting this measure to the Senate. I hope the President of the United States will go much further. I believe we must do things which we never before dreamed of doing. Certainly we must have the vision to look farther ahead. If we do not, we shall be denied the opportunity to look anywhere except back, and to do so under orders from someone else.

Madam President, the hour is very late; and this food program can help make the future a happier one.

Mr. HUMPHREY subsequently said: Mr. President, earlier today I spoke on the bill before the Senate to extend Public Law 480 and to increase title I authority by $2 billion. I commented upon the food-for-peace program and the food-for-peace administrator, Mr. McGovern, and the work of the Secretary of Agriculture, Mr. Freeman.

I have before me an article from the Minneapolis Sunday Tribune of April 16 entitled "Administration Puts New Life in Food-for-Peace Plan," by Charles W. Bailey, which relates directly to the bill we had before us earlier today. I ask that at that point in the RECORD where the discussion took place on Calendar No. 148, S. 1027, the article entitled "Administration Puts New Life in Food-for-Peace Plan" be printed.

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

ADMINISTRATION PUTS NEW LIFE IN FOOD-FOR-PEACE PLAN

(By Charles W. Bailey)

WASHINGTON.—There is a new atmosphere in the Nation's food-for-peace program under the Kennedy administration.

It is this change in attitude, more than any increase in spending, which has so far made the new administration's plans for oversea food distribution sharply different from those of the Eisenhower administration.

It remains to be seen, of course, whether the change is a symptom of action yet to come. As is the case with many of the President's proposals, the hard tests of legislative approval and practical operation still lie ahead.

But even viewed only as a symptom, as an unfulfilled promise of what might be forthcoming, the contrast is marked.

Previously, the program was largely run by interagency committees. The stated emphasis was on "disposal" of "burdensome surplus." Proposals to include food not currently in Government stockpiles were consistently turned down. Bureaucratic disputes slowed program drafting and operations.

Now the program is directed by a single man, a Presidential appointee with offices in the White House and access to the Chief Executive. Emphasis is on making "maximum use" of the Nation's "agricultural abundance" to help feed hungry people everywhere.

New food items have been added even if they are not in surplus stocks.

The administration has asked Congress to extend the basic legal authority for the program—Public Law 480—for 5 years.

(Administration officials soon will announce plans to donate food to be used as

wages for workers on roads, dams, and other development projects in six foreign countries, United Press International reported Saturday.

(George McGovern, food-for-peace Director, also said a seventh food-wages project may be approved soon.

(Use of donated foods to pay wages on development projects began several years ago. McGovern said that 120,000 in Tunisia get part of their wages that way, and smaller projects are being conducted in Afghanistan and Korea.

(Projects are being planned in the new African states of Dahomey and Eritrea, and in Greece, Iran, Indonesia, and Morocco, UPI said. Another is under consideration for Nationalist China, McGovern said.)

A sharp increase in school lunch programs for hungry nations—with American powdered milk, flour, and other food as the raw material—is proposed.

The administration calls for establishment of food reserves in underdeveloped nations, with the recipient countries not required to pay until they actually draw on the supplies, to forestall famine and starvation.

Plans are underway to make much more use of voluntary charitable agencies—CARE, Church World Service, the Catholic welfare organization—in distributing food abroad. They will get such nonsurplus foods as powdered milk and vegetable oil to improve the mix in their food packages.

These additional foods will be bought, and farmers will be encouraged by higher support-price rates to grow them, even though it may require additional spending—on the grounds that this small added cost can be much more than offset by savings in storage charges that will come from stepped-up shipments of wheat and other grains in Government bins.

Two of these proposals especially—the food-for-wages plan in economic development projects and the increase in school lunch programs—illustrate the philosophy which is guiding McGovern and his boss, President Kennedy.

"These are relatively small, in comparison with the value of other parts of the program, but they have tremendously worthwhile aspects," McGovern said. "You get a very broad impact with them."

In the past, school lunch programs have been set up in only three countries—Italy, Japan and Tunisia—and the practice has been to start them only on a phaseout basis under which the recipient nation had to agree to take them over in a relatively short time.

"But in areas of acute malnutrition," McGovern said, "we should consider setting up school lunch programs even though it will be a considerable period of time before the local government can take them over."

McGovern sees the school lunch problem as part of an overall educational problem in many poor nations. "In Latin America, many children only go to school for 3 years; many children do not go to school at all.

"We can get to the root of this problem by using our food to help build schools—to pay workers directly, or by selling it to the government for local currency and then earmarking the proceeds for school building—and also by using food to supplement teachers' wages," McGovern said.

Thus, he said, "Our food in this program can reach into every facet of education" in many underdeveloped countries.

McGovern said negotiations are underway for projects in Dahomey, Eritrea and Morocco in Africa; Iran in the Middle East; Greece and Indonesia. Another such program is under consideration for Formosa.

The immediate problem for McGovern and his small staff is to get congressional approval for an extension of the program, which runs out December 31, 1961, and to get some extra money—they have asked for $2 billion—to keep the program running until that time.

Mr. HUMPHREY. Mr. President, I ask also that an article entitled "Farm Problem Due to High Efficiency," by J. A. Livingston, be printed at the same point in the RECORD.

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

FARM PROBLEM DUE TO HIGH EFFICIENCY

(By J. A. Livingston)

During the great depression unemployed in cities went hungry while farmers, for warmth, burned corn that sold for less than the coal they didn't have the cash to buy.

National paradox: Poverty among plenty.

Today in the United States, we face a different paradox. Too much amid prosperity. Our poverty, our lack, is imagination.

We don't know how to use our agricultural riches. Plenty has become a burden. Farm efficiency has become a national headache. Agricultural achievement has turned into economic chaos.

American consumers pay a double price for foodstuffs. First, we pay for the price of the raw materials (corn, wheat, cotton, tobacco) that go into beef, pork, bread, clothing, cigarettes. Then we pay the taxes to support the prices paid farmers for (1) producing more than we know how to dispose of and (2) for not producing.

During the First and Second World Wars, the farmer was a hero. His productivity provided plenty of food at home with surpluses for aid to our allies.

But the wartime hero is the kept man in peacetime. He's subsidized to produce what we have too much of. So, despairingly, we put the surpluses in "the bank"—the Commodity Credit Corporation.

Today we carry over 2 billion bushels of corn, the equivalent of a year's crop of 30 years ago but now equal to only half a year's crop. Yield has increased from 23 bushels to 52 per acre.

The wheat carryover amounts to 1½ billion bushels. That's more than twice the harvest of the early 1930's and somewhat more than the 1960 harvest. Productivity has risen from 13 to more than 25 bushels an acre.

In cotton, the carryover is 6,750,000 bales, about half a year's crop. This is down from the record high of 14 million bales in 1956 because of high exports. But yield per acre has risen from less than 200 pounds to 450 pounds in 30 years.

"Our farmers," said President Kennedy in his farm message, "deserve praise, not condemnation; their efficiency should be a cause for gratification, not something for which they are penalized."

Yet we're all penalized by our inability to use this efficiency wisely. President Kennedy faces what his postwar predecessors, Eisenhower and Truman, were up against—the heritage of technological improvement on the farm. The more we come to the aid of the farmer, the more, it seems, we must compound difficulties.

The average farmer is not a rich man. But most operators today are reasonably successful businessmen. Since 1934, farm production has increased 115 percent, while the farm population has dropped 36 percent. About $36,000 is invested in the average farm.

And the prices at which farmers sell many crops are "administered"—fixed by the Secretary of Agriculture and Congress. That is why farm programs fail. It has been too profitable for farmers to produce. President Eisenhower "banked" the soil, and the farmers "banked" the crops—through intensive cultivation.

Now President Kennedy is trying something different—a compliance bank—in his feed-grain program. The Government will still support prices. Corn, for example, can go into Government loan at $1.20 per bushel as against $1.06 formerly.

Only those farmers who reduce corn acreage by a minimum of 20 percent will be eligible for loans. Noncomplying corn farmers will have to take their chances on the open market. Complying farmers will be reimbursed in kind—in the corn equivalent of their acreage withdrawn from cultivation.

Consider a farmer who has 100 acres in crops, of which 60 have been in corn. Under the plan, he'd take 12 acres out of corn.

Now suppose he has been getting a yield of 50 bushels of corn per acre. For compliance, he'd get half the yield on the withdrawn acres—300 bushels in all. At the $1.20 support price, that's worth $360 in corn. He can feed this corn to cattle, take the money, or, if corn is above $1.20 a bushel, sell it.

But once he agrees to the program he ties up his entire acreage. He can't take the 12 acres used for corn and put it in pasture or hay or some other crop. He's limited to cultivating 88 acres.

This was frankly an emergency program—to get ahead of spring planting. But its purpose was to stop the out-of-one-crop-into-another dodge—to penalize noncompliers and thus limit output.

If it works, it will influence the President's general farm program. In theory, the subsidy will come from the CCC stocks, not from new Federal appropriations.

In practice, all depends on how much additional efficiency farmers build into the land. They'll have a fixed price for corn on most acreage.

The more they produce the more they'll earn and the more we—you and I, the consumer-taxpayer—will have to buy at the $1.20 support price and put in storage.

Mr. HUMPHREY. Mr. President, the article by Mr. Livingston, a noted economist and a writer on business and economic problems, points out that American agriculture has become extraordinarily efficient, and that this efficiency has produced an abundance. The so-called problem of agriculture, as a result of abundance, is due to the technological and the managerial efficiency of our farmers. It is often said in advertising that no other product can make that claim or no other person can make that statement. I wish to say that while Mr. Khrushchev can make many statements about putting a man and dogs in orbit in outer space, missiles and rockets, he cannot make the statement that his farms are so efficient that they produce a problem of production.

The problem in the Soviet Union is the problem of inefficiency. It was to that particular thought that I was directing my comments earlier today, to the miracle of American agriculture. I hope the officers of the U.S. Information Agency will take a look at what we had to say about agriculture, and perhaps some time between now and the not too distant future someone will tell the world that we have done fairly well in America.

I believe we need a good headline someplace throughout the globe, and it seems to me that one of the headlines that we might offer to the world is our willingness to share with humanity, a very suffering humanity, the abundance of our factories, the abundance of our farms, the fruits of our soil, and the product of

the skill of our labor. That is the kind of story it would do well for us to tell.

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

The bill (S. 1027) was ordered to be engrossed for a third reading, was 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 103(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by deleting "any calendar year during the period beginning January 1, 1960, and ending December 31, 1961," and substituting "the calendar year 1960," and by adding at the end thereof the following: "Agreements shall not be entered into under this title in the calendar year 1961 which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of $3,500,000,000, plus any amount by which agreements entered into in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such preceding year by this Act as in effect during such preceding years."

ADDRESS BY SENATOR ANDERSON BEFORE NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS

Mr. KEFAUVER. Madam President, I ask unanimous consent to have printed in the body of the RECORD an excellent address delivered by the distinguished Senator from New Mexico [Mr. ANDERSON] before the National Association of Surety Bond Producers, at San Francisco, Calif., on April 10, 1961.

The Senate Antitrust and Monopoly Subcommittee has for the past several years been conducting a general study of the insurance industry, to determine whether the mandate of the McCarran-Ferguson Act of 1945, for regulation of insurance by the States, has been carried out in the most effective manner. Until his retirement, Senator O'Mahoney was in charge of this investigation for the subcommittee.

Because of his great knowledge of the insurance industry and his prominence in this field, Senator ANDERSON was asked to discuss some of the important insurance problems with which this subcommittee has been dealing during the past several years. For over 35 years Senator ANDERSON has operated an insurance agency in Albuquerque, N. Mex.; and he has acquired an outstanding reputation throughout the Nation. The tradition he established is being ably carried out by his son, who now has assumed management of this agency.

Because of his long interest in and his broad knowledge of the insurance industry, Senator ANDERSON'S views command great attention and respect. I am greatly impressed with the fact that in the speech Senator ANDERSON has properly assessed the relationship between the Federal and State Governments in the regulation of insurance, and has presented the matter in its proper perspective. This address deserves to be read not only by the Members of Congress, but also by all the public interested in the welfare of the great insurance industry.

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

ADDRESS BY SENATOR ANDERSON AT THE ANNUAL MEETING OF THE NATIONAL ASSOCIATION OF SURETY BOND PRODUCERS—ST. FRANCIS HOTEL, SAN FRANCISCO, CALIF., APRIL 10, 1961

I was delighted to accept the invitation to be with you this morning, tendered through my friend and close associate of over 30 years, Tom McCaffrey.

For some time now, considerable attention has been focused on the rate of economic growth of the United States. While there may not be unanimity over just where the rate of expansion should be to keep us sound and secure, there is agreement that our goal is a vigorous American economy.

This whole question is of vital concern to you because the surety bond business is closely linked with the general pace of economic growth and intimately tied to the construction industry. The multi-billion-dollar highway-building program launched in 1956, for example, is of major interest to you—and Congress is casting a reappraising eye on the financing of the interstate program to keep it moving on a fiscally sound roadbed. School and residential construction are also prominently involved with surety.

In talking about the bonding business, I am speaking about a highly specialized segment of the large and prospering insurance field. But your corner of the industry has been growing too: Total surety bond premiums amounted to $111,870,000 in 1950; but by 1959, premiums had reached the neighborhood of $184,800,000. This audience has accounted for a good part of that production.

Suretyship predates most of you by at least a few years. Tablets dating from the year 2750 B.C. indicating a record of contract for suretyship have been unearthed. In the year 2250 B.C., the code of Hammurabi in Babylon provided for a system of State fidelity insurance.

Yours is an old and honorable profession.

At the risk of losing the element of suspense, let me put you a bit at ease by answering the question you have posed to me—"How real is the threat of Federal supervision of the insurance industry?"

In replying, I am speaking as a neighbor over the garden fence. I founded an agency 35 years ago and for many years the regularity with which my family ate was directly tied to my ability as a surety bond producer.

The threat of some kind of Federal goblin taking over the complete supervision of insurance companies is today not very real.

Senator KEFAUVER, chairman of the Antitrust and Monopoly Subcommittee of the U.S. Senate, which for several years has been probing into the insurance field, told me before I left Washington, that the subcommittee's investigations have not produced any basis for substituting Federal supervision for State regulation.

Both Senator Kefauver and Senator O'Mahoney, of Wyoming, who formerly headed the investigation, said State regulation is in the public interest and should be maintained.

In its report last August, the subcommittee reaffirmed its faith in State supervision.

I have encountered in Congress no champions of complete Federal supervision of the insurance industry.

Although areas remain for testing the limits of Federal jurisdiction, certain Supreme Court decisions in the past decade have drastically curtailed Federal intervention under existing law. Federal antitrust enforcement, while important, has very limited effect.

But I must say in all candor, the subcommittee was not particularly happy with some of the things its 3-year examination revealed about certain practices in the industry.

Whether this disappointment is translated at some future date into Federal controls depends on two things—how clean insurance keeps its own house and how effectively the States perform their regulatory job.

A look at the past is instructive for it helps to put the present in proper perspective. And, too, history may provide us with marker buoys for steering clear of rocks and shoals which could lie ahead. This is probably history you all know, but let's take a brief look at it.

In 1869, the Supreme Court—in the first of a chain of decisions of abiding significance to insurance—ruled in the *Paul* v. *Virginia* case that insurance contracts were not articles of interstate commerce. As a result, the business of insurance was considered exempt from congressional regulation under the interstate commerce clause of the Constitution.

In this period prior to the early 1900's the classical theory of pure competition as the most effective protection of the public interest held sway. Insurance laws prohibited cooperative rate practices, and said "No" to compacts, rebates, and discrimination.

After investigations in New York State revealed what buccaneers were doing in the industry, legal brakes were put on the insurance business.

Rate filings were made compulsory, thus cloaking the rating bureaus with the mantle of legal authority. However, no attention was paid to mismanagement of funds, inadequate loss statistics and insufficient capital and surplus requirements as causes of the many insolvencies in that era.

This pattern of ratemaking by bureaus became firmly rooted in State statutes and is the aspect of the industry the subcommittee found most disturbing to the philosophy of reasonably free competition and the intent of our antitrust laws.

In the ensuing years, State insurance officials often found themselves powerless to cope with boycotts, coercion and other monopolistic practices engaged in by different groups in the industry on a nationwide basis.

(The Inland Empire case of more recent vintage is a prime example of the problem State officials have in policing interstate companies. The Inland case primarily centered on reinsurance. It showed the virtually insurmountable difficulties State insurance departments encounter in trying to control illegal activities across State lines by the few sleight-of-hand operators who publicly scar the entire industry.)

The year 1942 echoed with the opening gun in the attack on ratemaking in concert, implemented by boycott and coercion. After the attorney general of Missouri had had no success in fighting a ratefixing conspiracy, he formally complained to the Justice Department. You are familiar with the result of his action—the South-Eastern Underwriters case.

The South-Eastern Underwriters Association, 27 of its officers and 198 member companies representing private stock insurance companies selling 90 percent of the fire insurance and allied lines in 6 States, was charged, among other things, with conspiring to fix rates, and with engaging in pressure tactics to enforce these rates.

A Federal district court held in this case that the fire insurance business was not actually commerce as construed by the Sherman Act. The Supreme Court reversed the district court and declared:

"No commercial enterprise of any kind which conducts its activities across State lines has been held to be wholly beyond the regulatory power of Congress under the commerce clause. We cannot make an exception of the business of insurance."

This was a clear warning to the industry that the mantle of State regulation was not a shield from Federal regulation.

The declaration by the Supreme Court was viewed with alarm within the industry.

Insurance companies feared that the High Court's decision would lay them open to Federal antitrust prosecution for practices of long standing. They feared the decision would be most disruptive to the States' sanction of ratemaking in concert through private rating bureaus. At once, a strong effort was made to have Congress give the industry a blanket exemption from antitrust laws.

Over the years Congress has resisted special pleas for exemption from the Sherman Act. And in 1945, it did not spread such a blanket of exemption over insurance.

But we did pass a bill to drive away some of the clouds created by the Court's action and to retain the prime responsibility for insurance regulation in the hands of the States. It was the McCarran Act. As a Member of the House of Representatives, I took real interest in the legislation. This law said ratemaking in concert—which otherwise would be a per se violation of the antitrust statutes—and other practices considered essential to the sound operation of insurance would be exempt from Federal antitrust laws if the States regulated such activities.

The question of what constitutes effective State regulation is the issue with which Senate committees have struggled and now are wrestling. This is because the pressure for action in the wake of the landmark South-Eastern Underwriters' decision did not afford Congress the chance to determine the legitimate limits on concerted activity by the rating bureaus.

Some segments of the industry contend that because 15 years have passed without changes in the McCarran Act, this, in effect, constitutes a congressional sanction of what has transpired in insurance in that period.

There are those, too, who argue that because the McCarran Act had nothing to say about rating bureaus, this omission is also in effect sanction of the activities over the years of such private agencies.

It becomes important then to examine the legislative history to see just what Congress had in mind in passing this law.

Congress made it clear that it would at a later date scrutinize this "experiment" in State regulation. During the course of the legislation, Congress indicated 10 years would be a reasonable period for State action in this field before the National Legislature would seek to measure and appraise the effectiveness of the law.

That period passed. In 1958, the Senate Antitrust and Monopoly Subcommittee was authorized to examine the insurance industry in the light of what had transpired under the McCarran Act. Thus the stage was set for an intensive inquiry to reveal whether the act had fulfilled its purpose.

This inquiry may have prompted the question you posed to me.

It is abundantly clear from the debate in the Halls of Congress that the grant of authority to the States was only a conditional assignment of power. Congress made it evident that the States would have to provide a strict accounting of their stewardship. Congress also made clear that if this authority was not exercised in a manner which best served the public interest, Congress could reconsider the Federal role in supervising the insurance industry.

These are the words of the late Senator McCarran, whose name the act bears:

"Congress is not bound by any specific rules. Its power to act is unlimited. It probably will not act further in this field [of insurance] so long as it is satisfied the public interest is being served and protected; but any event, or series of events, which leads the Congress to the conclusion that the public interest requires regulations, will lead almost certainly to the imposition of such regulation. Whether Congress reasserts its jurisdiction over the field of insurance will depend, not upon the degree of regulation, nor even upon the degree of good faith, in State regulatory efforts, but upon the effectiveness of State regulation in protecting the public."

That statement does not lend itself to any other interpretation but that Congress was keeping its foot firmly planted in the door, ready to step in farther if necessary to protect the insurance-buying public.

What has the Senate Antitrust and Monopoly Subcommittee's spadework turned up that causes the concern that I mentioned a few moments ago?

For one thing, it found a disturbing degree of concentration in the field of aviation insurance. This field has had tremendous growth, expanding from $13 million in premiums to $50 to $60 million in 1958. The subcommittee found that two underwriting groups dominated the U.S. market. The subcommittee also found that members of the group, one of the International Union of Aviation Insurers, engaged in cartel-like arrangements and agreements to divide markets and maintain rates. Aviation insurance rates were maintained under a "respect the lead" arrangement—a kind of gentlemen's club system for holding the line on rates.

On the basis of the subcommittee's findings, a Federal grand jury was convened and the matter is now under consideration by the Justice Department.

As for air travel insurance, the subcommittee discovered that insurers were paying extraordinary rentals for space at airports—sometimes 25 to 50 percent or more of their revenues. Although the insurers obtained air terminal space by bidding, such rental expenses made it difficult for new entrants, and contributed to the high cost to the public.

The Federal Aviation Agency is looking into this matter.

Such conditions imply an obvious need for the States to review expense ratios in the establishment of rates. More importantly, they raise grave doubts about ratemaking arrangements which seem to challenge the antitrust laws.

It seems to me that since the States have asserted their competence to regulate in areas clearly within the authority of the Federal Government, the public has a right to demand effective operation. The States must not be found wanting, if the Federal Government is to continue to remain out of this picture.

In working out the McCarran Act in conference, Senator O'Mahoney took note of this obligation of the States to be an efficient instrument of supervision. "If there is to be State regulation," the Senator said, "the States must have insurance departments which are competent to regulate; that is to say, which are competent to examine, audit and understand the complexities of the insurance business."

These words come trumpeting down the halls of time, for now the subcommittee finds the State insurance departments sorely pressed to meet their public trust.

Many State departments reported that they have no policy concerning frequency of examinations of the books of insurance companies. Others said at least 5 years had passed since they last audited a firm. Salaries in State department offices were grossly inadequate; tenure was insecure.

Possibly the States have not faced up to the need for funds to do an adequate job. In 1957, the States collected premium taxes of $456 million on a total of $25 billion in premium volume. But they spent only $17 million—just 4.27 percent of that income—on supervision. The rest went into State general funds for unrelated purposes.

This brings us to a look at ratemaking.

While insurance is vested with a public interest, it is not a public utility. Should free competition—although not necessarily the competition commanded by the Sherman Act—be the price regulator?

The subcommittee reported that the cooperative activities of ratemaking bureaus often stretched beyond the scientific function of pooling loss experience data.

Instances were turned up in which bureaus became "aggrieved parties" or "parties of interest" in opposing independent filings. Thus, the bureaus were able to muster the economic and legal resources of a number of member companies to oppose competition from independents.

Although State insurance laws permit deviation and independent filings and while Congress has laid down a mandate for price competition and independence of action, the path of the independent and deviationist were fraught with bureau-erected roadblocks.

This development in concerted ratemaking constitutes a sharp departure from the philosophy of antitrust enforcement. The advocates of this system, however, contend that it is the best device for achieving actuarial soundness.

The courts have had some significant things to say about rating bureaus in the years since the South-Eastern Underwriters case.

The Supreme Court upheld the right of the Insurance Company of North America to file independently for certain rates while remaining a bureau subscriber for other rates.

Boycotts against direct writers and mutual companies as spelled out in the bylaws of the Insurance Board of Cleveland and in New Orleans and Baton Rouge were held to be illegal.

To a large extent, these legal challenges to the traditional pattern of ratemaking are a measure of the revolution taking place in the insurance industry.

The stimulus for many such legal actions stem in part from the broadening inroads of the direct writers' pioneering marketing techniques.

Back in 1955, the Allstate Insurance Co.—a direct writer—filed a deviation of 15 percent below the rate set by the New York State Fire Insurance Rating Bureau. Allstate was opposed by the rating organization, but proved its case to the State insurance department on the basis of a lower expense factor, better underwriting and careful risk selection.

This kind of price cutting is a challenge to the old line companies. Is the independent agent doomed? Some of your attention might be devoted to that possibility.

Allstate, the largest stock insurer of automobiles, is making rapid headway in fire, homeowners and other types of insurance. Its sales in 1960 amounted to $502,348,000—a gain of $63,767,000 over 1959.

Another aggressive direct writer, although considerably smaller than Allstate, is Government Employees Insurance Co. GEICO in recent years has been stretching out from automobile insurance into fire, casualty and homeowners package insurance. GEICO's premiums last year totaled over $65 million, a 14.2 percent jump over 1959. It has running mates in life and other forms of insurance.

You are worried about intervention from Washington. Perhaps the real challenge of the future comes from the direction of the direct writers.

Electronics has helped reduce and centralize much of the direct writer's paperwork. Lower handling costs are passed on to the

insurance consumer as lower prices. It seems to me this problem of cutting costs by using the latest machine methods of bookkeeping is worth looking at.

You may have seen the same ad I saw recently in a national magazine. It showed how Hardware Mutuals Sentry Life Insurance Group expects to save $1 million a year in operating costs by sending insurance data in business machine language over the telephone from its national branches to its main processing center in Wisconsin. This new technique reportedly will cut the time for handling certain policy work from 3 days to 3 minutes.

The tremendous cost of processing paper caused Hardware Mutuals to turn to the latest electronic devices to reduce expenses.

When I was a boy in South Dakota, my grandfather cut ice from one bend in the James River, stored it in a crude icehouse, and sold it. Isaac Spears cut cakes of ice from the next bend. They thought they were competitors. But along came a fellow with a coil of copper wire and put them both out of the ice business. He was a real threat. Like the play, "I Remember Mama," I remember my grandfather. I don't want his experience. I want my grandsons to have a chance to own and run the business I launched 35 years ago.

Congress has been looking at the industry's advisory organizations, and saw that these groups had profound influence over rates. These organizations are largely operated out of the New York insurance district.

The subcommittee believes that the advisory councils have been employed to restrict and delay competitive rate filings. Senate testimony indicates that departments of insurance in the States are not sufficiently aware of these activities. While careful State examinations may be made of the rating bureaus, the advisory councils are not so carefully checked.

I am confident that the States will be urged to give fuller supervision to these very important insurance associations.

Now let's see what fortune seems to be written in the tea leaves. As I said when I began my remarks, the possibility of the Federal Government moving wholehog into insurance is not very real now. Congress doesn't want to take this step.

But toward the end of January, Senator KEFAUVER reintroduced a bill—S. 568—in an effort to create a more competitive approach to fire and casualty insurance regulation in the District of Columbia. It is, very frankly, designed as a model bill for the States to emulate.

On the day he dropped S. 568 in the Senate hopper, Senator KEFAUVER said that its impact on the industry might be great because it represents the first expression by Congress of its intentions concerning the kind of rate regulation which conforms most closely to the purposes of the McCarran Act.

It covers rating and advisory organizations in the District of Columbia. And, important to this group, the proposed rate law also embraces surety, fidelity, and guarantee bonds.

During the course of its insurance studies, the subcommittee has not made a special examination of the bond field. But as part of a general questionnaire sent out to the States, it asked about this segment of the industry. And, I am told, that it found, of all lines examined, concentration in bonding was the highest.

Not all the States responded to the inquiry. But here are some examples of concentration which turned up:

In Arizona, the top five companies had 54.83 percent of the bond business, while the five leading companies in fire writing had only 24.68 percent.

In Connecticut, the top five bond firms had 57.93 percent; the top fire firms, only 20.28 percent.

In Maine, the leading five companies in bonds wrote 64 percent of the business; the top five in fire had 12.05 percent.

That is the pattern. This apparent degree of concentration does not mean violation of the antimonopoly laws. But it is this kind of situation which makes Congress uneasy and could lead to a more detailed study of surety bonding.

In seeking to preserve the situation as it existed prior to the South-Eastern Underwriters decision, many companies have contended that Congress sanctioned restrictive laws in the States because it passed the District of Columbia insurance law. That law makes mandatory that all insurers be members of a single rating bureau in which lower rates occur only by a cumbersome deviation procedure.

Senator KEFAUVER's bill would prevent rating organizations from adopting any rules or engaging in any practices requiring either members or subscribers to agree to adhere to the rates filed. This bill strips from the rating bureaus, and from any competitor, their status as an aggrieved party in any hearing or suit involving a competitor's rate filing.

As a result of what Congress has been finding about the budgets, the competence and the manpower of State insurance departments, the Kefauver bill eliminates the requirement of prior approval of rates embodied in many State insurance laws.

However, the bill reposes in the Superintendent of Insurance the power to protect the public interest by reviewing these filings to insure that they are not excessive, inadequate, or unfairly discriminatory.

The bill also would, for the first time, subject advisory organizations to the careful scrutiny of the insurance department.

By way of indicating to the States that they would be wise to reevaluate the salaries they pay their insurance officials, the bill provides for a salary commensurate with the responsibility of the superintendent.

These are the most important provisions of the Kefauver bill. They bear witness that there is a serious mood in Congress to bring insurance more into line with the pricing patterns of a competitive marketplace.

Let me add that interest in bonding is not limited to the Senate Antitrust and Monopoly Subcommittee. Some Members of Congress are concerned that a few fast operators may be taking advantage of the bonding provision of the Landrum-Griffin Labor Act to the harm of the public interest.

The consumer is becoming increasingly aware of the inroads price fixers are making into his pocketbook. He knows that the Attorney General of the United States suspects a conspiracy in some segments of the meat and dairy industry. He knows that New York State has charged eight diaper services with conspiring on prices. Even baby's bottom is a target for price riggers.

We all are familiar with what has happened in recent months in the electrical manufacturing industry. The press has been full of accounts of what happened to seven industrial executives and 29 companies.

The courts concluded something was rotten in Denmark—or at least in Tennessee—when five big companies submitted identical bids of $451,584 for conductor cable to the Tennessee Valley Authority.

I am not in any way suggesting that the trouble of those companies are parallel to the practices I have alluded to in the insurance industry.

But I am saying that the way for insurance to repel the threat of Federal supervision is to keep its house in order. The industry must demonstrate continuously and conclusively that it is as much concerned about maintaining competition in the public interest as is Congress. It must establish in the mind of the policy purchaser—and his numbers increase every day—that the companies earnestly seek to provide him with the best service at the lowest realistic cost.

The industry must be willing to accept the fact that the far-reaching changes that have occurred in the insurance market are here to stay. The best way to meet these changes is not through tightening restrictive practices but through developing new and attractive policies, and more efficient management.

The insurance industry is playing an increasingly important part in the development of the national economy. Its activities in one way or another touch almost every American. Because of this, the Government has an obligation to make certain that insurance activities are conducted responsibly.

There is no doubt in my mind that the industry shares this objective. Indeed, all but a few in the industry have met this goal and will continue to do so.

In this spirit, I am confident that Congress will wisely leave supervision of insurance in the hands of the States.

DEATH OF EARL R. FOGARTY AND HOWARD J. FERRIS

Mr. CARROLL. Madam President, like thousands of Coloradans and other Americans interested in reclamation, I was saddened to learn last week of the death of two employees of the U.S. Bureau of Reclamation, Earl R. Fogarty and Howard J. Ferris, in a helicopter accident in Ethiopia. They had gone there, at the invitation of that nation's government, to provide needed technical advice and assistance on a project of major importance to the people of northeastern Africa.

Other Reclamation Bureau career people go abroad each year, at the request of foreign governments, for similar purposes. They risk their lives and their health far from home, because they are civil servants in the finest tradition, spreading the gospel of reclamation to all corners of the earth.

One of these men, Earl R. Fogarty, was a resident of my home city of Denver, and a veteran of 32 years of service with the Bureau. Although many residents of Denver and Colorado do not realize it, the Bureau of Reclamation has many times more employees headquartered in Denver than in Washington. Denver, of course, is where the Assistant Commissioner and Chief Engineer of the Bureau are based. As of March 31, the Denver payroll included 1,318 Bureau of Reclamation employees, compared with only 230 in the District of Columbia. Mr. Fogarty was a member of the Denver staff, temporarily detached for special duty in Ethiopia.

As of the same date, the Bureau had 41 employees permanently stationed overseas in all parts of the world. One of these was Howard J. Ferris, a 21-year veteran of service with the Bureau.

Madam President, in tribute to these fine men and others like them who make lasting friendships for our Nation all over the world, I ask unanimous consent that there be printed in the RECORD a Bureau of Reclamation press release, dated April 21, 1961, describing the recent tragic accident.

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

TWO BUREAU OF RECLAMATION EMPLOYEES DIE IN HELICOPTER CRASH IN ETHIOPIA

Two employees of the U.S. Bureau of Reclamation were killed Wednesday in a helicopter crash in Ethiopia while on a mission for the Bureau's Blue Nile reconnaissance project, it was announced today by the Department of the Interior.

The two crash victims are Earl R. Fogarty, 60, Denver, Colo., a 32-year veteran of Federal service and Economics Research Branch Chief in the Office of the Assistant Commissioner and Chief Engineer of the Bureau, and Howard J. Ferris, 47, whose home was Sturgeon Bay, Wis. Immediately before the latter's oversea position with the project in Ethiopia, to which he went in January 1959, he served as supervisory soils scientist with the Bureau's Snake River Development Office, region 1, Boise, Idaho.

The bodies will arrive at New York's Idlewild Airport Sunday at 4:55 p.m., accompanied by Robert Thrailkill of the Bureau's Ethiopian field team. Mrs. Vera Elaine Ferris, accompanied by her three children, also will arrive in New York Sunday and will accompany Mr. Ferris' body to Sturgeon Bay, with arrival in Chicago scheduled for 7:35 p.m. Sunday. Mr. Thrailkill will continue on to Denver with Mr. Fogarty's body on Monday, with arrival in Denver scheduled for 12:15 p.m.

Commissioner of Reclamation Floyd E. Dominy said that Mr. Fogarty and Mr. Ferris were completing a 3-week inspection of the agricultural and economic potentials of the 100,000-square mile Blue Nile watershed in Ethiopia when the fatal accident occurred. Their helicopter crashed near the small interior community of Debra Markos, about 140 airline miles northwest of Ethiopia's capital, Addis Ababa. The Americans and a British helicopter pilot, employed by the Ethiopian Air Lines, which was operating the helicopter on charter, were killed.

Details of the crash are sketchy and its cause unknown, Mr. Dominey said. However, the accident is being investigated by the Bureau and by Ethiopian civil air officials.

Helicopters have been used regularly by Bureau staff personnel throughout the first 4 years of the Bureau's 7-year project to investigate the water resources of the Blue Nile watershed in Ethiopia. The project was initiated in 1957, at the request of the Ethiopian Government and under the auspices of the International Cooperation Administration. Some 25 American and upward of 150 Ethiopian engineers and technicians are engaged in measuring the flow of streams, surveying possible damsites, plotting the geology, and studying the agricultural and economic potentialities of the vast, rugged drainage basin. Many of the project sites can be reached only on foot or by helicopter.

"Mr. Fogarty and Mr. Ferris, like the other members of the project staff, were engaged in arduous work under difficult conditions that called not only for a high degree of technical competence, but also for the highest devotion to their profession and to the interests of the U.S. Government," said Mr. Dominy. "They died in the service of their country in its program of providing assistance to the developing countries of the world. Their loss will be keenly felt in both the domestic and oversea programs of the Government."

A native of North San Juan, Calif., Mr. Fogarty was internationally recognized as a pioneer in developing the economic land classification procedures now used by the Bureau and other agencies in the United States and in foreign countries. He received the Department of the Interior's Distinguished Service Award in 1959 for his contributions in this field.

Mr. Fogarty started to work for the Bureau in Denver as an economist in December 1926, following his graduation from the University of California. He also holds an M.S. degree from Oregon State College. His work as a Bureau economist was chiefly in Denver and Washington, D.C. He had been scheduled to return to the United States Monday from his 3-week assignment in Ethiopia.

Mr. Ferris had approximately 21 years of Federal service, including military service and employment with the Soil Conservation Service. He served as a soils technologist on Bureau projects at Great Falls, Mont.; Yuma, Ariz.; Klamath Falls, Oreg.; and as a staff member in the Boise, Idaho, regional office. He also served a 4-year assignment on the Bureau's project in Beirut, Lebanon, and had been at his post in Ethiopia since January 26, 1959. He received a B.S. degree from the University of Wisconsin, and an M.S. degree from Michigan State College.

LT. GEN. EMERSON C. ITSCHNER

Mr. DIRKSEN. Madam President, March 31, 1961, marked the end of an outstanding Federal career of one of our most distinguished military officers, Lt. Gen. Emerson C. Itschner, Chief of Engineers, U.S. Army.

General Itschner, a native of Chicago, was appointed to the U.S. Military Academy from the State of Illinois. Upon his graduation in 1924, he was commissioned in the Army Corps of Engineers, and served as an Army Engineer officer for approximately 37 years.

When he was appointed Chief of Engineers by President Eisenhower in 1956, at the age of 53, he was the youngest officer to hold that post in more than a century. After his normal 4-year term as Chief of Engineers expired on September 30, 1960, it was extended by the President for 2 years.

In the past 4½ years, General Itschner administered a recordbreaking peacetime $10 billion construction program. Among the civil and military works he directed were the completion of the U.S. part of the St. Lawrence Seaway, advancement of the Columbia, Missouri, and Arkansas River Basin developments, modernization of the Ohio River and Great Lakes navigation systems, construction of ICBM launching bases, and building Camp Century, the nuclear-powered research center under the snow on the Greenland icecap. He was a member of the U.S. team which negotiated the new treaty with Canada for further development of the Columbia River by both countries.

He headed Air Force construction for the Chief of Engineers during the early part of World War II. Later he had charge of construction supporting the invasion of Europe, including the initial construction of the port of Cherbourg and rehabilitation of railroads, roads, bridges, ports, hospitals, depots, coal mines, steel mills, and public utilities in the American sector of northern France, Belgium, Luxembourg, and Germany. With the end of hostilities in Europe, he commanded Base K in the Philippine Islands.

After World War II General Itschner served as the Corps of Engineers Chief of Military Construction Operations here in the Nation's Capital. He was assigned as district engineer in Seattle, Wash., in 1949. When hostilities broke out in Korea, he served as engineer of the I Corps, where he took part in the rapid advance to the Yalu River and the subsequent withdrawal. During the latter period he was in charge of the demolition of military structures and installations in both the North and South Korean capital cities as the troops withdrew. He was awarded the Purple Heart for wounds received in combat in March 1951.

From 1952 to 1953, General Itschner was division engineer of the North Pacific Division of the Corps of Engineers with headquarters in Portland, Oreg. In March 1954 he was appointed Assistant Chief of Engineers for Civil Works. He served in that position in direct charge of the Corps of Engineers rivers-and-harbors work until President Eisenhower appointed him Chief of Engineers in 1956.

Nearly 3,000 troops paraded at the retirement review for General Itschner on Monday afternoon, March 27, 1961, at the U.S. Army Engineer Center and Fort Belvoir. Approximately 2,000 were from the U.S. Army Engineer Center Regiment; 600 from the 79th Engineer Group, construction; and 250 from the 30th Engineer Battalion, Base Topographic. Completing the troop turnout were 42 members of the 75th and 356th Army Bands.

At the retirement review, General Itschner was presented with the Distinguished Service Medal. This is in addition to the list of citations and decorations included in his official biography, which I ask unanimous consent to have included in the RECORD.

Immediately after retirement the General and Mrs. Itschner, the former Eleanor Corey, of Seattle, Wash., departed for Pakistan where he will serve as chief technical adviser on the Indus River project with the Harza Engineering Co.

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

LT. GEN. EMERSON CHARLES ITSCHNER

Emerson C. Itschner was born in Chicago, Ill., July 1, 1903. He was appointed to the U.S. Military Academy from Illinois and was commissioned a second lieutenant in the Corps of Engineers upon graduation in 1924.

His early service consisted of a varley of interesting assignments. These included his service as a field engineer with the Alaska Road Commission from 1927 to 1929; a tour of duty as assistant professor of military science and tactics at the Missouri School of Mines; the 3 years from 1936 to 1939 which he spent as assistant to the division engineer of the Upper Mississippi Valley Engineer Division and as a resident engineer with the St. Louis Engineer District; and his service in Portland, Oreg.; from 1940 to 1941 as a company commander with the 29th Engineer Battalion.

During the early part of World War II, when the Air Force construction program was at its height, he was in charge of Air Force construction for the Chief of Engineers. Later, as engineer of the advance section, Communications Zone, in Europe, he was in full charge of the planning, execution, and completion of the advance section engineer mission on the continent of Europe. The

planning and direction of the reconstruction of the port of Cherbourg was one of his responsibilities. Rehabilitation of this mass of debris was vital to the support of the U.S. forces on the Continent. Another job was the rehabilitation of all railroads, ports, hospitals, depots, barracks, coal mines, steel mills, and public utilities in the American sector of northern France, Belgium, Luxemburg, and Germany, and the construction of hundreds of highway bridges in these areas. For his service during this period, he was awarded the Legion of Merit and the Bronze Star Medal. With the termination of hostilities in Europe, he became commander of Base K in the Philippines and was awarded an Oak Leaf Cluster to the Legion of Merit for his accomplishments in this position.

At the conclusion of World War II, he returned to Washington, D.C., where he served for 3 years as chief of the Construction Operations Division in the Office of the Chief of Engineers. In this capacity, he supervised the progress of the Army and Air Force construction both in the United States and overseas, as well as that of Veterans' Administration hospitals assigned to the Chief of Engineers for construction. These were unique peacetime programs of a total cost of about a billion dollars. In July 1949, he became district engineer of the Seattle Engineer District, where he was responsible for the direction of civil works functions, including river and harbor and flood-control construction and operations. He also directed all military construction in four States.

In August 1950, General Itschner went to Korea to become engineer of I Corps and served in this capacity during the period of rapid advance to the Yalu River and the subsequent withdrawal. During the latter period, he took charge of the demolition of military structures and installations in both the North and South Korean capital cities as the troops withdrew. For wounds received in combat in March 1951, he was awarded the Purple Heart. He also received the Air Medal and a second Oak Leaf Cluster to the Legion of Merit for service in Korea.

After a short period as engineer of the 5th U.S. Army in Chicago, he was assigned as north Pacific division engineer in Portland, Oreg. In that post, he was in charge of the civil and military programs of the Corps of Engineers in Oregon, Washington, Idaho, western Montana, and Alaska.

General Itschner became Assistant Chief of Engineers for Civil Works in Washington, D.C., in March 1954. In that position he had responsibility for supervising the nationwide civil works construction program of the Corps of Engineers. He planned and directed the development of the water resources of the United States in the fields of river and harbor development, flood control, and hydroelectric power.

On October 1, 1956, General Itschner became Chief of Engineers, U.S. Army. He was the youngest officer in more than a century to be appointed to head the Army's Corps of Engineers, with its brilliant record of service, both as a fighting-building military Army corps, and as a nationwide civil works organization constructing and maintaining the country's river and harbor channels and Federal flood control structures. Apart from the extensive military construction and civil works programs, he directs the training and schooling of engineer military personnel, the largest mapmaking enterprise in the world, a large engineer procurement and maintenance program, the management of military real estate, the repair and maintenance of completed Army facilities around the world, and an extensive research and development program. He is exceptionally well fitted for this post by reason of exceptional native talents and his well rounded experience in both the military and civil works program of the Corps of Engineers.

PERSONAL DATA

Date and place of birth: July 1, 1903, Chicago, Ill.

Parents: Father, deceased; mother: Lucrecia Burns Itschner.

Marriage: Date, January 30, 1932; wife, Eleanor Corey of Seattle, Wash.; children, Eleanor Ann Caratt, living in Seattle, Wash., Gail Sandra and Carol Vine, both attending George Washington University.

Official home address: Lakeside, Cholan, Wash.

Education: U.S. Military Academy, 1924; Cornell University, B.S. in civil engineering, 1926; the Engineer School, company officers course, 1927; Command and General Staff College, 1940; educational equivalent to the Armed Forces Staff College, 1947; educational equivalent to the National War College, 1947.

CHRONOLOGICAL LIST OF PROMOTIONS

Second lieutenant, permanent (RA), June 12, 1924.

First lieutenant, permanent (RA), January 23, 1929.

Captain, permanent (RA), September 22, 1935.

Major, temporary (AUS), February 4, 1941; permanent (RA), June 12, 1941.

Lieutenant colonel, temporary (AUS), January 6, 1942; permanent (RA), July 22, 1947.

Colonel, temporary (AUS), July 31, 1942; permanent (RA), March 25, 1949.

Brigadier general, temporary (AUS), July 25, 1953; permanent (RA), August 1, 1955.

Major general, temporary (AUS), December 21, 1955; permanent (RA), October 1, 1956.

CHRONOLOGICAL LIST OF ASSIGNMENTS

Assistant to Chief, Operations Branch, Construction Division, Office, Chief of Engineers, Washington, D.C., December 1941 to December 1942.

Chief, Department of Engineering, the Engineer School, Fort Belvoir, Va., December 1942 to June 1943.

Chief, Control Division, Office of the Chief Engineer, European Theater of Operations, July 1943 to February 1944.

Chief Engineer, Advance Section, Communications Zone, European Theater of Operations, February 1944 to June 1945.

Deputy Commander and Chief of Staff, Philippine Base Section, Army Forces Western Pacific, August 1945 to September 1945.

Commanding officer, Base K, Army Forces Western Pacific, September 1945 to March 1946.

Chief, Construction Operations Division, Office, Chief of Engineers, Washington, D.C., May 1946 to July 1949.

District Engineer, Seattle District, Corps of Engineers, Seattle, Wash., July 1949 to August 1950.

Corps Engineer, I Corps, Far East Command, August 1950 to September 1951.

Army Engineer, 5th Army, Chicago, Ill., November 1951 to April 1952.

Division Engineer, North Pacific Division, Corps of Engineers, Portland, Oreg., April 1952 to November 1953.

Deputy Assistant Chief of Engineers for Civil Works, Office, Chief of Engineers, Washington, D.C., November 1953 to March 1954.

Assistant Chief of Engineers for Civil Works, Office, Chief of Engineers, Washington, D.C., March 1954 to September 1956.

Chief of Engineers, U.S. Army, Washington, D.C., October 1956 to March 1961.

LIST OF CITATIONS AND DECORATIONS

Legion of Merit (with two Oak Leaf Clusters), Bronze Star Medal, Air Medal, Purple Heart, Order of the British Empire, Croix de Guerre with Palm (France), L'Order de Leopold Grace de Officer (Belgium), Honorary Commander of the Military Division of the Most Excellent Order of the British Empire.

PERSONAL BACKGROUND MATERIAL

Interests and hobbies: Gardening, tennis, track, and baseball.

Group affiliations: Society of American Military Engineers, American Society of Civil Engineers, Permanent International Navigation Congress, Newcomen Society, Washington Society of Engineers.

Honors other than military: Doctor of engineering from Drexel Institute, doctor of engineering from Missouri School of Mines and Metallurgy.

Publications: General Itschner has published articles in a number of magazines and periodicals, including the Military Engineer, Civil Engineering, and Army, among others.

Licenses: Registered professional engineer, District of Columbia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 3935) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POWELL, Mr. ROOSEVELT, Mr. DENT, Mr. KEARNS, and Mr. AYRES were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 4884) to amend title IV of the Social Security Act to authorize Federal financial participation in aid to dependent children of unemployed parents, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MILLS, Mr. KING of California, Mr. O'BRIEN of Illinois, Mr. MASON, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

RESEARCH INTO RESOURCES OF THE SEA

Mr. MORSE obtained the floor.

Mr. MANSFIELD. Madam President, will the Senator from Oregon yield, if it is understood that in doing so he will not lose his right to the floor?

Mr. MORSE. Yes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Then, Madam 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. MANSFIELD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MORSE. Madam President, the Eugene Register-Guard of Eugene, Oreg., carried an editorial on April 9 concerning the request by President Kennedy for a $97 million research program affecting the resources of the sea. The editorial outlines the importance of this program, and the research already being conducted in Oregon on oceanography.

I ask unanimous consent that the text of this editorial appear at this point in my remarks.

In this connection, I wish to mention again, and call to the attention of the administration, the availability of the Tongue Point facility near Astoria, which was recently closed as a naval station. Use of the Tongue Point facility for oceanography research would fit admirably with the programs already underway in Oregon.

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

LOOK TO THE SEA

The world's population, soon to approach 3 billion, lives on one-third of the earth. The other two-thirds is water, a vast wasteland in our thinking thus far. From the two-thirds we draw only about 1 percent of our food. We could draw much more, and the day may come when we have to.

Almost overlooked in the news was President Kennedy's request for a $97 million research program in the resources of the sea. There is so much to be done.

Only in a few places, notably Japan, has there been a real attempt to farm the sea. Elsewhere we hunt there, but we do not farm. Yet, the possibilities are tremendous. For all that a plankton sandwich doesn't sound good to most of us right now, there is no reason why we couldn't learn to like such a dish. Indeed, if atomic explosions start popping around the world, future generations may find that the only safe food is seafood.

But food is not the only resource that the sea must hold in untold quantity. Minerals are there, too. Water is the great eroding agent. The land is carried into the ocean where the minerals form the "salt" that distinguishes sea water. The ocean floor is a vast storehouse of precious minerals, if only we can mine them.

Climate control may be one of mankind's weapons in accommodating the population boom. One of the keys to climate control lies in the currents of the sea. But before we can control currents we must understand them.

And think of the energy that goes to waste in the tides.

Research is going on, to be sure. Here in Oregon, we have the largely overlooked marine biology lab near Coos Bay. And Oregon State University at long last has a seagoing vessel for its studies of the ocean. The Corvallis Institution, too, has been doing some work in seafood research. But so much more remains.

Research of this kind is "pure" research, research which may or may not bring a worthwhile result. But only if the effort is made will we stand a chance of learning anything about that two-thirds of the world which we now regard as wasteland.

THE SITUATION IN CUBA

Mr. MORSE. Madam President, I propose to speak for the next few minutes on Cuba and the United States-Cuban relations; and I shall not yield during the course of my remarks.

As chairman of the Senate Subcommittee on Latin American Affairs, I speak with a very heavy heart, because I am well aware of the very serious implications to the security of the United States and the peace of the world that may very well become involved in the Cuban crisis. If there ever was a time in recent years when calm deliberation was the highest manifestation of statesmanship in connection with American foreign policy, that time is now.

The Subcommittee on Latin American Affairs of the Senate has worked intensively, for some years now, seeking to help develop programs, to change Latin American attitudes, and to secure a greater degree of cooperation on the part of Latin American governments, in order to strengthen the economic posture of our Latin American friends and neighbors. It has been the hope of the committee that through such an economic approach, we could strengthen the political choice for freedom among the masses of the people of Latin America.

The members of my committee know that this is a longtime problem. It is not going to be solved overnight. It is going to take a considerable amount of governmental modification and reform, both economic and political, in a large number of Latin American countries.

We must expect a good many disappointments over the years that I think it is going to take to resolve the great contest in Latin America between freedom and totalitarianism. But may I say, at the outset of this speech, Madam President, I am satisfied the problem will never be resolved by the exercise of military might. Oh, we can defeat any power inside or outside Latin America, if the contest is confined to Latin America, and if it follows conventional military form. But that would give us an empty victory, because the problem is to establish a political and economic order, in country after country, dedicated to a way of life based upon political freedom.

It is very easy, in an hour such as this, when there are so many in our country willing to wave the flag into tatters, to join in the emotionalism of the hour and demand so-called United States direct military action in Cuba. I would suggest that might be the way to win a battle, but lose a peace.

After all, our generation has an obligation to generations to follow us. I think we have reached that hour in American history when the leaders of our country are called upon to lead our country into peace, and not into war.

RESPONSIBILITIES OF CONGRESS IN FOREIGN AFFAIRS

The Congress has a great obligation to this administration to put itself at the disposal of this administration in keeping with the spirit and intent of the advice and consent clause of the Constitution. We have stood ready and willing to give that advice and to consult with and cooperate with this administration in respect to the Cuban crisis. The sad fact is our advice has not been sought.

This morning I sent the following telegram to the Secretary of State:

Hon. DEAN RUSK,
Secretary of State,
Washington, D.C.

DEAR SIR: It is a matter of deep regret to me, as chairman of the Senate Subcommittee on Latin American Affairs, that the administration did not see fit to advise with the committee prior to making its decision to intervene in the Cuban invasion through granting logistic and other assistance to the Cuban exiles. The administration has every reason to know that it is the unanimous desire of members not only of the Latin American Subcommittee of the Senate but I am sure of the full membership of the committees of both the Senate and the House in the field of foreign affairs and military policy to cooperate at all times with the administration in connection with any matter that involves the security of our Nation. Such cooperation calls for our making available to the administration just such information as the Subcommittee on Latin American Affairs could have presented prior to the making of the ill-fated decision to invade Cuba by means of the Cuban exiles. It is possible that the advice which the administration would have received from at least some of us on the Latin American Subcommittee might have caused a reconsideration of the invasion plans. Under the Constitution we have no right to insist upon being advised in advance of such a course of action, but I respectfully suggest that in keeping with the spirit of the advise and consent clause of the Constitution it would be a constructive administrative policy to at least touch base with foreign policy committees of the Senate and the House before the fact rather than after the fact. In further reference to the Constitution, attention is called to the fact that under article I, section 8, it is still the power of the Congress to declare war.

WAYNE MORSE.

Madam President, we should not lose sight—and the White House should not lose sight—of the fact that under our Constitution foreign policy does not belong to the President of the United States and to the Secretary of State. They are but the administrators of the people's foreign policy. Foreign policy, under our system of representative government, belongs to the American people. Our constitutional fathers wisely set up a check and balance system for the administration of this Government. As I pointed out in my telegram to the Secretary of State this morning, the power to declare war was vested in the Congress by article I, section 8, of the Constitution.

The President of the United States is the representative of the American people in the administration of foreign policy as he is our representative in all diplomatic relations and negotiations, but he is not given the power to determine American foreign policy unchecked by representatives of our free people.

When I speak thus at a time such as this there are those who will seek to give the impression that the senior Senator from Oregon finds himself in a break with the administration. Nothing could be further from the truth. I speak out of a very sincere desire to be of every help I can, as a Member of this body, to my President. I shall stand with him in his mistakes, seeking to do whatever I can, in my small way, to keep those mistakes at a minimum.

I believe that if the Latin American Affairs Subcommittee of the Senate had been given an opportunity to advise with this administration, the mistake of the Cuban invasion last week would not have been made. Be that as it may, I also have a duty as a Member of this body to carry out a patriotic trust I owe to the people of the State of Oregon. Many may disagree with conclusions which, as Senators, we may reach, and they may disagree with some of my conclusions about the Cuban crisis, but on the basis of such facts as I know about Latin America I sorely wish that my subcommittee and the full Foreign Relations Committee of the Senate might have had an opportunity to advise with the President or with the Secretary of State or with other officers of the administration prior to the execution of the foreign policy about which most of the members of the Foreign Relations Committee, at least, knew nothing.

In fact, last Tuesday I appeared on the Dave Garroway television show in the morning and was asked questions about the Cuban situation. I presented what my understanding was in respect to the administration's policy. Subsequently, I found myself very much chagrined. I referred to statements the President and the Secretary of State had made about U.S. nonintervention in Cuba, paraphrasing them, I am sure, accurately. One can say, as one analyzes the literal statements of the President and of the Secretary of State, that they referred only to invasion by the use of American troops. I hope we have not come to a pass when we have to keep a dictionary at hand and refer to it for an analysis of possible semantics or concealed meanings in statements issued by the White House and by the Department of State. I am satisfied the impression went across this country that the U.S. Government was not aiding and abetting, was not assisting in, was not supplying the logistics or the equipment or the naval cover for an invasion of Cuba by Cuban exiles.

I think I was quite justified in my remarks, although I owe an apology to everyone who heard me on the Dave Garroway television show. I did not speak a falsehood, because that would involve an intention to mislead the public, but I did not speak the facts, because subsequently the whole country discovered that what I thought was the policy of the administration was not the policy of the administration at all.

We now know that there has been a covert program underway to be of assistance to the Cuban exiles in an invasion of Cuba, and that assistance was given by the U.S. Government.

I say most respectfully—and on this point judgments may differ—that if the administration is to expect the cooperation of the Congress, we ought to be taken into the confidence of the administration before the fact and not after the fact.

The fact is that a matter as important as this was not the subject of a discussion before either my Subcommittee on Latin American Affairs or the Foreign Relations Committee itself. It may be said that some members of the Foreign Relations Committee, because of their position of leadership in the Senate of the United States, may have been taken into the confidence of this administration at some White House conference. However, I doubt if that even occurred, at least with any number of the members of the committee. I say most respectfully, Madam President, that conferring with one or two individual Senators never can be a substitute for the administration discussing these matters with the full membership of committees of the Senate which, by the direction of the Senate, have been given the jurisdiction and the responsibility of advising the Senate in regard to foreign affairs.

Neither is it acceptable to me to say that the administration talked to political leaders in both parties, many of whom are not even members of the Committee on Foreign Relations of the Senate. I certainly think it is fine to discuss with the leaders of both parties a matter which could be as critical as the Cuban situation, but again I respectfully say that, in addition, unless the administration wishes to give the impression to the Nation that it does not have confidence in the Foreign Relations Committee of the Senate or the Foreign Affairs Committee of the House, it should consult with those given by the Congress itself a responsibility to sit in committee as the first advisers at the legislative level in the field of foreign policy.

In a telephone conversation this morning with one of the high officials of the Department of State, I expressed these views. In fairness to the Department of State on this point, I should report that he said, in effect:

Our hindsight now proves to be better than our foresight, and we recognize that we should have followed the course of action that you suggested in your wire to Secretary Rusk.

I have mentioned this procedural subject because in my judgment the leaders—at least those of my party—in the Senate have a responsibility to try to work out a liaison with the administration so that we do not find ourselves in a situation—and it is a horrible thought—in which we are not given an opportunity to offer advice in advance of being confronted some dark day with making a decision under article I, section 8, of the Constitution in respect to a declaration of war.

In recent years I have heard the statement made on the floor of the Senate that, of course, war is not declared any more in these modern times until after a nation is involved in a war. But I think it is important to issue this caveat today on the floor of the Senate. The American people are entitled to it. No President can justify getting the United States into war and then asking the Congress to back him up with a declaration of war.

Rest assured that whoever is in control of the executive branch of the Government will be expected by the American people to avoid following a course of action that may eventually result in asking for a declaration of war without consulting, before the fact, with those regular committees of Congress on foreign affairs. The President owes it to the country to consult with the two principal committees in each body, which in the Senate are the Committee on Foreign Relations and the Committee on Armed Services, and the corresponding committees of the House.

We all know that in an hour of crisis we will unanimously rally behind the President, no matter who he may be. But I do not believe the Senate or the House should be put in a position in which all it does is what it is forced to do; a position in which it is only a matter of formality that we vote a declaration of war in the Congress.

NEXT STEPS DEBATED IN PRESS

In recent hours two very interesting newspaper columns appeared dealing with the Cuban situation. Without having the slightest intention of engaging in any unfair criticism, but seeking only to point out the contrasts between those two articles I wish to discuss them briefly. One is an article which I interpret to mean that we should move down the road toward direct military U.S. action in Cuba. The other is an article that follows at least the spirit of the plea that I made in the Senate in the speech I made last week on Cuba, which was a plea for calmness, a plea for careful study, a plea for contemplation of the implications that will flow from any course of military intervention on the part of the United States in Cuba in light of existing facts. Of course, facts can change and facts can exist about which we may not know.

The first article to which I refer was written by a very distinguished correspondent and columnist, Mr. Stewart Alsop, and is entitled "If You Strike at a King." I ask unanimous consent that the entire article be printed at this point in my remarks.

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

IF YOU STRIKE AT A KING

(By Stewart Alsop)

Sometimes it is useful to state the obvious. After the events of the last tragic week, and especially after what President Kennedy said in his speech to the editors, Fidel Castro cannot indefinitely be permitted to survive in triumph. The prestige and even the honor of the United States are now obviously and wholly committed to Castro's ultimate downfall.

There is hardly anybody in the higher reaches of the Kennedy administration who does not agree that this commitment to Castro's destruction now in fact exists. And yet President Kennedy and his advisers certainly did not plan the commitment. On the contrary, the President's key decisions in regard to the Cuban operation were specifically designed to avoid such a commitment.

There were two key decisions made by the President after he decided to give the operation a green light. The plan for the operation which the President inherited from President Eisenhower involved the use of American armed force—for example, naval air power—if necessary to assure the success of the operation. President Kennedy's first key decision was to rule out the use of any American forces whatever, under any condi-

tions whatever. His second decision was to announce the first decision, just as the operation began.

The public announcement that American forces would under no circumstances be involved was reiterated twice by the President himself and four times with even more emphasis by Secretary of State Dean Rusk. The announcement obviously greatly reduced the likelihood of a general uprising in Cuba, which was the main purpose of the Cuban operation. It also quite unnecessarily tied the President's hands in advance.

After the operations began to go bad, at an all-day meeting at the White House on Wednesday, certain of the President's military and civilian advisers favored active American intervention. They argued that the operation simply could not be allowed to fail, if only because the United States would in that event become in the eyes of the world the most papery of paper tigers. The President might well have favored this course himself, if he had not so publicly tied his own hands in advance. Why did he do so? This reporter has tried hard to find the answer to that question, and must confess a partial failure. The fact is that there has been something oddly uncharacteristic about the President's role in the Cuban affair. To be sure, since the operation failed, his actions have been wholly characteristic of the man—he has taken the whole responsibility for the failure on himself and he has passed the word down the line that there will be no recriminations and no scapegoat hunt. The uncharacteristic phase came earlier.

Throughout his career—as for example in his decision to enter the key Wisconsin and West Virginia primaries last year—Mr. Kennedy has always looked before he leaped. He had looked very hard, carefully weighing every conceivable factor likely to affect the outcome. And then he has leaped very hard, using every conceivable means to assure success.

In the looking phase of the Cuban operation, Mr. Kennedy was certainly the victim of bad intelligence. But intelligence is and always has been two-thirds guesswork, and it is hard to believe that the President adequately weighed the consequences of failure. This is further borne out by the fact that the leaping phase of the operation was, by past Kennedy standards, so uncharacteristically tentative. The idea that Castro could be brought down without any risk at all of using American men or arms recalls the old rhyme of dubious origin:

"Mother, may I go out to swim?
Yes, my darling daughter;
Hang your clothes on a hickory limb
And don't go near the water."

At least part of the explanation for the markedly un-Kennedy-like quality of the President's role in the first phase of the Cuban operation lies with U.N. Ambassador Adlai Stevenson, whose voice is listened to with respect in the Kennedy administration.

From his own point of view it was quite natural that Stevenson should strongly favor a categorical promise that American forces would not be used in Cuba. The peculiar holier-than-thou public stance which succeeding American delegations to the U.N. have always thought it necessary to assume was difficult to sustain in any case, in view of the obvious American complicity in the Cuban operation. Without the Kennedy promise, it would have been impossible to sustain.

Kennedy has spoken of "the lessons we have learned" from the tragic Cuban episode. One lesson, surely, is that what pleases the majority of the strangely assorted gaggle of more or less sovereign nations which now constitute the U.N. General Assembly does not necessarily serve the national interest of the United States. Another lesson is summed up in the old adage, "If you strike at a king, you must strike to kill."

Some day, one way or another, the American commitment to bring Castro down will have to be honored. The commitment can only be honored if the American Government is willing, if necessary, to strike to kill, even if that risks the shedding of American blood.

Mr. MORSE. I refer now to two or three paragraphs of the article.

Mr. Alsop said:

Sometimes it is useful to state the obvious. After the events of the last tragic week, and especially after what President Kennedy said in his speech to the editors, Fidel Castro cannot indefinitely be permitted to survive in triumph. The prestige and even the honor of the United States are now obviously and wholly committed to Castro's ultimate downfall.

Later in the article he said:

The public announcement that American forces would under no circumstances be involved was reiterated twice by the President himself and four times with even more emphasis by Secretary of State Dean Rusk. The announcement obviously greatly reduced the likelihood of a general uprising in Cuba, which was the main purpose of the Cuban operation. It also quite unnecessarily tied the President's hands in advance.

Later in the article Mr. Alsop further said:

Kennedy has spoken of the lessons we have learned from the tragic Cuban episode. One lesson, surely, is that what pleases the majority of the strangely assorted gaggle of more or less sovereign nations which now constitute the U.N. General Assembly does not necessarily serve the national interest of the United States. Another lesson is summed up in the old adage, "If you strike at a king, you must strike to kill."

Some day, one way or another, the American commitment to bring Castro down will have to be honored. The commitment can only be honored if the American Government is willing, if necessary, to strike to kill, even if that risks the shedding of American blood.

I reject the implication of the Alsop article that direct military intervention by the United States is the course of action we should follow in Cuba on the basis of the facts as they have thus far developed in the Cuban situation.

Although I am sure Senators would not misunderstand my position, because they know of my record, there are those who can take my words out of context, of course, and misrepresent my position. So let me say at this point in my speech that I yield to no one in the Senate or in the administration or in the country for my hatred and detestation of what Castro stands for.

History will convict Fidel Castro of having betrayed all his professings on the basis on which he garnered so much support in Cuba and in the rest of the world at the time that he led the revolution against Batista.

Senators know that I was outspoken in opposition to Batista. Senators know that for a long time before the fall of Batista the CONGRESSIONAL RECORD is replete with warnings of the senior Senator from Oregon about the very mistaken policy we were following in Latin America by supporting that dictator as well as other dictators in Latin America.

Senators know that it was in January 1958 that my subcommittee conducted hearings in which the State Department, through its witness, admitted that Batista undoubtedly could not remain in power without American military support.

A great many of us protested the continuation of that military support. In March 1958 our Government announced that it no longer was going to give military aid to Batista. Not very long after that, the Batista regime of tyrannical fascism fell.

I cannot imagine any rebel leader who ever had such a great opportunity to put into practice his supposedly professed support of ideals of freedom and democratic government than Fidel Castro. He certainly had behind him a great wave of public support throughout the United States and in Congress.

Yet shortly after he took power we were shocked to discover that this rebel leader of Cuba was himself adopting totalitarian procedures not any different, in fact, from the procedures that Batista had followed during his reign of terror.

Castro started, Senators will recall, his blood baths in the form of his summary executions. I walked to this floor and protested those blood baths and called them blood baths, only to find myself highly criticized in and out of Congress for that description I put on his executions.

We were frequently briefed in our subcommittee with regard to what our intelligence data showed was going on inside Cuba. So when a speech was made in the other body, charging me with misinforming the American people, I answered it on the floor of the Senate the next day based upon what we knew were the facts with which our intelligence reports had supplied us. Those reports showed that in many instances after the leader of a rifle squad had put his hand on the body of an arrested victim, that body, sometimes in 20 or 45 minutes, was a corpse in a trench grave, not even an individual grave.

So we knew there were not any military trials that could possibly meet the procedural tests of the Geneva convention for the trial of war prisoners which all civilized nations had signed. I said at the time in a speech on the floor of the Senate that it is no "out" for Castro, even though he could fall back on the technicality that these were not war prisoners taken in a war between two sovereign powers, but prisoners taken in a civil war, and therefore, technically, the Geneva convention did not apply. It certainly applied morally.

In answer to that alibi I said on the floor of the Senate that there is all the more reason that Castro should apply the procedures of the Geneva convention to his own flesh and blood, his own fellow Cubans, if these rules of the Geneva Convention are recognized as fair procedures for treatment of war prisoners captured in a war with another sovereign power.

Shortly following that speech some of us in Congress received telegrams from Castro inviting us to come to Havana as observers, with all expenses paid, to

attend a mass trial, which was to be held in the great amphitheater in Havana. Of course most of us refused. I refused, and sent Castro a telegram expressing my rejection of his proposal, and suggesting that it was not a mass trial that Cuba needed, but a rededication to the spiritual values of the mass. I suggested also in my telegram that Cuba, being a member of the United Nations, if Castro wanted official observation of any mass trial, he could call upon the United Nations, in accordance with its procedures, to appoint an observation team or commission to sit through the trials and report on them to the United Nations. Of course we all know that was the last thing Castro wanted.

They went ahead with their blood baths. They went ahead with one totalitarian procedure after another. I became really convinced that freedom was not going to be implanted in Cuba by Castro. Senators will recall that the first President of Cuba to take office after the successful revolution against Batista was a great Cuban lawyer and judge, Senor Manual Urrutia, a man who believes in the protection of substantive rights by fair procedures. A man who, incidentally, while on the bench, I believe it is generally agreed, once saved Castro's life by insisting as a judge that Castro receive procedural protection, which, as a dictator of Cuba, he was unwilling to extend to those who had opposed him in the revolution.

Sad to say, Senor Urrutia has within the last 2 days been forced to seek political asylum in the Venezuelan Embassy in Cuba.

I have documented, from time to time through my work on our subcommittee, a whole series of objections to the totalitarian procedures of Castro. Last fall the Senator from Vermont [Mr. AIKEN] and I sat in the United Nations General Assembly, and there we had an opportunity to observe at close range the conduct and the maneuvering and the extremism of this man.

I always hesitate to pass on the motivation of others, or to pass judgment concerning another person's mental behavior. It is not news to the Senate to know that I have expressed myself many times to the effect that, in my judgment, with Castro we are dealing with an abnormal person who gives manifestations of many psychopathic tendencies.

It is interesting that throughout history frequently men have gained seats of great power over populations with regard to whom the historians have said that they possessed abnormal mental and behavior traits. The fact is that Castro gained power over the people of Cuba and he has remained in power and he is a reality in Cuba today. The question is: What do we propose to do about it?

I now call attention to the second article to which I wish to refer in my speech; namely, the article entitled "Kennedy's First Defeat: How Will He React?" written by James Reston and published in the New York Times of April 23, 1961. Madam President, I ask unanimous consent that the entire article may be printed at this point in the RECORD.

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

KENNEDY'S FIRST DEFEAT: HOW WILL HE REACT?

(By James Reston)

WASHINGTON, April 22.—For the first time in his life, John F. Kennedy has taken a public licking. He has faced illness and even death in his 43 years, but defeat is something new to him, and Cuba was a clumsy and humiliating defeat, which makes it worse.

How he reacts to it may very well be more important than how he got into it. For this will be a critical test of the character and perspective of the new President, and of the brilliant young men he has brought to the pinnacle of American political power.

The temptation to lash back and "get even" in Cuba is very great. The politician's natural reaction to a dramatic defeat is to try for a dramatic victory as soon as possible. He has the power to do so. No doubt the proud spirit of the country would support his landing the Marines in Cuba.

Moreover, former President Eisenhower, who knows the agony of choosing between desperate courses of action, would undoubtedly support him. Former Vice President Nixon is quoted as saying publicly that he would go along even if this meant putting U.S. forces on the beaches in Cuba. And some of the President's closest advisers, deeply involved in the defeat, are eager to recoup the losses of the last few days.

SUDDEN DIPLOMACY?

Nevertheless, this is no time for sudden action, but for a little more careful reflection and staff work than went into the original decision to allow the Cuban refugees to engage the prestige of the United States.

Cuba is not a present danger to the United States. Even if and when it gets the 150 Communist Mig fighter planes and the Cuban pilots now being trained in Czechoslovakia—the fear of which plays such an important part in the decision to launch this week's adventure—this is no serious menace to the security of the Republic.

As the President said in his press conference yesterday, the threat of the rising power and ideology of Cuba is more of a menace to the other states of the Caribbean and the rest of Latin America than it is to the United States. But if Castro tries to use his military power against any other state in the Caribbean or the hemisphere, then the issue will be clear. At that point, the United States can wipe him out, with the requisite sanction of law on its side.

After all, the mere presence of military force in a weak country is not necessarily a threat to a strong country. Turkey, for example, has been getting from the United States far more power than Castro ever dreamed of getting from the Russians. This U.S. power, including even rockets with nuclear warheads, has been situated in Turkey for a long time, but the Russians, while annoyed by this fact, have not felt obliged to use their power to invade Turkey.

KENNEDY'S APPROACH

It all depends on how President Kennedy looks at all this. He can look at it in personal and political terms and concentrate on redressing the blunders of the last few weeks by landing two or three divisions in Cuba. In other words, he can put the immediate situation ahead of all the other worldwide social and economic programs he has been working so hard to emphasize ever since he came to power.

On the other hand, he can look at the wider world picture, now greatly darkened by the events in Laos and the sudden insurrection of the French Army that has broken out in Algeria.

He can try to deal with social and economic problems in Cuba by military means, and risk the whole inter-American and United Nations systems in the process.

But it does come back to his personal decision. He has the authority to act in historic and world terms or in terms of the limited immediate problems of the Cuban crisis.

Either way the decision will involve risks. This is a gloomy and impatient city this weekend. It is acting as if this were the last half of the ninth inning and Cuba were vital to the security of the United States, whereas the facts are that this is merely the first half of the first inning and Cuba can be dealt with at whatever time the President likes.

Kennedy, in short, is now facing not only Castro and Khrushchev but the history and meaning of the American story, and how he reacts to it will tell a lot about the kind of leadership he has in mind to offer for the United States and the free world.

Mr. MORSE. Madam President, I shall refer to two or three paragraphs on which I wish to comment especially. Mr. Reston says in his article:

> The temptation to lash back and get even in Cuba is very great. The politician's natural reaction to a dramatic defeat is to try for a dramatic victory as soon as possible. He has the power to do so. No doubt the proud spirit of the country would support his landing the Marines in Cuba.

Later in his article, Mr. Reston says:

> Nevertheless, this is no time for sudden action, but for a little more careful reflection and staff work than went into the original decision to allow the Cuban refugees to engage the prestige of the United States.
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> Cuba is not a present danger to the United States. Even if and when it gets the 150 Communist Mig fighter planes and the Cuban pilots now being trained in Czechoslovakia—the fear of which plays such an important part in the decision to launch this week's adventure—this is no serious menace to the security of the Republic.
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But it does come back to his personal decision. He has the authority to act in historic and world terms or in terms of the limited immediate problems of the Cuban crisis.

Madam President, I consider the Reston article to be a great piece of journalism. It is in keeping with the statesmanship that should prevail in our consideration of the Cuban crisis.

Madam President, when I find my country in the position of having to make a decision between alternatives, I am tempted to look to see if there exist any legal basis and justification in respect to the choice of alternatives. In order to describe a personal attitude, only for descriptive terms, I should say I do not give a hoot about the judgment of the Communist segment of the world, but I am very much concerned about the present and historic judgment of the free nations of the world—yes, Madam President, and of the uncommitted nations of the world. In the due course of the passage of time all within the sound of my voice, including the speaker, will be but dust.

But we do have some obligation in our time to follow a course of action which gives at least some chance of leaving a heritage of freedom to those who will follow us. In no small measure that chance will be determined by the judgment which other free nations will make of us in connection with the foreign policy which we execute. So I am very much concerned about the judgment of the free nations of the world in connection with the legal course of action—and I emphasize: The legal course of action—which we followed by giving aid and assistance to the exiles who sought to invade Cuba.

In my judgment, that course of action was in violation of the spirit—and probably the letter, as well—of treaties to which the United States is a party. It was also in violation, at least of the spirit, and I am not sure that it was not also a violation of the letter, of existing domestic legislation.

Madam President, the charter of the Organization of American States, to which our country is a signatory, which organization I shall discuss later in my speech, provides, in articles 15 and 16:

No state or group of states has the right to intervene, directly or indirectly, for any reason whatsoever, in the internal or external affairs of any other state. The foregoing principle prohibits not only armed force but also any other form of interference or attempted threat against the personality of the state or against its political, economic, and cultural elements.

No state may use or encourage the use of coercive measures of an economic or political character in order to force the sovereign will of another state and obtain from it advantages of any kind.

Madam President, I do not like it any better than any other Member of the Senate that the Castro regime is the official regime of Cuba. At one time it was recognized by the United States. Subsequently we broke diplomatic relations with that regime; but the breaking of diplomatic relations did not in any way change the fact that it is the sovereign Government of Cuba, with which we find ourselves in complete disagreement. Therefore, Castro's Cuba has whatever rights under existing law are available to any other signatory to any treaty, such as the Charter of the Organization of American States, which all the members thereof signed.

COMPARISON WITH LAOS SITUATION

I remember the occasion some weeks ago when the U.S. Ambassador to Laos appeared before the Committee on Foreign Relations. It is entirely within the realm of propriety to say that in our discussion with him it was pointed out that the Russians—and we suspect, at least, the Communists in Vietnam and, yes, possibly the Communists in Red China, but principally the Russians—were giving great logistic support to the Communist rebellion in Laos against the constituted Government of Laos. On this subject, the administration was in consultation with the Committee on Foreign Relations. The record is available to any Member of the Senate who wishes to go to the committee office and read it. Although it is an executive record, our long-established policy has been that executive records available to members of the committee are also available to other Members of the Senate. That record will show that there was quite a protracted consultation with the Committee on Foreign Relations.

The Senator from Arkansas [Mr. FULBRIGHT], the chairman of the committee, in his usual, statesmanlike way, gave to both the committee and the State Department officials who testified before us brilliant leadership in that discussion.

In the course of the discussion, the Ambassador and others representing our Government stressed the fact that we were supporting the recognized, official, constitutional Government of Laos, and that, under SEATO, we have not only rights but also duties to come to the assistance of a constitutional government that is being attacked. The Ambassador and others speaking for the administration bottomed their case—and did so very soundly, I believe—on that international law foundation.

All of us are aware of a good many of the problems which confront us in connection with Laos. All of us are aware that a good many persons who are familiar with that part of the world point out that it is not the best place for us to become involved in a contest of any great degree with the Soviet bloc.

But there is an international law obligation that we owe to our allies who are parties to SEATO; and I believe that the Kennedy administration has done a magnificent job in extending not only to our country but also to the world the leadership that the President has extended in connection with the Laos crisis. All of us are deeply moved and inspired by that leadership, as today we learn that a cease-fire order is coming forth—although, Madam President, all of us know that this is but the beginning of our task to find a peaceful solution of the Laos affair. Now we have a period of negotiation to enter into, but we do not yet know on what basis it will be.

However, I am satisfied that here, again, we have made a great step forward, under the leadership of the President, in at least showing to the rest of the world that the United States of America and her allies are desirous of finding a peaceful course of action in Laos, without sacrificing in any way the obligations our country owes to the other SEATO members and without in any way permitting the constitutional Government of Laos to be devoured by Communist attack.

Mr. CASE of South Dakota. Madam President, will the Senator from Oregon yield for a question?

Mr. MORSE. I previously announced that I preferred to yield after concluding my speech.

Madam President, in the course of our discussion with our Ambassador to Laos and with other members of the State Department, there was also a discussion of the Cuban situation, from the standpoint of squaring our position in regard to Cuba with our position in regard to Laos. However, this discussion was not conducted upon any indication whatsoever that the administration intended to help the Cuban exiles attempt to invade Cuba.

MONROE DOCTRINE GOVERNS OUR POLICY IN WESTERN HEMISPHERE

I raised the legal question of whether the United States is in a position of walking into a Communist trap as regards Cuba, because the Castro regime is, of course, the constitutional government of Cuba at the present time. Although we despise it—and rightly so—I raised the point that if we sought to defend our position in regard to Laos on the ground that we have a right to intervene in support of the constitutional government of Laos, whereas the Communists are violating the international law rights of the Laos Government, would we not be found to be inconsistent if we took the position that we had a right to come to the assistance of forces which sought to overthrow the constitutional government of Cuba? It was then that I pointed out that I believe we have for too long a time minimized, if not overlooked, a long, historic obligation we have under the Monroe Doctrine.

I wish to say now that if the Russians or the Red Chinese factually seek to intervene in Cuba, by any course of conduct which can be interpreted as military intervention, I have no doubt of the soundness of our position, based upon the Monroe Doctrine, when we proceed to use whatever force may be necessary to prevent that intervention. I have a suspicion that Khrushchev knows that. If he does not, I have no doubt he will discover it if any attempt is made by Russia really to make Cuba a puppet state of Russia.

POSSIBLE REACTIONS TO U.S. INTERVENTION

But I wish to point out that we cannot ignore these problems of international law if we are interested in the judgment of many other governments which at the present time are free and uncommitted, and if we are at all interested in what millions of people in

parts of the world not yet committed to communism will think and do.

I am very fearful, Madam President, that if we continue to follow the course of action we were following last week in Cuba, we shall lose the support and friendship of many of those nations and peoples. That is why I stated earlier in my remarks that even though the war we might start in Cuba does not become a nuclear war, we may lose the peace. Later in my remarks I shall call attention to what I believe some of the costs of losing the peace will be to the peoples in the Western Hemisphere.

But to return now to my thesis that there is grave doubt as to the legality of the course of action our country followed last week in regard to Cuba, I call attention to the fact that title 18, United States Code, sections 958–962, and title 50, United States Code, appendix, section 2021, and following, generally prohibits the enlistment of recruitment for foreign military service in the United States, the preparation of foreign military expeditions in the United States, the outfitting of foreign naval vessels for service against friendly powers, and the furnishing of money for military enterprises against foreign states.

The Convention on the Duties and Rights of States in the Event of Civil Strife, signed at Havana in 1928, and ratified by the United States in 1930, binds the parties—"to use all means at their disposal to prevent the inhabitants of their territory, nationals or aliens, from participating in, gathering elements, or crossing the boundary or sailing from their territory for the purpose of starting or promoting civil strife."

In my opinion, we cannot afford to ignore the judgment that is going to be placed upon us by many leaders—and I am not talking about the Communists, because, again I say, I do not care a hoot about their judgment—in many countries who are perplexed and somewhat confused about our position on Cuba. In many respects they are very doubtful about some of the courses of action the United States has been following in American foreign policy not only in Cuba but in other parts of the world as well.

We cannot deny the fact that, certainly, what happened in respect to the Cuban exiles cannot very well be squared with what we have already committed ourselves to so far as our legal policy is concerned.

It should be noted that a protocol strengthening this convention was signed by the United States in 1957 and transmitted to the Senate with a request for advice and consent to ratification in 1959. Among other things, the protocol provided, in article 5:

> Each contracting state shall, in areas subject to its jurisdiction and within the powers granted by its constitution, use all appropriate means to prevent any person, national or alien, from deliberately participating in the preparation, organization, or carrying out of a military enterprise that has as its purpose the starting, promoting, or supporting of civil strife in another contracting state, whether or not the government of the latter has been recognized.

The Senate gave its advice and consent to ratification July 30, 1959. But the U.S. instrument of ratification has never been deposited with the Pan American Union, and the protocol is therefore not in effect so far as the United States is concerned. The clear inference is that the delay has been caused by sensitivity to the fact that the United States would be in violation of the protocol if it completed ratification.

But our compromising our legal posture in respect to that protocol will not save us in the judgment to be rendered against us by many persons. In fact, it may very well make that judgment more critical, because we urge repeatedly that we stand always ready and willing to strengthen an international system of justice through law in the Western Hemisphere and elsewhere in the world. We are going to have a hard time explaining our failure to file that protocol instrument, once it has gone through all the processes of ratification, save and except the filing process.

Aside from this protocol, however, the other treaties to which the United States is a party and the domestic statutes which have been cited clearly are intended to prohibit the kind of activity now being carried on by Cuban exiles. To give this activity even covert support is of a piece of the hypocrisy and cynicism for which the United States is constantly denouncing the Soviet Union in the United Nations and elsewhere. This point will not be lost on the rest of the world—nor on our own consciences, for that matter.

The argument is made—I heard it in Evansville, Ind., last night—that we must meet fire with fire; that we must beat the Communists at their own game. I reject that argument, for two reasons. First, if we follow that course of action, we must adopt police state techniques and tactics. My faith in freedom, my faith in constitutional government, runs too deep for me, so long as I serve in this body, ever to underwrite police state tactics anywhere in our governmental system.

That brings up the question of the CIA. I do not propose to criticize the CIA on the floor of the Senate today, because I do not know all of the facts. But that is a commentary. It is a commentary that, when we walk so close to the precipice, falling over which would be a fall into the abyss of war, we do not know, at the legislative level, through the responsible committees of the Senate, what the program and the policies of CIA really are. But I mention this caveat: I think the American people, before it is too late, should renounce the alibi or rationalization that, in meeting the Communist challenge in the world, we should ever stoop to Communist tactics based upon police state methods.

Again I say the greatest safety for the American people in the field of foreign policy is policy openly arrived at. The right of the American people in the field of foreign policy is to be informed about proposed policies that may determine the difference between peace and war. Open covenants openly arrived at constitute a historic policy in the United States.

I know all the arguments against my position—the arguments of expediency, of practicality, of necessity; the argument that we must proceed in secrecy. But I deny those arguments, because one of the great strengths of democracy is its openness. One of the great strengths of democracy is putting into practice the ideal—and it ought to be recognized as a rule—that the people are the masters of the state, and not the state the master of the people, even in an hour of crisis.

Freedom is worth too much as a human system of government for us to surrender any of our freedom to a police state system in the field of foreign policy, dictated by denying to the people the knowledge of the facts of their own foreign policy, whether it is carried out through the CIA or any other agency of this Government.

I am glad that the President has announced that he has called for a survey of the policies of CIA. I assume it is to the end of determining, if it can be determined, why our intelligence went so amiss in regard to the Cuban episode.

I am delighted that he has called in General Taylor and has assigned a part of the responsibility also to the Attorney General, because, certainly, the American people are entitled to an answer to such questions as, "How did it happen, and what steps are being taken to see that it does not happen again?"

My second reason for rejecting the argument that the United States must itself fight in Cuba is that in my judgment, Cuba is not a dagger pointed at the heart of the United States, but is instead a thorn in our flesh. It is an irritating thorn and a painful one, as thorns customarily are. But, I do not think a case can be made, on the basis at least of events to date and prospective events of the immediate future, to sustain the argument that there must be military intervention into Cuba or Cuba will serve as a dagger striking at the heart of this Republic.

An interesting argument is made with figures of speech, seemingly plausible and to many persuasive. In my judgment, while Cuba can very well continue to be for some time a source of great irritation and annoyance—yes, to a degree a threat—in many respects to the United States, now is the time, it seems to me, for our friends in the world to join us in the support of the cause of peace.

I do not think there is any hope that the United States and Cuba can attempt to settle their differences on a bilateral basis without gravely increasing the danger of war. I know that in a time such as this any suggestion that we resort to or try to resort to peaceful procedures exercised by third parties who are nondisputants to the conflict will be attacked as too theoretical, too idealistic, and as too impractical. But what, really, is the alternative?

I do not think Russia would be foolish enough or that Khrushchev would be stupid enough to involve the world in a nuclear war over the United States-Cuban dispute. I think Russia will seek to harass us with so-called brushfire

wars with conventional instrumentalities of war, but no one among us can tell where that kind of conflagration may lead.

I say to Senators today that it is my judgment that if the United States seeks to settle its differences with Cuba through the use of military might, either direct or indirect, we shall be at least a half century recovering, if we ever recover, the prestige, the understanding, the sympathy, and the confidence of one Latin American neighbor after another.

That is not because we do not, at the very hour I speak, have the support of a great majority of the governmental officials of the countries of Latin America. I think we have their complete sympathy. But we do not have their active support, and in my judgment we are not going to get it if we follow a direct course of action in Cuba.

We would set back the foreign relations program of the United States in Latin America at least 50 years by so doing. We have been a long time making progress against the old slogan which is now the Communist slogan throughout Latin America. Before the Communists came into Latin America the slogan was used by others who were Yankee haters. They said, "Yankee imperialism," based upon past use of the Marines in various spots in Latin America.

Times are different now. Although we have very friendly officials in many Latin American countries, they are uneasy officials. Their great concern is the unrest among their own people. They are insecure. Many of their governments are insecure. I have sat in the offices of many Presidents of Latin American countries. Direct action on the part of the United States against Cuba would not make those governments more secure; it would make them less secure.

Castroism in various parts of Latin America no longer is really identified with Castro as an individual. I have talked with many representatives of Latin American countries over the 3-months' period in New York, while I served my country at the United Nations. I talked with many at the Bogotá conference last September. I have talked with many in connection with my work relating to Latin America. The reports we get are that many who were at one time enthusiastic supporters of Castro as a rebel leader have lost great confidence in him as a rebel leader. Yet they still support, in their own countries, the program of social reform, of economic reform, and of legal reform which Castro was supposed to represent at the time he came into power. This demand for reform is ever present, and it will grow stronger and stronger throughout Latin America. The heads of many of those governments know it.

Before it is too late, we had better face up to the fact that if we follow a course of action which will feed the leftist forces in those countries, which will give a seemingly plausible ground for attack on the United States, which will represent to the people that what we really did not like were the reforms of the Castro regime, keeping from the people the fact that those reforms have not been very substantial, we are likely not only to weaken a good many of the friendly governments in Latin America but also to increase the great possibility of the overthrow of those governments.

I do not think I could possibly emphasize this point too strongly, Mr. President, because, in my judgment, if we seek to follow a unilateral course of action in Cuba we shall defeat Cuba but shall lose most of the rest of Latin America for years to come. Direct military action by this country against Cuba must be predicated on the assumption that it will harden and strengthen anti-American feelings in most other countries of this hemisphere, and that having intervened once, we will have to intervene again and again. We must weigh Cuba carefully against such countries as Brazil, Venezuela, Ecuador, and many other countries where economic and social change is rampant. One may say, "Senator, what else can we do? We have every reason to believe the Communist world is going to capitalize on this unfortunate development and to strengthen their tentacle-control, as an octopus throughout the continent."

OAS SHOULD ACT ON CUBAN CRISIS

As was suggested by the majority leader in a very able statement reported in the press over the weekend, certainly a plea ought to be made to the Organization of American States. Where is our formal presentation of a request to the Organization of American States? We should ask it to proceed to take jurisdiction over the disputed points between the United States and Cuba, to the end of seeking to use the procedures of that Organization to find some accommodation that would reduce the dangerous threat of war in this hemisphere.

Earlier I said that I would make a few comments about the Organization of American States. They are critical comments. I am greatly disappointed in the operation of the Organization of American States, not only in respect to the Cuban problem, but with respect to a good many other critical and difficult problems that confront the Western Hemisphere. But being critical of that Organization, I wish to say that our constructive responsibility is to seek to strengthen the Organization. Therefore, I only suggest that there is a need for some reorganizing within the Organization of American States.

The other night I had a long talk with one of the most able and distinguished Ambassadors from a Latin American country, who explained to me a good many things about the Organization of American States procedurally of which I was not fully aware.

One of his recommendations was that we should seek to get the members of the Organization of American States to send to the Organization of American States some of their top leaders. He said, "There are some exceptions within the Organization, but the fact is that at the present time its personnel is characterized by less than top-level people. It is not exercising the influence in the formulation of policy within the respective members thereof that it should."

I believe there is great merit in that statement. He put it this way. He said, "The Organization has a beautiful building in Washington. But a beautiful building does not assure an effective program."

I sincerely hope that the Organization of American States—and I hope that we will carry our share of the burden to that end—will ask itself the question, "What does this Organization need to do in terms of its procedures and organization to make it a more effective and vital force in the solution of the troublesome problems that confront Latin America?"

But let us assume that on the basis of the present Organization and its procedures some constructive help could come from it in seeking to resolve, in an honorable and amicable way, the Cuban-United States crisis. I restate what I have said for many, many months. The Organization of American States should move in and seek to exercise, or offer to exercise, whatever jurisdiction under its charter is available to it, rather than moving away from a hotspot such as the present situation.

Frankly, that is what the Organization of American States has been doing. It has been moving away. It has been walking out on its responsibilities.

I hope the Organization has not been moving away on the assumption that the United States is too big for it to exercise the jurisdiction permitted under the charter over every member thereof, whether it be the United States, Cuba, or any other nation. If a situation has developed which in fact threatens the peace of the hemisphere—and the dead and dying in Cuba today leave no room for doubt as to whether the peace is being threatened—the sad fact is that we, the United States, have not offered to submit ourselves to the juridical jurisdiction of the Organization of American States. We have not urged the OAS to set up a juridical agency to which will be submitted by the disputants to the Cuban crisis facts concerning their differences.

Again I say it is no answer to point out that Castro would not go along. I do not think he would either. But let us prove it. Let us for once really offer to carry out our professings about setting up a system of international justice through law.

I know that the powerful preventive-war group in the United States will not agree. There are those in the United States who take the position this very hour that we should have none of this rule-of-law approach to the settlement of these problems, but that we should make clear the United States is boss, so to speak, in the Western Hemisphere, and lay down the law of military might. But it is the same law of the jungle, whether it is practiced by the United States or any other power in the world.

If the Organization of American States will not, or cannot act, or if Castro refuses to be a party to its exercise of jurisdiction, I think we ought to call an extraordinary session of the General Assembly of the United Nations to consider this issue, which threatens the peace of

the world. Now is the time to follow peaceful procedures in an attempt to avoid a war, not to put them into practice after the war is over as a sort of rehabilitation program in order to bind up wounds we should have made the attempt to avoid inflicting in the first place.

Let us call upon the United Nations to seek to exercise, or to offer to exercise, juridical processes for the solution of the problem. That is a much better solution of this problem than to be training exiles, supplying them, and urging them to invade Cuba, and then trying to wash off our hands the bloody spots.

I do not question the patriotism of the Cuban exiles. I do not question their dedication to freedom. However, today's news reports carry the observation from one very friendly Latin American country the truth is that there is no great leader among them.

They are dedicated patriots, and I have the highest esteem for them. But what is needed to supplant a totalitarian government in Cuba with a free government, is a leadership which will inspire not only the Cuban exiles, but also the Cuban people remaining in Cuba.

It is pretty well recognized that from the very beginning the Cuban exiles have been very much split by their own factions, by a contest among them for power, by disunity, not unity. In fact, I understand that it has been necessary to try to make clear that any so-called leader among them who follows the Batista line and seeks to reestablish a totalitarian dictatorship form of government in Cuba as supplanting the tyranny which Castro already maintains is quite unacceptable as far as we are concerned.

This is why I think we need to have attention paid to this problem by the Organization of American States, so we can get other Latin American countries to seek to bring reason to bear within Cuba, in an attempt to find an accommodation which will permit at least a reduction of the danger of the Cuban crisis as a threat to peace in the Western Hemisphere.

Mr. President, if we ask the United Nations to use its juridical power, and if Castro still refuses to conform to the jurisdiction of the United Nations, I might very well be asked, "Then would you be willing to exercise American military force in Cuba directly or indirectly?" My answer would still be no, given the facts of the present situation.

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

The PRESIDING OFFICER (Mr. BURDICK in the chair). Does the Senator from Oregon yield?

Mr. MORSE. No; I will first finish my speech, and then I will be glad to yield.

My answer would still be no. If all of these attempts at seeking an honorable peace in Cuba through resort to the Organization of American States or to the United Nations result in failure, I still would not advocate direct military intervention or indirect military intervention in Cuba. I would make clear at that point that we were going to carry out to its full meaning the historic principles of the Monroe Doctrine as far as any intervention in this hemisphere is concerned. I would continue to make clear to our friends in the Organization of American States that we look to them to associate themselves with us in seeing to it that communism does not spread throughout Latin America, because their own security is even more involved than ours.

As I said earlier in my speech, I do not believe Cuba is a threat to the United States as far as being a dagger pointing at our heart is concerned. However, I do believe that Cuba is a threat to our Latin American neighbors.

We ought to make very clear to our Latin American neighbors that we are willing to stand with them in case of any direct military action on the part of Cuba against them. I think we have available to us those powers that we need short of direct military action to maintain the peace in the Caribbean until at long last the Cuban people come to understand that all we seek is to maintain the peace of this hemisphere and give them an opportunity to set up a system of freedom.

Oh, I know that it is said, by those who do not share this last point of view of mine, that the Cuban people are entitled to a Communist regime if they want it. They are. However, I know also that many people in the world are living under a Communist regime, as in Cuba, who do not want it but had it imposed upon them. We have not taken the position in other parts of the world that we intend to overthrow such a Communist regime because it was imposed upon these people without their free choice. We well know that if we followed that course of action we would lead the world, not into a brush war but into a nuclear war.

Castro imposed his regime on the Cuban people under the false pretense that in a very short time he would give them an election, and that they would be allowed to elect the people who would exercise the powers of government over them. He has broken faith on every one of those promises.

I ask the question: Does that give the United States the right to move in and say we are going to set up the kind of government that we really think the Cuban people want, or are we to take the position we are not going to permit that government to spread its tentacles among our friendly neighbors in Latin America, but will exercise our powers under the Monroe Doctrine in the Caribbean to see to it that the Communist bloc does not in fact proceed to intervene to set up its own form of government in Latin America?

There are a great many other phases of this problem which I shall discuss at a later time. I did want at this time to make this record, at least of my present point of view, because I am very much concerned about what I think was a colossal mistake that was made last week in giving logistic support and other support to what I think cannot be justified under international law, cannot be justified under sound foreign policy, and cannot be justified in the interest in keeping the peace in the Western Hemisphere.

I desired now to yield to the Senator from Iowa [Mr. HICKENLOOPER], but apparently he has stepped off the floor. I yield the floor.

DEFENSE CONTRACT AWARDS

Mr. ENGLE obtained the floor.

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

Mr. ENGLE. I yield, provided I do not lose the floor.

Mr. HUMPHREY. Does the Senator from California wish to have a quorum call prior to his speech?

Mr. ENGLE. No. I am grateful to the Senator from Minnesota, but I do not desire a quorum call at this time.

Mr. President, in recent weeks the subject of defense procurement contracts has been under much discussion on the floor of the Senate. In the course of these discussions the State of California has come under considerable attack because a substantial share of the country's defense orders has been channeled into California's defense industries.

On a number of occasions in the past 2 years I have exchanged views on this subject with several distinguished Senators from the Eastern States. Today I shall address myself to some of the points raised recently on the Senate floor.

The other day, during a colloquy on the subject with the distinguished Senator from New York [Mr. KEATING], I said I would speak at some length about the matter. I was unable to do so then because of the lateness of the hour. Today I shall speak in some detail on this subject.

I shall begin by setting forth the basic criteria employed by the administration—by the Department of Defense—in the awarding of a defense procurement contract. They are:

First. Quality of the product to be furnished. The term quality includes performance capabilities and reliability.

Second. Delivery schedule. Obviously the earliest possible delivery is an important factor, in most instances.

Third. Price, the cost of the product to the Federal Government.

Fourth. Provision, under certain conditions, for partial and total set-asides for small business, and provision for partial set-asides for surplus labor areas.

The basic criteria for the awarding of contracts in this administration, as in the last administration, were to award them to the company or the area which can produce the best product, at the cheapest possible price, and at the earliest possible time. Those are the three criteria which are prerequisite in this administration as they were in the preceding administration.

A number of Senators have proposed that the criteria be changed so as to provide that the existence of substantial surplus labor in an area shall be a major element—possibly even a preemptory factor—in the awarding of defense contracts.

The word "preemptory" is not in the legislation, but I cannot help believing that if it were, it would not be used against the Department of Defense for

the purpose of requiring it to give great emphasis to the labor surplus problem, regardless of whether a particular area could produce the best product at the lowest price and in the quickest period of time. At least, I hope that that will not become our policy. I think it would seriously jeopardize our national security and would result in an extravagant waste of the taxpayer's dollar.

Certainly, I agree with Senators that high unemployment in an area of the country is a matter not only of regional concern but of national concern. Certainly, I sympathize with the interest and desire of labor-surplus areas to have more defense orders channeled into those areas. But I certainly do not believe that the circumstance of substantial surplus labor should be used as a major or primary factor in making a plea for more defense contracts.

At the risk of laboring the point, I shall review some of the reasons why a substantial percentage of defense contracts has been awarded to firms in California.

California has historic advantages which, in combination, no other area in the country can match in the time period with which the Department of Defense is so vitally concerned.

World War II drew a large supply of skilled workers to southern California, and this manpower supply has since been continuously replenished. California has been fortunate in attracting a large percentage of the Nation's scientific personnel, engineers, technicians, highly skilled production workers, and administrative people experienced in defense activities. California also houses a large proportion of the Nation's facilities for defense research, production, and testing. Two factors are partly responsible for this: The favorable year-round climate which gives industry the advantage of the maximum number of productive days, and the existence of vast amounts of open country available in adjacent desert areas which are ideal for the immediate testing of weapons of the nuclear age.

Any inspection of California's defense facilities will immediately demonstrate that situation, whether one goes to the AeroJet site, in the hills just east of Sacramento, or to the Los Angeles area, where there are testing facilities not only immediately adjacent to Los Angeles, in the hills just north and east of that city, but also away out in the desert country. These facilities are absolute requirements for that kind of work.

In 1910 California inaugurated one of the country's first air shows, and from that time southern California has been deeply and vitally involved in this sphere of science and in the forefront of aircraft and missile development. As early as 1945, California anticipated the changeover from manned aircraft to missiles and began diversification into missile production.

California has worked long and hard to build its capabilities for defense work. For example, it spends far more than any other State on education. The combined budget of the University of California and State colleges is approximately one-half billion dollars. Much of this goes into financing advanced programs of research in the physical sciences. California has extended itself in every way to provide the kind of efficient and modern public services necessary to keep pace with the extraordinary demands of accelerated defense activities and of an exploding population.

Because of the constant questioning as to why these great industries go to California, recently I visited two major factories which went to California. By "major factories," I refer to defense installations. The officials of those companies told me that aside from the fact that they were able to get the amount of land on which they wanted to build the factories, and aside from the fact that an ample labor force was available, one of the things which attracted them the most was the closeness to great educational centers located in California, dealing with highly scientific and academic subjects. A scientific community likes to be among scientists, schools, and colleges. Persons engaged in the field of science are especially desirous of having other scientists around them. They live in their own community; they talk together; they work together; they visit together. When they are out of a job in one place, if there are a great many scientists in a particular area, by their intercommunication they build themselves a sort of job continuity which is very helpful and useful to them.

In addition, California has built a tremendous web of freeways and highways and modern hospitals, recreational facilities, housing, and schools to meet the inordinate requirements.

In short, California has a long history of the manmade factors, plus the natural factors, so essential for taking on the tremendous and complex programs for the defense of our country. Many years are needed to build the kind of capability that California has—years of unbroken effort and experience. And it takes many millions of dollars in capital investment.

It is true that all of these factors give California a great advantage when the Pentagon is making out its defense orders. This is fortunate for California. But, more important, it is fortunate for the Nation that we have the comprehensive capacity to execute with maximum efficiency and minimum time the kind of defense programs necessary to give us a superior position in the cold war.

There has been so much talk about California's favored position in the competition for defense contracts that I think we ought to scrutinize and analyze some of the facts and figures.

In February, the distinguished Senator from Maryland [Mr. BUTLER] introduced S. Res. 82, the purpose of which is to authorize an investigation of the concentration of defense activities on the west coast, particularly in the State of California.

I regret that the distinguished Senator from Maryland is not here today. I notified him that I intended to speak about the defense contracts situation, and more particularly about his resolution. He said that later this afternoon it was necessary for him to attend a meeting in Maryland and that he could not be here, but that he would undoubtedly answer me at length later. I feel certain that that is probably an understatement. However, I regret that the Senator from Maryland is not here at this time, because perhaps he would have liked to speak about this subject at the same time I did.

I would welcome the kind of inquiry proposed by the Senator from Maryland. I think it would straighten out some of the distortions and misunderstandings that have run through this controversy on defense contract competition. I think that Pentagon procurement officials would also welcome such an inquiry. Certainly they have felt the impact of the continuing uproar, to the point where it has made them somewhat self-conscious about granting merited contracts to California. I am convinced that when all the facts are revealed, neither the people at the Pentagon nor the public generally will be any more disturbed about a large percentage of defense orders going to California than they are about a large percentage of the automobile production being concentrated in Michigan rather than in Maryland or Massachusetts or some other place.

More than 80 percent of the commercial aircraft in the Nation has been procured in California by aircraft corporations. Theirs is a private business, just as the automobile industry is a private business. They locate in California to get delivery of the commercial airplanes which they want to use, because they can get the best product for the cheapest price in the quickest possible time.

I think they will recognize the situation for what it is—namely, that defense contracts are being channeled into California because California has the developed plant and personnel capacities—because its defense industries embody a crystallization of experience and capability developed over the years that has not been matched by any other State; and that defense orders are not being channeled into California because of any favoritism on the part of the Department of Defense or because of any political pressures.

I wish to comment on several of the points covered in Senator BUTLER'S resolution.

The resolution states that in the fiscal year 1960, 27.2 percent of all defense prime contract awards for procurement were made to business firms whose principal place of business is on the west coast; and that 23.7 percent of all defense prime contract awards for procurement were made to business firms whose principal place of business is located in the State of California. The resolution also indicates that a large portion of defense prime contract awards to business firms for experimental, developmental, testing, and research work were made to companies whose principal place of business is located in the State of California.

I think the figures cited in the resolution bear some analyzing if we are to keep the defense contract picture in proper perspective.

The figures given in the resolution of the Senator from Maryland include funds that are actually never spent in the State of California.

The sole basis on which they are credited to California is the fact that the firm involved has its principal place of business in California. For example, Lockheed—whose home offices are in Burbank—is among the aircraft firms that received large contract awards. Yet one out of every four Lockheed employees is located outside of California—and, interestingly enough, in the States of Georgia, New York, and New Jersey. As a matter of fact, a recent billion-dollar defense contract awarded to Lockheed will be executed at Marietta, Ga. Approximately one out of five of the dollars of awards made to Lockheed also went out of the State of California—not in subcontracts, but actually in the performance of the prime contract for which the awards were made.

California's share of prime contracts has steadily declined since the fiscal year 1958–59, and is still declining. For example, we are down $443 million in the fiscal year 1960 from the fiscal year 1959. Current figures supplied by the Secretary of Defense show that the 23.7 percent figure quoted for 1959–60 is now down to 22.5 percent. As a consequence, the percentage of defense prime contract work actually performed in California, when corrected for subcontracting and plant location, is now closer to 16 percent. It is important to note that between the fiscal year 1959 and the fiscal year 1960, while California's contract volume was declining, 17 other States enjoyed increases.

For example: Florida up 21 percent, Kansas up 27 percent, Louisiana up 30 percent, Maryland up 1.3 percent, Nebraska up 13 percent, New Jersey up 39 percent, New Mexico up 7 percent, Oklahoma up 8 percent, Tennessee up 3 percent, and Virginia up 44 percent.

I call attention to the report, issued regularly by the Secretary of Defense, entitled "Military Prime Contract Awards." This report contains in its footnotes the following:

> It is emphasized that data on prime contracts by State do not provide any direct indication as to the State in which the actual production work is done. For the majority of the contracts with manufacturers, the data reflect the location of the plant where the product will be finally processed and assembled. Construction contracts are shown for the State where the construction is to be performed. However, for some contracts with large companies with more than one plant, and for contracts with service, wholesale, or other distribution firms, the location is usually the address of the contractor's main office.

Of course, that is precisely the point I made a moment ago, in connection with the Lockheed Co., which the other day was awarded a contract for the construction of large cargo aircraft. The head office of that company is in Burbank, Calif.; but the contract work will be executed at Marietta, Ga.—not in California. However, in view of the way the contract figures are cited, the general impression which is created is that the contract work will be done in California.

Mr. KUCHEL. Mr. President, will my colleague yield?

The PRESIDING OFFICER (Mr. METCALF in the chair). Does the Senator from California yield to his colleague?

Mr. ENGLE. I yield.

Mr. KUCHEL. My colleague is making some every telling and very important contributions in connection with a controversy which, personally, I regret. It is unfortunate that it has been waging here in the Senate.

I congratulate my colleague on his presentation.

Is it not true that the figures and facts he has been citing for the record are proof, in themselves, that the Department of Defense continues to discharge its functions on the basis of where, in its considered judgment, the people of the United States can purchase the best kind of defense arsenal at the lowest price, in the interest of preserving our country's integrity and security?

Mr. ENGLE. Yes, and that is precisely the point I am making. I regret, likewise, the constant clamor about the award of contracts to California firms.

I am stating that California firms are entitled to the contracts they have received; and that if the figures are considered, it will be found that, actually, California firms and workers are not doing so well. In fact, when I get around to discussing the employment situation, I shall point out that California workers are not doing as well as workers in some other parts of the Nation.

In short, it should be clear that the figures can be very misleading. As I stated a moment ago, according to the present estimates, the percentage for the awards to California firms is closer to 16 percent than to 23 percent. California firms have been losing these contracts.

I do not know what, if anything, the clamor about the awarding of contracts to California firms has had to do with that development and that decrease. But I have the feeling that the officials in the Pentagon must get uncomfortable as regards awarding merited contracts to California firms, unless we in the Senate make plain what the actual facts are. As I have already stated, I personally will welcome having the officials in the Defense Department and the officers in the armed services proceed, in connection with Senator BUTLER's resolution, to lay the entire picture on the table, for all to see.

Mr. KUCHEL. Mr. President, again I wish to congratulate my colleague for the contributions he is making here, today.

I should like to ask him another question. Is it not true that our position is as it should be: We do not want anyone to try to push the Pentagon officials around; we do not want any kind of pressure to be exerted, or any such attempts made, upon the Secretary of Defense or the procurement officials of our Government. All we want, in the interest of our country, is fair and square consideration of any competing organization within the country.

Mr. ENGLE. That has been our position, and it continues to be. It is not only my position and that of my colleague, but it is also the position of the Governor of California and the entire business community in California.

Mr. President, I read further from the report, issued by the Secretary of Defense, entitled "Military Prime Contract Awards":

> More important is the fact that the reports refer to prime contracts only, and cannot in any way reflect the distribution of the very substantial amount of material and component fabrication and other subcontract work that may be done outside the State where final assembly or delivery takes place.

Of course that is the absolute truth.

The other day a B–70 cutback was made—much to my disappointment, of course. But when we checked into the matter, we found exactly where the loss occurred. We found that the subcontracts were going to concerns in other States, rather than to California firms, and that significant portions of the program were planned for execution in other States. So when the cutback was made—and it was made largely in the design and development field—although the contract was awarded to a California firm, the primary effect of the cutback was on the firms doing the subcontracting; and, as I recall, those firms were located in New Jersey, Indiana, and several other States.

In California, many defense contractors maintain multiple operations in States outside of California. Contracts awarded these companies, regardless of where the actual work may be performed, are listed in the Defense Department's report under the California heading.

All of the southern California prime contractors work diligently to spread their purchasing activities throughout the country. For example, one large defense contractor in the Los Angeles area, for the calendar year 1960 purchased and subcontracted with 43 States and the District of Columbia. Thirty-eight percent of the firm's total purchasing and subcontracting activity was in California; 62 percent in States outside of California. Of the 62 percent purchased or subcontracted outside of California, 92 percent went to companies located east of the Mississippi River.

This is just one of the many examples that clearly indicate that the benefits of employment accrue to areas other than the location of the principal place of business of the firm receiving the contract award.

Senator BUTLER's resolution states also that the concentration of defense procurement and research and development work in one particular area is not in keeping with the long-established principle of national defense requiring decentralization of defense activities. I call attention to the simple geography of the situation. Aerojet-General and General Dynamics are two of the largest defense contractors in the State. They are approximately 600 miles apart. Lockheed's Burbank division produces aircraft and portions of some missile systems, while Lockheed's Sunnyvale division produces portions of the Polaris, Samos, and Midas. They are approximately 350 miles apart. A defense plant

in the San Francisco Bay area is not as close to one in Los Angeles as Baltimore, Md., is to Akron or Columbus, Ohio, or to Philadelphia and Pittsburgh, Pa., or to New Jersey, or to major defense industries in New York State.

Senator BUTLER's resolution also makes the point that many of the California companies producing aircraft, missiles, electronic gear, and other defense materials have huge backlogs of orders. I am informed by such large companies as Lockheed, Douglas, and Convair that this is not so. I am informed by them that they are in fact at extremely low levels of employment. Douglas and Convair are, in fact, in bad shape. The resolution points out, furthermore, that companies with comparable facilities and employees with equal skills located in other sections of the United States have insufficient contract work.

I wish to call attention to the fact that unemployment in the State of California leads unemployment in the Nation as a whole. In January of this year, California's unemployed numbered 8 percent of the State's labor force. That was worse than the national average of 7.7 percent. The number of unemployed in the State of California has more than doubled in the last 4 years. The number of unemployed climbed from 252,000 in January 1957 to 517,000 in January 1961.

Employment in California's great aircraft industry declined from 294,000 in April 1957 to 199,000 in January 1961. That represents the loss of 95,000 jobs, or 32 percent. In other words, one job in three in California's largest manufacturing industry has gone down the drain during the past 4 years.

In the last 4 years, California's population has increased nearly 16 percent and its labor force has increased more than 13 percent. California needs about 250,000 new jobs every year if it is to keep pace with its labor force growth. This is over and above the new jobs needed to reemploy people who are laid off because of technological advances.

In the Los Angeles metropolitan area, employment in defense production has declined by about 35,000 in the past 4 years, while total population in the area has increased by 853,000, or 14.1 percent. The civilian labor force has increased by 317,000, or 12.1 percent. Employment increased by 203,000, or 8 percent. Unemployment increased by 114,000, or 12.1 percent.

There exists an impression in many parts of the country that defense contracts in California have provided a never-ending stimulus to California's growth. Actually, the changing mix of defense work—and particularly the rapid shift from manned aircraft to missiles—has caused dislocations and required adjustments in the State's economy. In the past 4 years there has been no net increase in employment in California's defense industries.

While the reduction in aircraft employment has been offset by gains in the missile-electronics-space research industries, only a relatively small percentage of the persons displaced from the aircraft industry have had the particular skills required in the other defense-related industries.

Los Angeles is now classified as an area of "substantial unemployment," with 208,600 persons, or 7.1 percent of the labor force, reported unemployed in January 1961. San Diego, California's second largest defense production center, had 26,900 persons unemployed in January, a ratio of 7.9 percent.

So we in California also have our unemployment problems.

While I have gone into some detail regarding our own unemployment situation, I want to make it very clear that this is not the basis for our thesis that California merits the large percentage of defense contracts it is receiving.

The fact is we are being hurt, too, from unemployment, and more than the national average. What I am saying is that we, too, have our unemployment problems. We believe that the contracts which have been given us have been given to us on the merits of the contracts. We believe California has been entitled to them. Those who argue that they have unemployment troubles should remember that we share those problems with them.

I want to make it very clear that our case is based on the proposition that, because the U.S. Government for more than 25 years has turned to concerns in California for most of its aeronautical and aerospace needs, we have built up the comprehensive capacity to tackle, with maximum efficiency and minimum time, almost every phase of producing the modern weapons of war.

I should like to make one more point before closing my remarks.

Let us assume that we will revise our defense procurement contract criteria to provide that a depressed economic condition gives an area a high priority in the granting of a defense contract. Let us assume that when this happens, a number of long-established firms find it necessary to move their defense facilities to another State to relocate in depressed areas. Let us next assume that the areas from which the defense facilities have been moved subsequently became designated as depressed areas. To carry this to its logical conclusion, let us now assume that the relocated defense facilities will then proceed to relocate back to their original locations. Can you imagine the reckless waste of time and money that all this would involve—not to mention the great sacrifices in quality of the product.

I sincerely believe that we would be doing our country a great disservice if we purchased defense programs on an economic-geographic basis to prop up depressed areas. For our survival we must purchase defense programs on the basis of maximum defense potential for each dollar expended. The Department of Defense should not be hamstrung by statutory responsibility for advancing political, social, economic, or psychological objectives not directly related to the quality and quantity and speed of the defense effort.

AUTHORITIES FOR COMMITTEES TO FILE REPORTS DURING ADJOURNMENT OF THE SENATE

Mr. GORE. Mr. President, I ask unanimous consent that the committees be authorized to file reports during the adjournment of the Senate.

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

ORDER FOR ADJOURNMENT UNTIL THURSDAY NEXT

Mr. GORE. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment to meet at 12 o'clock noon on Thursday.

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

CLARIFICATION OF STATUS OF FACULTY AND STAFF AT THE U.S. MERCHANT MARINE ACADEMY

Mr. GORE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 150, S. 576.

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

The LEGISLATIVE CLERK. A bill (S. 576) to amend section 216 of the Merchant Marine Act of 1936 as amended to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy to establish suitable personnel policies for such personnel and other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 576) to amend section 216 of the Merchant Marine Act of 1936, as amended, to clarify the status of the faculty and administrative staff at the U.S. Merchant Marine Academy to establish suitable personnel policies for such personnel, and for other purposes, which had been reported from the Committee on Commerce with an amendment on page 3, line 9, after the word "of", to strike out "law." and insert "law:", 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 216 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1126), is amended as follows:

(1) By amending subsection (a) to read as follows:

"SEC. 216. (a) The Secretary of Commerce is hereby authorized and directed, under such rules and regulations as he may prescribe, to establish and maintain the United States Maritime Service as a voluntary organization for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels. The Secretary is authorized to determine the number of persons to be enrolled for training and reserve purposes in the said Service, to fix the rates of pay and allowances of such persons, and to prescribe such courses and periods of training as, in his discretion, are necessary to maintain a trained and efficient merchant marine personnel. The ranks, grades, and ratings for

personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Secretary is authorized to prescribe, by rules and regulations, the uniform of the Service and rules governing the wearing and furnishing of such uniform of persons in the Service."

(2) By adding at the end of the section, two new subsections to read as follows:

"(e) To effectuate the purpose of this section, the Secretary of Commerce is authorized to employ professors, lecturers, and instructors and to compensate them without regard to the Classification Act of 1949, as amended.

"(f) On such date as may be fixed by the Civil Service Commission with the approval of the Secretary of Commerce, not later than one year from the date of enactment of this subsection, persons then serving as administrative enrollees shall be brought into the competitive civil service or excepted civil service in accordance with the Civil Service Act and rules, and shall thereafter be compensated in accordance with the Classification Act of 1949, as amended, except as otherwise authorized by subsection (e) of this section or other provisions of law, and shall be subject to other laws of general applicability to civilian employees of the United States, subject to the following exceptions and conditions, notwithstanding any other provisions of law:

"(1) The rate of basic compensation of any person serving as administrative enrollee on the date immediately preceding the date specified in the first sentence of this subsection (f) shall upon conversion provided for in this subsection be fixed at a rate which is not less than the combined basic pay and quarters and subsistence allowances received immediately preceding conversion, or the value of such allowances when furnished the person in kind at the rate and in the amounts theretofore authorized by regulation for such allowances. In the case of any such person whose combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind, exceeds the entrance rate of the grade or level in which his position is placed, the basic compensation of such person shall be fixed at that step in the grade or level which is equal to, or if none be equal, which represents the next higher regular or longevity step or level over the person's combined pay and allowances, as specified above, received immediately preceding the date of conversion. In any case in which no such rate exists in the grade of his position, his rate of basic compensation shall be fixed at the next regular salary rate which is not less than his combined basic pay and quarters and subsistence allowances, or value thereof when furnished in kind. For the purposes of determining eligibility for step increases following conversion, the basic compensation as an administrative enrollee prior to conversion shall be considered as the total amount or value of basic pay, subsistence and quarters allowances. Any adjustment in compensation required by this subsection shall not be considered to be an equivalent increase in compensation for the purpose of a periodic step increase, nor an increase in grade or rate of basic compensation for the purpose of a longevity step increase.

"(2) The rate of basic compensation authorized by this paragraph shall continue until the person is separated from his position or receives a higher rate of basic compensation by operation of law or regulation.

"(3) Any person who, as a result of the action required under the first sentence of this subsection (f), becomes subject to the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 and the following), shall be credited under that Act with all annual leave remaining to his credit as an administrative enrollee, at the rate of five-sevenths of a day of leave chargeable under the Act (5 U.S.C. 2064) for each calendar day of leave remaining to the credit of the enrollee, without regard to the limitations on maximum leave accumulation provided by the Act, and shall be credited with thirteen days of sick leave in addition to any leave recredit to which the employee may otherwise be entitled.

"(4) Active service of any administrative enrollee performed prior to the date specified in the first sentence of this subsection (f) shall be considered creditable as civilian employment in the executive branch of the Federal Government for all purposes, except that in computing length of service for the purpose of title VII of the Classification Act of 1949, as amended, continuous service immediately preceding the date established under the first sentence of this subsection (f) shall be counted either (1) toward one step increase under section 701, or (2) toward one longevity step increase under section 703, as the case may be.

"(5) Persons converted from their status as administrative enrollees to positions by or pursuant to this subsection (f) shall not be entitled, upon conversion or subsequent separation from such position, to payment of travel and transportation expenses which otherwise may be authorized under the joint travel regulations on separation from the United States Maritime Service; nor shall such persons upon conversion to positions by or pursuant to this subsection be entitled to free medical, dental, surgical and hospital care under section 322(6) of the Public Health Service Act of 1944 (58 Stat. 696, 42 U.S.C. 249)."

Mr. GORE. Mr. President, I ask unanimous consent to have a statement explaining the bill printed in the RECORD at this point.

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

PURPOSE AND BACKGROUND OF THE BILL

S. 576 would amend section 216 of the Merchant Marine Act, 1936, to establish suitable personnel policies for the faculty and administrative staff at the U.S. Merchant Marine Academy, Kings Point, N.Y., who now are serving in a quasi-military status as members of the U.S. maritime service.

Public Law 259, 76th Congress, enacted August 4, 1939, to further the development of the American merchant marine, authorized and directed the U.S. Maritime Commission "to establish and maintain the U.S. maritime service as a voluntary organization for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant ships." Ranks, grades, and ratings for the personnel of the service, the act provided, "shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard." Employment of qualified personnel as instructors was authorized.

Establishment of the U.S. Merchant Marine Academy at Kings Point in 1942 was made possible by land purchase authority provided in Public Law 472, 77th Congress, enacted March 4, 1942. Its primary function was to further the war effort by providing training facilities for deck and engineer officers to serve on the greatly expanded wartime merchant fleet required to meet military logistics needs.

During the years following World War II, and through the Korean trouble, operations of U.S. shipping continued at a high level. Thereafter, as foreign shipping began to recoup its wartime losses, and U.S. maritime operations lessened, question arose as to the future of Kings Point, which in 1949 had been accredited by the Middle States Association of College and Secondary Schools. Many of those who had gone to sea during the war years and postwar years as officers were finding it difficult to secure jobs afloat, while the four State maritime schools, located in Maine, Massachusetts, New York, and California, some of them long established, were still turning out their annual quota of trained officer personnel. At Kings Point, graduates received their licenses as deck or engineer officers along with a bachelor of science degree, and were eligible for commission as ensign, U.S. Naval Reserve. Bills were introduced in Congress to give permanent status to the U.S. Maritime Academy and one of them, S. 3610, was reported to the Senate by your committee in August 1954. The Congress ended without further action on the bill.

However, in the 84th Congress, pursuant to Senate Resolution 35, an exhaustive study of merchant marine training and education in the United States was made by your committee's Merchant Marine Subcommittee, and hearings were conducted at each of the four State maritime schools and in Washington, D.C. The subcommittee came to the conclusion, later approved by the full committee, that there was need for continued operation of the U.S. Maritime Academy, and of the four State maritime academies in Maine, Massachusetts, New York, and California. Subsequently, Public Law 415, 84th Congress, was enacted on February 20, 1956, giving permanent status to this wartime maritime officer training facility.

From its beginning, cadets at the Academy have been enrolled by the Secretary of Commerce as "trainee enrollees" in the U.S. Maritime Service, while the executive staff, faculty, administrative force, custodial and service groups have been employed as "administrative enrollees." The administrative enrollees have been given ranks and ratings, and have been compensated and granted allowances at rates similar to those provided by law for the Coast Guard. Their status, partly civil service and partly military, has been a matter of increasing concern alike to the Civil Service Commission, the General Accounting Office, and the Department of Justice.

Likewise, morale and efficiency at the Academy have suffered because of conflicting legislative proposals made over the past few years designed (1) to establish the maritime service as a uniformed service, or (2) along the lines of S. 576, to convert faculty and staff to civil service, and to render them subject to the statutory provisions as to pay, leave, retirement, etc., generally applicable to civilian employees of the United States. The maritime service has never been listed as a branch of the uniformed services, although its pay and allowances are increased with any increase in Coast Guard pay and allowances.

The Attorney General ruled in 1952 that administrative enrollees are civilian employees for purposes of the Civil Service Retirement Act. The Civil Service Commission and the Department of Commerce later agreed, effective September 1, 1957, that new personnel at the Academy, with the exception of persons appointed to the faculty, would be appointed in accordance with the Civil Service Act and rules. S. 576 was developed in line with this understanding.

Under its provisions, faculty members would be employed under excepted appointments in accordance with schedule A of the civil service rules. Their system of compensation would be appropriate to the requirements of an accredited educational institution, and without regard to the Classification Act of 1947. Their status would be similar to that of the civilian faculty of the U.S. Naval Academy. Administrative and other employees would be hired under civil service laws, and paid in accordance with the provisions of the Classification Act of 1949, as amended, or an appropriate prevailing wage schedule. Both

groups would enjoy leave, medical, and other benefits as provided generally to other civilian employees of the Government.

The bill, in clarifying and prescribing basic personnel policies for the administrative personnel, would eliminate for Academy personnel the uncertainties that have been a source of dissatisfaction and contention in recent years.

The Deputy Maritime Administrator, testifying at our subcommittee hearing as to the need for and the purposes of S. 576, stated:

"After its establishment in 1942, the U.S. Merchant Marine Academy at Kings Point, N.Y., turned out thousands of merchant marine officers for World War II duty in commercial shipping and in the Navy. The Academy acquired something of a military flavor. It is now established as a permanent national academy, comparable in many respects to the Army, Navy, and Air Force Academies under Public Law 415, 84th Congress. Nevertheless, it remains essentially a civilian institution, with the mandate to turn out civilian deck officers and civilian engineers for voluntary service in the American merchant fleet. The staff and faculty are likewise civilian members of a voluntary civilian service in the Government of the United States.

"Members of the maritime service employed as administrative enrollees are not a part of the Military Establishment. Like the Public Health Service and Coast and Geodetic Survey, among others, the maritime service was established by Congress and set up for a specific purpose unconnected with that of the National Military Establishment; that is, the manning of the American merchant marine with a trained and efficient citizen personnel (49 Stat. 1985). Unlike the Public Health Service and the Coast and Geodetic Survey, however, the maritime service is not, and has never been, listed as a branch of the uniformed services nor, except insofar as maritime service pay and allowances, is it ever included as a subject of uniformed services legislation.

"In the interest of simplified and more efficient administration, and of making available and preserving to these employees the same benefits as are granted to other civilian employees of the United States, the Department of Commerce and the Civil Service Commission agree (1) that an appropriate, flexible system of employment and compensation should be provided by law for the faculty of the U.S. Merchant Marine Academy at Kings Point, similar to that now provided for the faculty at the Naval Academy; (2) that future appointments to nonfaculty positions should be made in accordance with the civil service and classification laws for both competitive and excepted positions, except as otherwise authorized by law, that is, to wage board positions; and (3) that present administrative enrollees should be converted to positions subject to the civil service, classification, and leave laws under provisions of law which will authorize adjustments to be made that will avoid undue personal hardship or inequity to the employees and avoid any adverse effect upon the efficiency of the Academy.

"As a result of careful study for several years of the problems involved in effecting this transition for persons presently serving as administrative enrollees, the Department, the Civil Service Commission, and the General Accounting Office have reached agreement that legislation is necessary to—

"(1) Provide an appropriate compensation system of the type described above for faculty members at the Merchant Marine Academy;

"(2) Avoid serious loss of compensation to nonfaculty administrative enrollees upon conversion to positions subject to the Classification Act of 1949, as amended, or to wage-board positions;

"(3) Avoid serious curtailment of enrollees' existing leave benefits upon conversion to a position under the Annual and Sick Leave Act of 1951, as amended; and

"(4) Provide for creditability of prior service as administrative enrollees for all purposes.

"The bill, S. 576, would accomplish these purposes and enable the Department to administer these positions on the same basis as other comparable civilian positions in the Government service."

Care has been taken to avoid possible inequities in pay or otherwise. Asked if there would be any financial sacrifices involved for employees in the changeover to civil service status, the Deputy Administrator advised:

"The conversions would be at comparable salaries * * * that is, conversion of their military pay and allowances to a comparable pay grade in the civil service.

"Now what this means is that they would lose the tax advantage of their military allowances. In other words, they would pay taxes on all of their salary and would not be exempt from that part which is considered in the military as allowance for cost of living, housing."

In its revised wording for section 216(a) of the 1936 act the bill would make clear that future enrollments in the Maritime Service will be made only for training and reserve purposes; it would also make clear the Secretary's authority to fix the rates of allowances as well as rates of pay for trainees, and to prescribe and regulate the furnishing and wearing of uniforms of persons in the service.

New subsection (e) would be added, to provide for the employment, without regard to the Classification Act of 1949, as amended, of civilian professors, lecturers, and instructors as required. All of these would be considered civilian officers and employees for purposes of laws of general application to civilian employees of the United States.

New subsection (f) would provide for conversion of existing administrative enrollees, faculty and others, on a date to be fixed, but not later than 1 year from date of enactment of the bill, in order to effect an orderly transition. There would be clear-cut recognition that, after conversion, they would be subject to laws of general applicability to U.S. civilian employees, except as otherwise provided by law.

Section 216(f)(1) would define how the basic compensation shall be determined after conversion, and provides safeguards to avoid reducing the compensation of enrollees as a result of conversion. The subsection applies only to enrollees serving on the date preceding the date of conversion. It does not provide retroactive benefits.

Section 216(f)(2) would establish that the basic compensation as set upon conversion would continue until the employee affected thereby is either separated from his position or receives a higher rate of basic compensation by promotion, Federal salary adjustments, etc.

Section 216(f)(3) would provide for the conversion of all unused annual leave without actual loss for purposes of future use, on the basis of 5 workdays' leave for each 7 calendar days of leave. Inasmuch as administrative enrollees do not accumulate sick leave, they would be credited under this subsection with 13 days' sick leave on the date of conversion. Thereafter, sick leave credits would accrue on the same basis as for other employees subject to the Annual and Sick Leave Act.

Section 216(f)(4) would provide that all previous active service as an administrative enrollee for purposes of retirement, seniority, etc., would be creditable as civilian employment in the executive branch for every purpose except that for computation of length of service for salary step increases or longevity step increases; only such service as was continuous immediately prior to the date fixed for conversion would be creditable toward such step increases.

Administrative enrollees disenrolled from the maritime service now are entitled to payment of travel and transportation expenses to their place of enrollment, and when on active duty also receive free medical, dental, surgical, and hospital care under the provisions of paragraph (6) of section 322 of the Public Health Service Act of 1944. Section 216(f)(5) of the bill would provide that those who accept conversion shall forfeit their rights to travel and transportation expenses, and they will not continue after conversion to receive the free medical, dental, surgical, and hospital care. However, they and their families will be eligible for health benefits available to other civilian employees of the Government.

The General Accounting Office recommends enactment of the bill, as do Academy alumni representatives and maritime labor.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill (S. 576) was ordered to be engrossed for a third reading, was read the third time, and passed.

APPLICATION OF THE FEDERAL BOATING ACT OF 1958 TO PUERTO RICO, VIRGIN ISLANDS, AND GUAM

Mr. GORE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 151, S. 883.

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

The LEGISLATIVE CLERK. A bill (S. 883) to extend the application of the Federal Boating Act of 1958 to certain possessions of the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. GORE. Mr. President, I ask unanimous consent to have a statement in explanation of the bill printed in the RECORD at this point.

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

PURPOSE OF THE BILL

S. 883 was introduced at the request of the Department of the Treasury to rectify an omission in the Federal Boating Act of 1958, under which the various States and the District of Columbia were authorized to establish their own numbering programs covering motorboats in their respective jurisdictions. By repealing the act of June 7, 1918, as amended (46 U.S.C. 288), and failing to include the Commonwealth of Puerto Rico, Virgin Islands, and Guam in the authority provided for the inauguration of the States' numbering programs, the 1958 act, as of its effective date, April 1, 1960, left the three off-continent areas of the United States bereft of any authority for numbering their motorboats. In requesting introduction of this remedial legislation the Acting Secretary of the Treasury, A. Gilmore Flues, advised your committee—

"This incompleteness in the law is discriminatory and presents a step backward in

maritime safety and law enforcement in these geographical areas. The amendment would close this gap and permit these possessions to number motorboats operating in their waters, and in the event that the possessions do not elect to do so the Coast Guard would administer numbering in these areas."

Enactment of the bill is urged by the Secretary of the Interior, whose report on the bill, dated March 28, 1961, and signed by John A. Carver, Jr., Assistant Secretary, stated—

"It is believed that the omission of Guam and the Virgin Islands from the act is the result of inadvertence rather than legislative intent. We should like to point out that Public Law 86–396, approved March 28, 1960 (74 Stat. 10), corrected this same omission as to the application of the Motorboat Act of 1940 to Guam and the Virgin Islands."

The title of the bill was amended to read: "To extend the application of the Federal Boating Act of 1958 to the Commonwealth of Puerto Rico, the Virgin Islands, and Guam."

in accordance with the recommendation of Resident Commissioner A. Fernós-Isern.

The letter of the Acting Secretary of the Treasury, asking introduction of the bill, is printed herewith.

No opposition is recorded to enactment.

THE SECRETARY OF THE TREASURY,
Washington, January 19, 1961.

The President of the Senate:

SIR: There is transmitted herewith a draft of a proposed bill to extend the application of the Federal Boating Act of 1958 to certain possessions of the United States.

The purpose of this proposal is to extend the application of the Federal Boating Act of 1958 to certain U.S. possessions, viz, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam. Authority for the numbering of motorboats in these jurisdictions by the Federal Government expired on April 1, 1960, the effective date of the repeal of the act of June 7, 1918, as amended (46 U.S.C. 288). The Federal Boating Act of 1958 did not authorize these possessions to inaugurate their own numbering programs as all the States and the District of Columbia were privileged to do. This incompleteness in the law is discriminatory and presents a step backward in maritime safety and law enforcement in these geographical areas. The amendment would close this gap and permit these possessions to number motorboats operating in their waters, and in the event that the possessions do not elect to do so the Coast Guard would administer numbering in these areas.

The cost of inaugurating a new Federal numbering system in these U.S. possessions will not require additional appropriations.

It is respectfully requested that you lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget in a letter dated January 12, 1961, that there would be no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

A. GILMORE FLUES,
Acting Secretary of the Treasury.

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

The bill (S. 883) was ordered to be engrossed for a third reading, was 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 the Federal Boating Act of 1958 (72 Stat. 1754; 46 U.S.C. 527–527h) is amended as follows:

(1) Paragraph numbered (5) of section 2 is amended to read:

"(5) The term 'State' means a State of the United States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam and the District of Columbia."

(2) Sections 3(a), 8(c), and 13 are amended by striking out the words "its Territories" and substituting the words "the Commonwealth of Puerto Rico, the Virgin Islands, Guam" in place thereof.

The title was amended, so as to read: "A bill to extend the application of the Federal Boating Act of 1958 to the Commonwealth of Puerto Rico, the Virgin Islands, and Guam."

INSPECTION OF VESSEL COMMUNICATIONS EQUIPMENT

Mr. GORE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 153, S. 1288.

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

The LEGISLATIVE CLERK. A bill (S. 1288) to amend section 362(f) of the Communications Act of 1934.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. GORE. Mr. President, I ask unanimous consent to have a statement in explanation of the bill printed in the RECORD at this point.

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

PURPOSE OF THE BILL

Section 362(b) of the Communications Act of 1934, as amended (title III, pt. II), requires that every U.S.-flag vessel subject to its provisions must have its prescribed communications equipment and apparatus (i.e., radio installation, radiotelegraph, etc.) inspected at least once each year by the Commission. This bill would take cognizance of the possibility of undue delay and inconvenience to a vessel arriving from abroad at a U.S. port more than 12 months after its last annual inspection, by adding the following language to section 362(b):

"The Commission may, upon a finding that the public interest would be served thereby, waive the annual inspection required under this section from the time of first arrival at a United States port from a foreign port, for the sole purpose of enabling the vessel to proceed coastwise to another port in the United States where an inspection can be held: *Provided,* That such waiver may not exceed a period of thirty days."

Enactment of the bill would provide needed flexibility in the vessel inspection requirements to take care of situations such as have occurred where vessel operators have suffered costly delays due to the late hour of arrival at the port, or to unavailability of inspection personnel for one reason or another, or to a tight vessel schedule requiring prompt departure for another port.

The language of the bill is in accord with the suggestion of the Federal Communications Commission, as expressed to this committee during the 86th Congress when a bill of similar intent (S. 3496) was under consideration. In its comments on S. 1288, as submitted to your committee, the Communications Commission favors enactment of the bill, but makes it clear that it would expect the waiver provision to be exercised only "In those instances where it is impracticable to make the required inspection because of unavailability of inspection personnel, where the distance from the Commission's office to the vessel would not permit the completion of an inspection, including traveltime, during office hours, or where the duration of the vessel's stay in port is too short to permit inspection."

The Convention for the Safety of Life at Sea, as the Commission points out in its comments, is somewhat less rigid in its requirements for inspection of radio equipment installed in accordance with that convention.

The report of the Secretary of Commerce on the bill states that "from a commercial viewpoint, it would appear desirable to authorize the Federal Communications Commission in appropriate cases to permit the shipowner this additional period to have his vessel inspected at an economically and operationally convenient port."

The American Merchant Marine Institute, Inc., at whose instance the original bill to provide an extension of time for vessel radio inspection was introduced, cites in its letter urging enactment of S. 1288:

"The ship radio station must be inspected at the first port of call rather than at a port selected by the shipowner for reasons of economic and operational convenience. For the foregoing reason, this proposed amendment is considered a matter of some import to the ocean steamship industry."

RCA Communications, Inc., a licensee of radio stations aboard several hundred vessels of the United States which are subject to the requirements of section 362(b) of the Communications Act, endorsing the bill states:

"It has been our experience that the proposed amendment would materially benefit and assist both the Federal Communications Commission and ship operators by permitting the needed flexibility in arranging for annual inspection."

There is no recorded opposition to the bill.

Comments of the Federal Communications Commission, the Secretary of Commerce, the Department of State, and the Comptroller General of the United States are appended, together with letters from the American Merchant Marine Institute, Inc., and the RCA Communications, Inc., favoring enactment.

There is no change in existing law.

COMMENTS OF THE FEDERAL COMMUNICATIONS COMMISSION ON S. 1288 AND H.R. 4743, 87TH CONGRESS, 1ST SESSION, IDENTICAL BILLS TO AMEND SECTION 362(b) OF THE COMMUNICATIONS ACT OF 1934

S. 1288 and H.R. 4743 would amend title III, part II of the Communications Act of 1934, as amended, by adding to section 362(b) the following:

"The Commission may, upon a finding that the public interest would be served thereby, waive the annual inspection required under this section from the time of first arrival at a United States port from a foreign port, for the sole purpose of enabling the vessel to proceed coastwise to another port in the United States where an inspection can be held: *Provided,* That such waiver may not exceed a period of thirty days."

Equipment and apparatus required to be installed by title III, part II, of the act is required by section 362(b) to be inspected at least once every 12 months. S. 1288 and H.R. 4743 would authorize the maximum permissible time lapse between inspections to be more than 12 months.

The Commission supports the introduction of an element of flexibility into the provisions of section 362(b). In the past, there have been instances of difficulty arising because of the inflexibility of section 362(b) and the lack of inspection facilities in cer-

tain ports. The parallel requirements of the Convention for the Safety of Life at Sea permit some inspectional leeway to administrations in connection with radio equipment to be installed by the convention. The Commission contemplates that the waiver provision would generally be exercised only in those instances where it is impracticable to make the required inspection because of unavailability of inspection personnel, where the distance from the Commission's office to the vessel would not permit the completion of an inspection, including traveltime, during office hours, or where the duration of the vessel's stay in port is too short to permit inspection.

The language of S. 1288 and H.R. 4743 is as was suggested by the Commission in our comments on S. 3496, 86th Congress, 2d session.

The Commission favors enactment of this legislation.

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

The bill (S. 1288) was ordered to be engrossed for a third reading, was 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 the following language be added to section 362(b) of the Communications Act of 1934 (47 U.S.C.A. 360):

"The Commission may, upon a finding that the public interest would be served thereby, waive the annual inspection required under this section from the time of first arrival at a United States port from a foreign port, for the sole purpose of enabling the vessel to proceed coastwise to another port in the United States where an inspection can be held: *Provided,* That such waiver may not exceed a period of thirty days."

AMENDMENT OF FAIR LABOR STANDARDS ACT

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives, announcing its disagreement to the amendment of the Senate to the bill (H.R. 3935) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employees engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to $1.25 an hour, and for other purposes, and asked a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. GORE. Mr. President, I move that the Senate insist on its amendment, agree to the conference asked by the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCNAMARA, Mr. MORSE, Mr. RANDOLPH, Mr. SMITH of Massachusetts, Mr. PELL, Mr. BURDICK, Mr. GOLDWATER, Mr. DIRKSEN, and Mr. PROUTY conferees on the part of the Senate.

RESTRICTED STOCK OPTIONS

Mr. GORE. Mr. President, on April 14 I introduced a bill, S. 1625, to put a stop to the granting of restricted stock options. In the brief remarks I made upon the introduction of this measure, I pointed out some of the fallacies in the reasoning of those who have supported this type of low-tax compensation. I also pointed out certain abuses in connection with these options, and offered some illustrations of the way in which this tax avoidance device has been used by highly compensated corporate executives to enrich themselves at the expense of the taxpaying public, and particularly at the expense of their own stockholders.

The response from the public has been most heartening. Many stockholders have sent me proxy statements they have received from their companies detailing the stock option plans which have been in effect, or which have been proposed. After reading some of these proxy statements, I am afraid I was altogether too conservative in my estimates of the profits which corporate insiders are making from these options. One statement showed profits of more than 500 percent from this manipulation—at a tax rate of 25 percent, if at all.

One proxy statement in particular causes me great concern. I refer to the statement which was sent to IBM stockholders on March 21 of this year in preparation for the annual meeting of stockholders at noon tomorrow. What particularly disturbs me is that the IBM management now proposes to grant themselves a second round of options.

Those who have defended the principle of the restricted stock option have leaned heavily on the argument that very limited numbers of shares have been placed under option, and that the harm done to the company and the stockholders by virtue of this type of stock watering will be small. Now, this argument might hold up fairly well were companies to set aside one small block of stock, and when this was exhausted allow no more options.

But, this is not being done. Decent restraint is not being exercised. Company insiders are finding that the shares of stock set aside for the first round of options have all been allotted, and they are, therefore, setting aside additional shares for a second, or perhaps a third, round.

IBM adopted a stock option plan in 1956. Under that plan, some 130,000 shares were granted under option to 61 executives through calendar year 1959. No more options may be granted under the 1956 plan after tomorrow. So, it is now proposed that the stockholders, at this annual meeting, approve a new plan whereby 100,000 additional shares will be set aside for the benefit of officers and key employees.

Mr. President, there is apparently no end to this sort of rigging. Corporate directors and managers can continue, year after year, to set aside large blocks of stock for their own benefit, and to the detriment of legitimate purchasers of their company's stock who must go into the open market and purchase at the going rate.

These figures for IBM may not sound staggering, but bear in mind that IBM stock is a high priced stock—it is selling now for around $720 per share.

Let me illustrate this point by showing what the president of the company, Mr. Thomas J. Watson, Jr., has gained. Under the 1956 plan, Mr. Watson was granted an option to purchase 7,643 shares of stock at a price of $137.70. At current prices, this represents compensation, in addition to his regular annual compensation of more than $300,000, of almost $4.5 million.

And this added compensation is not taxable at the time the option is exercised, at which time a real, tangible, and measurable profit is realized.

I am happy that the chairman of the Senate Committee on Finance, the distinguished Senator from Virginia [Mr. BYRD] is doing me the honor of giving me his attention.

The tax accrues only at such time as the stock is sold, and then at a rate of only 25 percent. Should Mr. Watson choose to retain the optioned stock in his estate, then no income tax will ever be paid by anyone on this tremendous fortune. Meanwhile, taxes are withheld from the pay checks of every hourly paid worker employed by IBM.

Can it be argued by any reasonable man that Mr. Watson needs this extra $4.5 million as an incentive to look after the company's affairs? Can it be successfully argued that Mr. Watson would, without this gimmick, leave the company so closely identified with his family and in which he, his brother, and their mother already own more than 175,000 shares worth some $125 million? Do he and the other highly compensated executives need even more cut-rate bargain purchases?

I hope the stockholders of IBM will rise up tomorrow and vote down this new scheme. But I hold little hope of this. As I have previously pointed out, the managers have taken control away from the stockholders, and it is difficult for interested and knowledgeable stockholders to get together enough proxies to defeat a proposal sponsored by the management, and even for the benefit of the management.

It is, therefore, up to the Congress to act to protect all stockholders.

ELIMINATION OF ADDITIONAL FEES FOR CONTRACTOR FINANCING EXPENSES UNDER DEPARTMENT OF DEFENSE CONTRACTS

Mr. BYRD of Virginia. Mr. President, on May 13, 1960, the Senate adopted an amendment to the military construction bill of 1960 to stop Federal payment of additional fees for contractor financing expenses under Department of Defense contracts.

This amendment was later eliminated in the House-Senate conference on the bill, but I am pleased to advise the Senate at this time that the practice has been stopped by an administrative order. Substantial savings will result.

These fees were being paid in connection with many military contracts under

Department of Defense Directive 7800.6, "Cost-Reimbursement Contracts—Payments for Work in Progress," dated November 1, 1957.

Audits by the Comptroller General found that under this directive the Government was paying millions of dollars in additional fees to cost-plus-fee contractors for which it received no significant benefit.

The Department of Defense on March 14 of this year canceled the 1957 directive in the interests of reducing costs and simplifying procurement administration.

There is reason to believe that this action resulted from the findings revealed by the Comptroller General's audits and the attention given to them by Congress. Comptroller General's work in this matter is appreciated.

I ask unanimous consent that correspondence on the subject and a statement of explanation be printed in the RECORD as part of these remarks.

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

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, March 28, 1961.

Hon. HARRY F. BYRD,
U.S. Senate.

DEAR SENATOR BYRD: Reference is made to our letter of February 23, 1961, in regard to payment of additional fees to contractors for agreeing to deferred reimbursement of costs under cost-type contracts. At that time, we stated our opinion that there was a present and continuing need for legislation on this subject.

On March 14, 1961, the Department of Defense rescinded its Directive 7800.6 dated November 1, 1957, which established the policy for payment of additional fees for contractor financing expenses. The Deputy Secretary of Defense issued the following statement to the military departments:

"In the interests of reducing costs and simplifying procurement administration, I have today directed the cancellation of the subject directive which provides for the withholding from contractors performing certain categories of cost-reimbursement type contracts twenty percent of costs incurred until deliveries of end items or performance of specified increments of work.

"Please take such actions as are necessary to provide for the omission of the withholding requirements from all new contracts. In addition it is desired that existing contracts containing the withholding provision be amended by supplemental agreement to provide for payment of withheld amounts whenever adequate consideration can be negotiated with the contractor in the form of an adjustment in the fixed fee."

Your aggressive interest and action in this matter, including introduction of legislation in the 86th Congress to nullify the policy, had a significant bearing on the action of the Department of Defense in rescinding this policy and will result in substantial savings to the Government.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, D.C., March 16, 1961.

Hon. HARRY F. BYRD,
U.S. Senate

DEAR SENATOR: On May 16 last year, you wrote me concerning an amendment to H.R. 10777, the military construction bill, which you introduced on May 12, 1960, the purpose of which was to nullify the effect of Department of Defense Directive 7800.6, which ordered withheld 20 percent of incurred reimbursable costs on cost-reimbursable contracts.

In our hearings on contracting procedures and in House Report No. 1959, 86th Congress, pages 22 and 23, the effect and cost of this directive was considered and brought forcefully to the attention of the Department of Defense, and the subject has been under active study.

I am happy to bring to your attention today, a cancellation issued March 14, 1961.

With warmest personal regards and very best wishes,

Faithfully yours,

CARL VINSON,
Chairman.

THE SECRETARY OF DEFENSE,
Washington, March 14, 1961.

Memorandum for the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Assistant Secretary of Defense (Comptroller), the Assistant Secretary of Defense (Installations and logistics).

Subject: Cancellation of Department of Defense Directive 7800.6 "Cost-Reimbursement Contracts"—"Payment for Work-in-Process" dated November 1, 1957.

In the interests of reducing costs and simplifying procurement administration, I have today directed the cancellation of the subject directive which provides for the withholding from contractors performing certain categories of cost-reimbursement type contracts 20 percent of costs incurred until deliveries of end items or performance of specified increments of work.

Please take such actions as are necessary to provide for the omission of the withholding requirements from all new contracts. In addition it is desired that existing contracts containing the withholding provision be amended by supplemental agreement to provide for payment of withheld amounts whenever adequate consideration can be negotiated with the contractor in the form of an adjustment in the fixed fee.

ROSWELL GILPATRIC,
Deputy.

MAY 16, 1960.

Hon. CARL VINSON,
Chairman, Armed Services Committee,
House of Representatives,
Washington, D.C.

DEAR CARL: The Senate Friday adopted two amendments offered by me to the military construction bill. The purpose of one amendment was to curb abuses in the use of commercial air freight for shipment of military personnel household effects. The purpose of the second amendment was to limit so-called additional fees paid by military departments in connection with cost-plus-fee contracts. Copies of these two amendments are enclosed for your information.

Both of the amendments were recommended by the Comptroller General in recent reports on audits in these areas of military activity. I am sure copies of these reports are available to you. My statements of explanation can be found in the CONGRESSIONAL RECORD, volume 106, part 8, pages 10281–10282.

I believe the objectives of the amendments have merit and I am hopeful that the amendments will meet with your personal approval and with the approval of the conference committee.

With my highest personal regards and very best wishes.

Faithfully yours,

HARRY F. BYRD.

STATEMENT BY SENATOR HARRY F. BYRD, DEMOCRAT, OF VIRGINIA, CHAIRMAN, JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES, AND RANKING MEMBER OF SENATE ARMED SERVICES COMMITTEE IN RE COMPTROLLER GENERAL'S EXAMINATION OF DEFENSE DEPARTMENT COST-PLUS-FEE CONTRACTS, MAY 2, 1960

The Department of Defense is paying millions of dollars in additional fees to cost-plus-fee contractors for which the Comptroller General of the United States finds the Government is receiving no significant benefit.

Such wasteful public spending in any area is serious; but these nonessential Federal expenditures are largely in the vital area of military missile and aircraft production. They represent fiscal irresponsibility at the core. They should be stopped.

It is impossible to obtain complete information on the subject. Much of it is hidden beyond practical audit. Army auditors say the information will become less ascertainable in the future. The Navy, as a matter of policy, does not identify the elements used in determining the total fee paid under these contracts.

But the Comptroller General has found up to $17.6 million in nonessential fees in 26 recently examined Air Force contracts. The three military departments have entered into hundreds of these cost-plus-fee contracts, and the number is increasing. They involve billions of dollars; and there is reason to believe if this policy is continued these nonessential fees will run to hundreds of millions.

These nonessential fees are being paid under a gimmick born 3 years ago in subterfuge. It should not be conceded that reason for them ever existed. The gimmick was devised to provide temporary relief from expenditure pressure resulting from Department of Defense obligations.

If any relief was afforded, it was of a temporary, one-shot, nature which vanished upon delivery of end items under the contracts involved. At this late date, not even fictitious reason exists for continuation of the unsound practice involved, which in the past 3 years has been written into military expenditure doctrine.

Under cost-plus-fee contracts the Government reimburses contractors for their costs as the work progresses. The fee is added as a profit. Prior to November 1, 1957, these contractors were reimbursed for 100 percent of costs while the job was being done.

In 1957 the Air Force found itself $2 billion over the Department of Defense expenditure limit, while the whole Government was scraping the statutory debt ceiling. The present wasteful practice under cost-plus-fee contracts was originated as an expedient temporarily to defer cash expenditures.

The Government held up 20 percent of its payments for current costs until delivery of the end items under these cost-reimbursement contracts. The contractor was required temporarily to finance this so-called 20-percent witholding pending delivery when he was reimbursed in full. This requirement is still imposed.

But under this arrangement the contractor is given additional fee, or profit, to compensate him for the financing service he renders the Government. This payment is in the form of additional fee, instead of cost, to evade the armed services procurement regulation which prohibits interest as an item of cost under cost-plus-fee contracts.

This additional fee is negotiated on the basis of an estimate in advance, by the contractor, including interest and charges allowable to him in connection with services to be rendered in temporarily financing 20 percent of the cost of his own performance on the contract.

In one case, involving Boeing Airplane Co., the Comptroller General found that the Government paid the withheld 20 percent upon delivery, plus more than $1.1 million in the additional fee. This amounted to 25 percent a year for the use of the money.

There is no provision for recovery in the event an overestimate is negotiated for purposes of the additional fee, and to the extent that overestimates are negotiated, aspects of windfall appear.

The Comptroller General's report does not fix the blame for this wasteful practice on the contractors. In a separate report, in more detail, on contracts with the Northrop Corp., its president, Whitley C. Collins, is quoted as saying:

"No contractor engaged in defense business has any choice but to follow policy directives and procurement regulations issued by the Department of Defense. None of us in industry are in a position to question the circumstances or exigencies which motivated the issuance of this particular directive, nor are we accountable for the effects of its application to defense contracting."

Former Assistant Secretary of Defense (Comptroller) W. J. McNeil said the contractor-financing practice "provides the contractor an incentive to reduce its costs and the funds needed to finance the costs of contract performance." But the Comptroller General's examination of activities under 26 contracts revealed:

"In contrast to the theoretical benefits claimed for the practice, our review has disclosed that the practice results in substantial additional costs to the Government without evidence of any offsetting benefits."

The president of the Northrop Corp. was quoted as saying it is "improbable" that the practice has "accomplished measurable cost saving" under contracts with that company.

Cost-plus-fee contracts at their best are bad. If, under limited conditions they are necessary, the number should be held to a minimum. In the absence of emergency, cash should be available for current working costs.

If borrowing is absolutely necessary, the Comptroller General finds that for the 26 contracts examined, the Government could have financed short-term loans for half the total cost of the so-called additional fees which are being paid under these contracts.

This practice of paying cost-plus-fee contractors additional fees for temporarily financing 20 percent of the cost of their own performance was conceived in irresponsibility, and it is being pursued in wastefulness. It should be stopped immediately.

This statement is based on information contained in two reports by the Comptroller General of the United States, the Honorable Joseph Campbell.

The latest report, dated April 29, 1960, covered his examination of additional fees paid by the Government for contractor financing expenses under Department of Defense contracts.

The other report, dated January 29, 1960, covered the Comptroller General's examination of the negotiation of additional fees for contractor financing expenses under Department of the Air Force contracts with Northrop Corp., Hawthorne, Calif.

A LEGAL ANALYSIS OF THE ADMINISTRATION'S BRIEF ON FEDERAL AID TO CHURCH-SUPPORTED ELEMENTARY SCHOOLS

Mr. KEATING. Mr. President, a number of people have asked my opinion as a lawyer of the brief of the Department of Health Education and Welfare on the constitutionality of Federal aid to church-supported elementary schools. During the partial Easter recess I had an opportunity to study the brief in detail. I would like today to analyze the brief from a strictly legal point of view and without regard to the policy considerations which are relevant to this subject. I will discuss the brief point by point in the same order and under the same headings as the brief contains.

INTRODUCTION

The brief, noting the general difficulties in securing judicial review of the lawfulness of Federal expenditures, concludes that this imposes "a solemn responsibility upon both Congress and the Executive to be especially conscientious in studying the Constitution and relevant Supreme Court decisions so that any enactment will scrupulously observe constitutional limitations." This statement warrants several comments. First of all, it must be recognized that the "difficulty" referred to would handicap judicial review by supporters of aid to church schools if such schools were excluded from the program to the same extent as it would handicap judicial review by the opponents of aid to church schools if such schools were included in the program. Hence any difficulties which might exist in obtaining judicial review argue as much for as against inclusion of church schools. This is particularly true since constitutional problems can be raised by unreasonable exclusion as well as improper inclusion of children not attending public schools.

Apart from this, however, the statement in the brief is misleading. Judicial review of Federal expenditures may be difficult, but as this same brief points out 40 pages later, "If Congress wishes to make possible a constitutional test of Federal aid to sectarian schools, it might authorize judicial review in the context of an actual case or controversy between the Federal Government and an institution seeking some form of assistance." In such a case, the brief goes on to say, "the applicant could then in effect litigate the constitutional question in court."

Constitutional limitations should always be "scrupulously observed" in the enactment of legislation. But in this situation, as in most others, it will be the Supreme Court, not the Congress, which makes the final legal determination. We should always be careful in considering legislation to comply with constitutional limitations, but the suggestion in the brief that Congress and not the courts will have the last word on this issue is decidedly misleading.

I. THE CONSTITUTIONAL PRINCIPLES

This portion of the brief explains that: "The first amendment does not require Government to be hostile to religion, nor does it permit governmental discrimination against religious activities. The objective is neutrality, however difficult it may be to be neutral or to determine what neutrality requires in relation to particular factual situations." This fine statement of principles with which I agree is completely ignored in the remainder of the brief. It gives evidence of having been written by someone who was barred from any further participation in the preparation of the brief.

II. THE JUDICIAL PRECEDENTS

This section of the brief is replete with quotations from dissenting opinions and in almost every case gives more weight to what was said by way of dictum than to what the cases actually held. As every lawyer knows, dictum can be found for almost any proposition and dissenting opinions have academic value only, unless they are subsequently adopted by a majority of the court. It is the decision or holding of the court that is of crucial significance, not the window dressing in which it is presented or the contrary views of the dissenters.

This point is best illustrated by a comparison made in the brief between the dissenting views of Mr. Justice Rutledge in the *Everson* case (330 U.S. 1) and Mr. Justice Black's majority opinion in the same case. Immediately after noting Justice Rutledge's view that the taxing power could not be used to provide transportation for Catholic as well as public school children, the brief states that Mr. Justice Black "writing for the majority adopted a similar view of the purpose of the first amendment." This is truly an incredible statement. If Justice Black had adopted a view similar to Justice Rutledge, the case would have been decided the other way. The truth is that Justice Black said that the provision for transportation was valid, and Justice Rutledge said it was invalid. These views are not similar, they are diametrically conflicting and it was Justice Black who was writing for the Court. This shows the difference between the holding or decision of a case and hypothetical discussions in the Court's opinions which do not have any weight in determining the law of the case.

I dwell on these distinctions in order to emphasize the incredible fact that the principal conclusions in the Health, Education, and Welfare brief are based almost entirely on some of the dicta in the Everson case. By the same token, these conclusions virtually ignore the actual holding in that case which was that parents of Catholic school students could be reimbursed by the government for fares paid for public transportation to their institutions in exactly the same manner as the parents of the public school children were reimbursed. There may be other considerations supporting some of the conclusions in the brief. But the dicta in the Everson case is a shaky foundation for the administration's firmly stated opinions on this issue.

At one point the brief attempts to bolster the "authority" of the Everson dicta by quotations from two late Supreme Court decisions involving the released time problem. In the first of these cases—*McCullum* v. *Board of Education*, 333 U.S. 203—the Court held that it was unlawful for the State to release public school children from some of their classes on condition that they attend religious classes on the school premises. The Court made it clear that the States

could not utilize their compulsory education system to coerce attendance at religious classes. In the second case—*Zorach* v. *Clauson*, 342 U.S. 306—the released time plan permitted students actually to be released from the public schools at their parents' request in order to obtain religious instruction elsewhere. The Court held that this voluntary arrangement was lawful, commenting that "we find no constitutional requirement which makes it necessary for government to be hostile to religion and to throw its weight against efforts to widen the effective scope of religious influence."

These cases are the only Federal decisions cited in the brief for the conclusion that "tuition payments for all church school pupils are invalid since they accomplished by indirection what grants do directly." Some State court decisions are also cited but they are concededly conflicting. The controlling authorities, accordingly, are the Everson case upholding payment for transportation to church schools, the Zorach case upholding the release of public school pupils to attend religious classes on a voluntary basis, and the McCullum case prohibiting the coerced attendance of public school children in religious classes. These decisions just do not add up to anything like what is claimed for them in the administration's brief.

III. THE RELEVANT CRITERIA

This section of the Health, Education, and Welfare brief reads as though each paragraph was written by a different person. The first of the relevant criteria it sets forth is "whether a given legislative proposal is honestly designed to serve an otherwise legitimate public purpose and is not a mere subterfuge for religious support." The Everson case certainly is good authority for this proposition. Within the space of one page, however, this proposition is radically amended and the statement is made that "where the means employed result in fact in support of religious institutions, the constitutional judgment cannot be avoided." Perhaps all this statement means is that a constitutional judgment cannot be avoided, that is, either a favorable or an adverse judgment. No one could argue with this observation. But if it means that an adverse constitutional judgment cannot be avoided, then the statement finds absolutely no support in the decisions in any of the cases cited.

Actually neither the "legitimate public purpose" or the "support of religious institutions test" is ultimately relied upon. The "true" test, it develops a few paragraphs later, is whether the benefit to the religious institution is "merely incidental." It is by this standard that the brief goes on to judge all of the specific proposals for aid-to-education.

As interesting as the test itself are the criteria set forth for determining whether a benefit is merely incidental. They are: First, how closely is the benefit related to the religious aspects of the institutions aided? second, of what economic significance is the benefit? third, to what extent is the selection of the institutions receiving the benefits determined by Government? and fourth, what alternative means are available to accomplish the legislative objectives without resulting in the religious benefits ordinarily proscribed? Could these benefits be avoided or minimized without defeating the legislative purpose or without running afoul of other constitutional objections?

One thing must be made clear about this elaborate description of the applicable constitutional criteria. The whole thing is simply the view of the authors of this brief. There are no cases which set forth any such tests or criteria. The rationale of the brief may appeal to some as a desirable approach to the subject, but it can make no claim as an authoritative statement of the present law. Any such pretensions must be exposed as presumptuous and unjustified.

IV. LEGISLATIVE PROGRAM AND PROPOSALS

This portion of the brief raises serious question about virtually every legislative proposal applicable to church supported nonprofit schools. It concludes that Federal school aid grants made available directly to sectarian schools "are the clear case of what is proscribed by the Constitution." With respect to long-term low-interest loans the brief states "this proposal is no less a form of support than grants and is equally prohibited by the Constitution." Special purpose programs depend for their validity on "the extent to which the specific objectives being advanced are unrelated to the religious aspects of sectarian education." Not too much hope is suggested for programs which go beyond those which happend to be in effect now.

These conclusions follow logically enough from the negative considerations advocated earlier in the memorandum. They are no stronger, however, than the premises on which they are based. Both the premises and conclusion reveal a basically hostile attitude toward nondiscriminatory Federal grant-in-aid programs. The absence of any attempt at reconciliation is apparent from the whole tone of the brief. Lipservice is given to the dual principles of nondiscrimination and disestablishment, but isolation of nonpublic education is the dominant motive of the memorandum.

V. HIGHER EDUCATION

A sharp distinction is drawn in the brief between elementary and college education largely on the basis that elementary education is compulsory while higher education is voluntary. The college student who choooses an institution where religious instruction is mandatory "is merely asserting his constitutional right to the 'free exercise' thereof," it is said in the brief.

Moreover, the brief points out, at the college and graduate levels, public institutions alone could not begin to cope with the problems involved. Accordingly it concludes that to the extent that Congress finds it appropriate to encourage the expansion of our university and college facilities, Congress must be free to build upon what we have, the private as well as the public institutions. On this basis the brief justifies scholarships for sectarian schools, and both direct assistance and loans to such colleges, all of which happen to be provided for in the administration's bill. The readiness of the brief to record unqualified recognition to grant-in-aid programs to sectarian universities sharply contrasts with its attitude toward aid to sectarian elementary schools. The distinctions outlined in the brief are relevant, but they would hardly be considered decisive by any objective observer.

Compulsory education laws are satisfied by attendance at either sectarian or nonsectarian institutions. The grant of aid to both would not make attendance at either type of institution any more or less compulsory. And the practical distinction falls completely when it is recognized that more than 5 million children now attend sectarian schools. It is about as unrealistic to plan a comprehensive aid-to-education bill at the elementary school level which isolates this huge group of children as it would be to plan an aid to higher education which ignored these students attending sectarian colleges.

The section of the brief on higher education gives away the essentially preconceived character of the whole document. Plans have been proposed for grants, loans, and other aid to higher education. Of course they are constitutional. It has been proclaimed that similar aid to elementary schools would be unconstitutional, and the brief sets out to prove that such is the case. I do not doubt that the administration is entitled to ask for a brief supporting its predetermined position. But the resulting document must be evaluated for what it is, namely, an advocate's defense of an already prescribed point of view. No brief is entitled to the weight of a court decision, but least of all a brief written to justify a position reached before the research was even begun.

VI. JUDICIAL REVIEW

This section of the brief is the most constructive, since it outlines a method for providing judicial review of Federal expenditures for aid to education. I agree that the method outlined is feasible and would be valid, and I would expect that any aid-to-education bill would contain provisions along the lines suggested.

Now I would like to discuss briefly my views as to what the proper criteria are for judging the constitutionality of specific proposals. I would not contend that my opinion will inevitably be substantiated any more than I would concede that the administration's views will find ultimate vindication. This is a difficult subject about which to make any forecasts with confidence and the best thing all of us could do is recognize this difficulty and not try to act like Supreme Court Justices. Therefore, all I intend by my analysis is to show that there is another side to the argument and that the views of the administration are by no means conclusive.

The standards for judging any proposals must be based on the opinion in the Everson case. As I have already noted, the holding of this case was that Government reimbursement out of tax funds to parents for money expended by them for the bus transportation of

their children to Catholic parochial schools was constitutional.

The majority opinion of the Court by Mr. Justice Black makes these points, among others:

First. These church schools give their students, in addition to secular education, regular religious instruction conforming to the religious tenets and modes of workship of the Catholic faith.

Second. Due process is not violated because the children are sent to these church schools "to satisfy the personal desires of their parents, rather than the public's interest in the general education of all children. The fact that a State law, passed to satisfy a public need, coincides with the personal desires of the individuals most directly affected, is certainly an inadequate reason for us to say that a legislature has erroneously appraised the public need."

Third. The State cannot "contribute tax-raised funds to the support of an institution which teaches the tenets and faith of any church, nor can a State hamper its citizens in the free exercise of their own religion. Consequently, it cannot exclude individual Catholics, Lutherans, Mohammedans, Baptists, Jews, Methodists, Nonbelievers, Presbyterians, or the members of any other faith, because of their faith, or lack of it, from receiving the benefits of public welfare legislation."

Fourth. Measured by these standards we cannot say that the first amendment prohibits—a State—from spending tax-raised funds to pay the bus fares of parochial school pupils as a part of a general program under which it pays the fares of pupils attending public and other schools.

Fifth. The fact that such support "helped" children to get to parochial schools or encouraged them to remain in such schools does not violate the first amendment.

Sixth. The first amendment requires the state to be a neutral in its relations with groups of religious believers and nonbelievers; it does not require the state to be their adversary. State power is no more to be used so as to handicap religions than it is to favor them.

I have taken the time to quote from the Everson opinion because of the widespread misinterpretation to which it has lately been subjected. How different the words of the Court are from the inflexible, unaccommodating tone of the Government's brief. The essence of the Court's approach is neutrality as between religious and public schools. The essence of the Government's approach is isolation of the non-public schools. The Everson case is the law today and must be accepted as such until the decision is overturned or modified. It gives scant support to the hostile and antagonistic approach in the Government's brief to nondiscriminatory aid-to-education proposals.

Another critically important decision on this subject is *Pierce* v. *Society of Sisters*—268 U.S. 510. In that case, the Supreme Court held unconstitutional an enactment in Oregon compelling the attendance at public schools of children up to the 8th grade. The Court noted in its opinion that the Constitution "excludes any general power of a State to standardize its children by forcing them to accept instruction from public teachers only."

The case of *Cochran* v. *Board of Education*—281 U.S. 370—is similar in import. It was contended in that case that a State enactment providing tax funds for the purchase of schoolbooks was unlawful since its purpose was to aid private, religious, sectarian and other schools not embraced in the public educational system of the State. A unanimous Supreme Court rejected this contention. The opinion of the Court by Mr. Chief Justice Hughes accepted the view of the State court that the "schoolchildren and the State" rather than the schools, were the beneficiaries of the appropriations for books. The State court had noted that what the statute contemplated was that "the same books that are furnished children attending public schools shall be furnished children attending private schools" and that "among these books, naturally, none is to be expected, [sic] adapted to religious instruction." The Supreme Court concluded that "the legislation does not segregate private schools, or their pupils, as its beneficiaries, or attempt to interfere with any matters of exclusively private concern. Its interest is education, broadly; its method, comprehensive. Individual interests are added only as the common interest is safeguarded."

These cases offer the guidelines for a proper approach to the constitutional problems involved in a comprehensive aid to education legislation. They refute any notion that all forms of nondiscriminatory Federal assistance applicable to public and nonpublic schools are unconstitutional. On the contrary, they strongly suggest that a deliberate policy of excluding from the benefits of general welfare legislation, schools with religious affiliations may raise substantial constitutional questions. The Supreme Court has given clear recognition to the historic fact that we have a dual system of education in this country at the elementary as well as the college level. It has been at pains to point out that this dual system is constitutionally protected against governmental action which would destroy church-supported elementary schools.

In our efforts to adhere to the limitations of the 1st amendment, let us not forget the limitations of due process in the 5th and 14th amendments, and the provisions vouchsafing the free exercise of our religious beliefs. Fairness and balance in our approach to the subject of Federal aid to education may be a legal as well as a moral obligation.

Neither the Constitution nor the cases construing it tell us what kind of aid-to-education bill to enact. We must devise a program which will meet the practical as well as the legal problems involved.

Personally, I have always believed that a great deal could be accomplished by giving tax relief to individuals for their educational expenses. Under the provisions of a bill I have introduced for this purpose (S. 792), individuals filing Federal income tax returns would be permitted to deduct from their gross income, fees and tuition up to $300 paid to educational institutions for themselves and their children or dependents. Included would be outlays to any recognized educational institution, including colleges, universities, graduate schools, private schools, parochial schools, technical training schools, and service schools. Such a program could serve as a supplement to direct Federal assistance to public schools, and the two programs together would be well designed to foster our dual systems of education.

The Internal Revenue Service has informed me that the annual revenue that would be lost by permitting such a tax deduction would be about $300 million. This is a substantial sum but it is less than is proposed in many of the other aid-to-education proposals. The tax deduction approach has the great merit of not interfering with the free choice of schools by the families and children involved.

Investment in education is one activity to which the Federal Government should give every encouragement. Businesses are now permitted to deduct promotional expenses on the ground that these expenses generate further business and in the long run additional revenues. The same is certainly true of investment in education. The difference in income levels among those with high school, college and graduate degrees is a well-known fact. And in a larger sense, the whole country is enriched by a better educated populace.

One final word and I shall conclude. Recently a separate bill was introduced to authorize loans to private nonprofit schools for the construction of elementary and secondary school facilities. It was suggested at that time that this measure should be acted upon separately from bills for public school aid in order to avoid any church-state controversy in our consideration of Federal aid-to-education legislation.

Personally, I do not believe that separation of these two school aid bills avoids the constitutional questions which have been raised. What separation really does is initially to determine the constitutional issue adversely to the position of the church-supported schools, for it implies a rejection of the principle that both systems of education should be treated in a nondiscriminatory manner by the Federal Government. If Congress goes too far in this direction, it may impair the freedom of choice principle declared by the Supreme Court in the Pierce case. There is no doubt that the Supreme Court said in that case that governmental action which forced all children to accept instruction from public school teachers only, would be unconstitutional.

Moreover, provision for Federal aid only to church-supported schools places such aid in its most difficult constitutional posture. It has never been contended that the Federal Government could aid church schools as a separate proposition. Rather, the argument for such aid has been that it is justified to avoid discrimination against the nonpublic school system. This rationale is substantially blurred by the separation

of the two systems of education in our legislative deliberations.

Accordingly, I believe that such separation would raise unintended additional hazards to the fair treatment of both types of education by the Federal Government. A separate bill for church-supported schools actually would serve to buttress the arguments against support of such schools by favoring them solely as religious institutions, rather than as coordinate members of the educational community. This would raise regrettable, practical consequences, and it would be inconsistent with the sanction the Supreme Court has given to reasonably nondiscriminatory treatment of all educational institutions.

In conclusion, I wish to emphasize again that what I have discussed in this statement are the constitutional criteria pertinent to the aid-to-education issue. I have not attempted to analyze the policy considerations which should shape any specific legislative proposals. My only purpose has been to offer, as a lawyer, some understanding of the highly important legal problems which this subject poses. I submit these observations in all modesty, but I hope I have succeeded in clarifying, in some measure, these difficult questions.

Mr. DODD. Mr. President, will the Senator from New York yield?

Mr. KEATING. I am happy to yield.

Mr. DODD. In my opinion, the Senator from New York has made a most scholarly, highly intelligent, and highly informational speech on a very critical subject. I know the Senator from New York has introduced a bill, as have I and other Senators, the purpose of which is to afford relief to parents in the form of a tax deduction. It seems to me that this is one way in which assistance might be given to parents who wish to send their children to private schools. Has the Senator considered this proposal?

Mr. KEATING. Yes; and I have never heard anyone raise an issue regarding the constitutionality of that approach to the subject. I myself like that approach. I am glad to know of the support for that proposal from the distinguished Senator from Connecticut, and I am happy to hear that he apparently shares my view that it is the most constructive way to approach this problem, which is a difficult one, and raises emotional issues.

Mr. DODD. Yes, indeed.

Mr. KEATING. I am sure there is no possible question about the constitutionality of that approach.

Mr. DODD. I quite agree; and I believe that the Senator from New York has made a real contribution by introducing the bill. I assure him that I support him in its introduction.

Mr. KEATING. I am very grateful to the Senator from Connecticut.

LESSONS TO BE LEARNED FROM THE CUBAN SETBACK

Mr. DODD. Mr. President, I believe that President Kennedy's speech before the National Press Club, last Thursday, marked a turning point in our history and a turning point in the course of world affairs. It signifies that the humiliating period of retreats and defeats is now at an end. We accept the fact that we are locked in mortal combat with an implacable adversary. We are prepared to stand and fight wherever it may be necessary. We are prepared to fight together with our allies; but, if necessary, we will go it alone.

Ever since the close of World War II, under both Democratic and Republican administrations, we have been beguiled and bedeviled and pushed around and defeated by the forces of international communism. We had overwhelming military and political power in our hands, but we had neither the understanding nor the will to use it. Our good faith was absolute; our innocence was boundless; our blunders were seemingly endless.

During this period of political half sleep, the whole of central Europe, China, North Korea, North Vietnam, Cuba, and now large portions of Laos and the Congo, have fallen under Communist sway.

There were periods when we seemed to be escaping from our bewitchment. But after each apparent awakening, there was an apparent relapse. After our successes in Greece and Iran, there came the Louis Johnson defense budget. After the Korean war, there came the Korean armistice and the spirit of Geneva. After our shocked reaction to the suppression of the Hungarian revolution, there came the test ban moratorium. After our defiance of Khrushchev's Berlin ultimatum, there came the Khrushchev visit and the spirit of Camp David.

While we have sought after coexistence and grasped eagerly at each new Soviet blandishment, the Communists have been able to take over one position after another in the free world. Today, we stand with our backs to the wall. There is no room for further retreat, because further retreat will threaten us with final disaster.

Now the President of the United States has warned the American people that we face a relentless struggle in every corner of the globe that goes far beyond the clash of armies or even nuclear armaments. He has warned them that conventional and nuclear arms are only a shield, behind which the Communists operate by means of subversion, infiltration, and other underhand tactics; that in this way they occupy vulnerable areas, one by one, in a manner which makes armed intervention difficult or impossible for the free world. He has warned that our national security may be lost piece by piece, country by country, without the firing of missiles or the clash of arms.

In response to the challenge, the President has called for an intensification of our efforts in every field, and in many ways more difficult than war. He has accepted the struggle in which we are engaged as a struggle for the very survival of our way of life; and he has told the American people that we must take up the challenge, regardless of the cost and regardless of the peril.

If we as a nation are now prepared to stand, it is obvious that the first place where we must stand is Cuba. We cannot tolerate, 90 miles from our shores, a Soviet Socialist Republic, modeled slavishly after the Kremlin's own brand of tyranny, armed by the Kremlin, commanded by the Kremlin, and openly dedicated to the establishment of a Soviet Latin America. We cannot tolerate it; neither can our Latin American neighbors tolerate it.

I find it difficult to understand the strange paralysis of understanding and of will that seems to have infected so many of our good friends in Latin America. The word "intervention" seems to have befuddled their senses, so that they stand hypnotized and inactive in the face of imminent destruction.

I do not think there is in the English vocabulary a single word that has generated more confusion than the word "intervention."

Thus, the United States now finds itself accused of intervention by the Soviet Union, which pretended that it was simply helping the popular will to assert itself when it sent 5,000 Red army tanks into Budapest to crush the Hungarian revolution.

The United States finds itself accused of intervention by Prime Minister Nehru, who apparently could not make up his mind that the massacre of 50,000 Hungarians by the Red army constituted intervention.

Our country finds itself accused of intervention by liberal European newspapers, some of which have charged that the United States has—unsuccessfully—tried to do in Cuba what the Soviet Union was—successfully—able to do in Hungary.

Our country finds itself accused of intervention at the United Nations, by the delegations of many of the recently created African and Asian nations, who have been led to believe that the United States is endeavoring to establish some kind of imperialist empire in Latin America, and who equate all intervention with imperialism.

Our country finds itself accused of "intervention" by Latin American political leaders, whose heads would be the first to roll if Castro succeeded in exporting revolution to their own countries.

And even in our own country there has been much confused talk about the American "intervention" in Cuba, as though we had done something wicked, something of which we should be ashamed, something that we could not possibly explain to our friends in the United Nations.

World opinion, in general, outside the Communist bloc, has been so bemused by the word "intervention," in relation to the Cuban situation, that it has lost all sight of the basic moral and human issues.

The word "intervention" by itself is intrinsically neither good nor evil. Intervention can serve the cause of evil; and it can also serve the cause of good and the cause of justice. The entire structure of civilized law is, in fact, based on the concept that when an individual engages in wrongdoing, it is es-

sential, in the interest of moral order, that society intervene against him, sometimes to restrain, sometimes to set right, sometimes to punish.

The Communists have intervened, are intervening today, and will continue to intervene in every situation where they can serve their own evil ends.

Sometimes they have intervened by direct and massive military action, as in Korea, Hungary, and Tibet.

Sometimes they have intervened through quisling minorities, operating under the protection of Red army bayonets. That was how they seized power in Poland, Czechoslovakia, Bulgaria, Hungary, and Rumania.

Sometimes they have intervened by fostering, training, equipping, and directing guerrilla and terrorist movements.

In that way, they almost succeeded in seizing power in Greece; they threatened and seriously retarded the postwar recovery of the Philippines, Burma, and Malaya; they conquered the greater part of Vietnam; and they are now threatening the democratic republic of South Vietnam. And it is in that way, and with logistic support from the Soviet Union, that today they have occupied large parts of the Kingdom of Laos, and now threaten its total subjugation.

Sometimes the Communists have intervened by stealth and fraud, posing as anything but Communists, so that they could seize the leadership of reform movements and could install themselves in power before dropping their masks. That was the pattern in Guatemala, and, again, it is the pattern in Cuba.

The Communists have never apologized for intervening. Indeed, they openly use threats of intervention as an instrument of foreign policy.

At the time of the Suez crisis, they threatened to raise an international brigade to fight at the side of Nasser; and in repeated public statements Khrushchev brandished his nuclear weapons. In the case of Cuba, he has again vociferously and arrogantly brandished his nuclear missiles.

When, therefore, Nikita Khrushchev talks about intervention as some heinous crime, committed only by depraved capitalistic nations, this should be enough to make the "cows of Kazakhstan laugh."

But it is what Soviet intervention stands for, rather than intervention per se, that makes their intervention, whatever form it may take, a crime against mankind and against freedom.

The installation of a Communist regime in any country, whether by revolutionary action, or by stealth, or by military occupation, is a crime against humanity for the simple reason that communism is inherently evil. It is evil because in those countries where it has taken power, it has cost the lives of scores of millions of people; because it is militantly opposed to belief in God; because its totalitarian government violates all of man's God-given rights; because it subjects man to the cruelest slavery in history; because, while traditional autocracies can be overthrown by popular revolt, communism has perfected the techniques of repression to the point where successful popular revolt is virtually impossible.

Some of our critics say that, by our intervention in Cuba, we have violated our own principles. Those who make this charge cannot have thought very deeply about it. After all, what are our own principles?

If this country stands for anything, it stands for freedom. It stands for freedom not merely for the American people, but freedom for men and nations everywhere.

The Declaration of Independence did not confine its opening argument to the God-given rights of Americans. On the contrary, this immortal document argued for the universal rights of mankind; it said that "all men are created equal" that "all men are endowed by their Creator with certain inalienable rights."

Down through their history, the American people have always sympathized with the aspirations of other people for freedom. Nor have we hesitated to intervene on the side of freedom. It was for freedom that we intervened in Cuba in 1898, and in Korea in 1950. And this is why we are intervening in Laos and Berlin today.

If we had seriously intervened on behalf of the Cuban freedom fighters, this, as I see it, would be nothing to apologize for. What we should apologize for is the fact that our intervention was niggardly and halfhearted.

If American arms had intervened in last week's battle of the Cochinos beachhead on the same scale as Soviet arms intervened, the outcome of this battle, I am sure, would have been different, and the Castro dictatorship would now have become an evil memory of the past.

Had we intervened effectively, there would today be every reason for rejoicing. The trouble was that our intervention was deficient in planning and determination and scope. This, I believe, was our error; this was the lesson to be learned.

I do not suggest that we should have sent in the Marines to put down the Castro dictatorship. This would have been completely unnecessary. The majority of the Cuban people have come to realize that the Castro regime is not an indigenous reform movement, but a quisling tyranny created by the Kremlin as a base for the subversion of Latin America.

The 100,000 Cuban refugees who have escaped to American soil attest to the intense hatred of the Cuban people for this regime of oppression and misery and national treason. The thousands of Cuban patriots who are fighting in the mountains, in open defiance of Castro's firing squads, also attest to this.

No regimes in history have created as much popular hatred and revulsion as have the Communist regimes in every country where they have been installed.

The press has made much of the fact that no popular uprising occurred to greet the invasion by the brave band of 600 or 800 patriots that went ashore on the beach at Cochinas. Many newspapers have concluded from this that the estimates of popular discontent in Cuba were greatly exaggerated.

In my own opinion, it proves no such thing. In the first place, we have now learned that, the instant the invasion began, the Castro regime instituted a reign of terror without parallel in this hemisphere. According to newspaper accounts, within a matter of 48 hours, 50,000 people had been rounded up. Think of it. Fifty thousand people in a country of 6 million. This was as though a Communist dictatorship had rounded up 1,500,000 people in the United States and placed them in concentration camps.

In the second place, I believe it is only natural for people living under so cruel a dictatorship to wait for 2 or 3 days, to see how things are going before they decide to risk their own lives.

From the many contacts I have had with Cuban exiles, I am convinced that, had the battle of the beachhead been decided against Castro, a national uprising would have taken place despite the mass terror and mass executions.

In short, I disagree with the pessimistic, defeatist attitude of those who now say that the invasion was premature. True, it lacked coordination. True, there was bungling. True, more could have been done to soften up the Castro regime in advance. But the chief weakness, as I see it, was the fact that on the eve of the invasion we had not yet faced up to the problem that President Kennedy, in his speech of last Thursday, posed and answered so resolutely.

The first battle was bound to be of critical importance. Yet we had not decided what we were prepared to do and just how far we were prepared to help if the freedom fighters ran into difficulty.

According to the accounts which have reached the press, the battle of the Cochinos beachhead was really decided when Castro threw into the fight Soviet tanks and jet fighter planes. About the presence of Soviet jet aircraft over the beachhead there is still some doubt. But there is not doubt about the role played by Soviet tanks and other Soviet weapons. Nor is there any doubt about the fact that Cuban Communist pilots are in Czechoslovakia today, receiving training in Soviet fighter aircraft.

In my opinion, had we equalized the position on the Cochinos beachhead by providing the freedom fighters with close air support, there might be a different story to tell today.

I say that we should have done so, and that we should be prepared to do so.

We can no longer tolerate a situation in which a quisling totalitarian regime, directed at the subversion of the entire Western Hemisphere, is able to maintain its hold over the Cuban people because of the massive quantities of arms placed in its hands by the Kremlin.

The time is long past due for a firm announcement that we will tolerate no further shipments of Soviet arms to the Western Hemisphere. I believe we should advise both Mr. Khrushchev and Mr. Castro that we will tolerate no Soviet military aircraft in Caribbean skies.

I believe that if in the next round of battle we are prepared to give the Cuban

freedom fighters the air support necessary to obliterate Communist air power in Cuba, the Cuban freedom fighters will take care of the rest.

In saying these things, I do not mean to ignore or underestimate the bungling which unquestionably took place on our side. The point I wish to make is that this bungling was of secondary importance. The first attempt to liberate Cuba from the Castro tyranny failed for the simple reason that we had yet to make the stern resolve that this fight must not be permitted to fail.

I feel that the entire episode should be subjected to careful review, in executive session, by a committee of Congress. I am opposed to public discussion because I believe that too much has already been said publicly, on the basis of fragmentary or inaccurate information, about CIA involvement and CIA bungling. Indeed, I feel that the press of our country, in its desire to present all the news, or everything that passes for news, sometimes does a disservice to our national security. Simply by reading the American press, Castro could have learned about the preparations for the invasion, in the most exquisite detail—where the camps were located, how many men were in training, what equipment they had, what their plans were. Castro could truly boast in his first television broadcast that all he had to do to find out about rebel intentions was to read the American press. There is something wrong with such a situation.

In the New York Times for April 22, Mr. Cyrus Sulzberger made the point that CIA's operations have been much too public, that it has not taken sufficient camouflage precautions.

Compare the "Made in U.S.A." label on the Powers case—

Said Mr. Sulzberger—

with the anonymity of Britain's Commander Crabbe or Russia's Colonel Abel, who still denies he worked for Moscow. We must obscure our methods of cold warfare and get the CIA right out of public life. Democracies can sometimes be too curious.

I concur with Mr. Sulzberger. At the same time, I believe that it would help to reassure Congress and reassure the country if CIA's very great powers and its massive operations were placed under the surveillance of a small, tight, joint committee of Congress. I plan to submit such a proposal formally within the next several days.

Some months ago, one of our ablest political analysts said to me that the only thing that can save the United States is a serious but nonfatal defeat. I believe that we have suffered precisely such a defeat in Cuba. But this defeat can only save us if we draw all the hard and bitter lessons from it.

It can only save us if we are prepared to face up to the fact that the installation of the Castro regime in Cuba was the consequence of the same fallacious political philosophy that has led to disaster after disaster in the postwar period.

There is an enormous paradox inherent in the superiority of the free world over the Communist world in the essential elements of strength, and the consistent record of defeat of the free world by communism.

The material resources of the free world in skilled manpower, wealth, arms and machinery are unquestionably greater; our political system demonstrably better; our intellectual resources incontestably superior; our moral and ethical values incomparably higher.

Why, then, do we consistently lose?

Are these defeats due to uncontrollable forces with which the statesmen of the West cannot cope and for which they cannot be held responsible? Or are they the result of specific, recognizable failures—failure of this policy or that source of information, failures of particular men and particular agencies?

The Communists believe that inevitable forces of history are determining the cold war in their favor.

There are philosophers and historians who, while they may dispute the Communist interpretation of the outcome of inevitable forces, nonetheless believe that the decsiions of men are determined by the operation of vast forces beyond their control.

But we who uphold freedom believe that men determine events; that men can, by the exercise of their reason, by their free choice, change themselves, change their community, change their country, and change the course of the world struggle.

We must believe, therefore, that sufficient foresight and proper reading of clear Communist intentions by Western statesmen could have saved Eastern Europe; that proper evaluation and determined action could have saved China; that boldness at the critical hour could have saved Indochina; that a determined will to win could have saved North Korea; that simple commonsense could have saved us from the present Cuban fiasco.

Wrong decisions result in defeat; right decisions result in victory. We of the free world have consistently lost because we have made a whole series of wrong decisions, based on faulty philosophy and poor information. That is our trouble.

It is senseless to say, in a spirit of misplaced sportsmanship or in a gush of superficial unity, "Let's not look back; let's not be Monday morning quarterbacks; let's not blame individuals for what has happened. Let's hope that the future will be better and move forward with the same philosophy, the same policies, the same team."

I believe that only new policies and new attitudes can reverse the decline of the West. Unless, after such a fiasco as our 3-year Cuban policy, we find out and nail down which recommendations, which misinformation, which decisions, which attitudes, which particular men brought us down to defeat, we will gain nothing from our reverses and will only proceed to newer and greater disasters.

It is in this spirit that I wish to examine certain aspects of the American policy failure that brought Fidel Castro to power in Cuba.

It has become customary to blame Castro's emergence on the poverty of the Cuban peasant masses, on the abuses of the Batista dictatorship, on American identification with the Batista dictatorship, on everything but our own lack of understanding and our own misconceived policy.

I agree that there was poverty in Cuba, that there was a need for social reform, that the Batista dictatorship was repressive and unpopular, that until near the end we did not take the necessary measures to indicate that we did not approve of its excesses. But all this still does not explain Castro's rise to power.

I am convinced that the situation could have been saved had we embarked upon an intelligent and energetic policy as late as 1958 or even 1959. An examination of our policy during this last period will reveal, at the very least, a consistent wrongheadedness which is nothing short of frightening.

If Batista had fallen and had been replaced by a democratic, and therefore pro-Western, government, there would have been every reason to rejoice. But the fact is that when Batista fell, his regime was replaced by an infinitely more evil dictatorship, and a dictatorship, to boot, controlled from the Kremlin and dedicated to the subversion of Latin America.

I say that there was nothing inevitable about this.

There was opposition to the Batista dictatorship, especially in the cities. But this did not mean that the Cuban people were pro-Castro. At no time did Castro have more than 2,000 men under him in the Sierra Maestra mountains. Although they engaged in sabotage, Castro's "barbudos" fought no important engagements and had no serious military significance.

The real opposition to Batista was based on the middle class and the student body and the Catholic Church in the cities. This opposition was prodemocratic, overwhelmingly anti-Communist, and only vaguely sympathetic to Castro because he appeared to be moving in the same direction. It has been estimated that the urban opposition to Batista suffered 11,000 casualties compared with the 1,000 casualties suffered by Castro's forces from the beginning to the end of their insurrection. But this urban opposition movement lacked leadership, lacked unity, lacked publicity and, above all, it lacked American encouragement.

If the State Department was really convinced that the Batista regime had so lost the support of the people that its downfall had to be accelerated, why was no effort made to encourage the formation of a democratic middle of the road movement as an alternative to Castro? Surely it would have required very little encouragement to foster such a movement.

Why did we not take the initiative in urging elections under the supervision of the OAS? And why did we turn a deaf ear to Batista in 1958 when he seemed disposed to consider such elections?

Why was there no alert to the danger that if Batista were toppled while Castro, with his scattering of followers, commanded the only united and cohesive opposition movement, the consequence, the clearly inevitable consequence, would

be the emergence of a Communist dictatorship in the heart of the Caribbean?

Why did we close our eyes to the operation of Castro agents on American soil, to the shipments of arms that went out from Florida to Castro and to the constant departure of reinforcements for the Sierra Maestra guerrillas?

These are questions that require answers. I think the answer to this is that our State Department was inclined to look upon the Castro movement as an agrarian reform movement, as it was once inclined to look upon the Chinese Communists as agrarian reformers. And so we decided to put all of our eggs in the Castro basket, to force Batista out so that Castro could take over, and to hope for the best.

The Subcommittee on Internal Security has taken testimony indicating that this was so from three former U.S. Ambassadors: Ambassador Arthur Gardner, Ambassador Earl E. T. Smith, and Ambassador William Pawley. According to them, the State Department either ignored or appeared not disposed to believe their repeated warnings that most of Castro's chief lieutenants, and probably Fidel Castro himself, were Moscow Communists.

Raul Castro, Che Guevara, and some of Castro's other top henchmen had received training in Moscow; this was commonly known. Fidel himself had played a leading role in the Bogotá riots of 1949, which cost the lives of 1,000 people, and he had been publicly denounced at the time by the Colombia radio as a foreign Communist agitator.

For a long time there was a lot of wishful thinking to the effect that Fidel Castro was probably not a Communist because there was no proof that he carried a Communist membership card and the Communists sometimes appeared to have differences with him. What a tenuous assumption on which to base American foreign policy.

Fidel Castro may not carry a Communist membership card to this day. But for all practical purposes he is a Communist. No one, I think, would now challenge this statement.

This was as true of Fidel Castro yesterday as it is today. He was known to be pro-Soviet, and anti-American. His own brother and others of his chief lieutenants were graduates of Moscow. And finally, there was his role in the Bogotá riots. Latin American students, by tradition, have a penchant for joining revolutionary movements in their own countries. But it is not part of their national tradition to travel to other countries for the purpose of instigating murderous riots. The pattern here is almost conclusively suggestive of Communist affiliation. Certainly, the Colombian police had no doubt on this score.

The question must be asked: Why was the information about the Communist direction of the Castro movement not given to the people of the United States and of Cuba before Castro seized power? Why were the American people permitted, if not encouraged, to believe, for a period of more than a year, that the Castro movement, although it might contain certain Communists, was essentially an agrarian reform movement?

I am certain that Secretary Herter did not willfully suppress information of such critical importance. But if the State Department had this information and it was not passed on to the Secretary of State, or if it was passed on in a diluted manner, or if Secretary Herter was "protected" from his ambassadors, then it is important to know who in the Department was responsible for this delinquency.

I have said that our Cuban policy disaster may be traced back to the same fallacious political policy that has led us to disaster after disaster in the postwar period.

We have suffered from an almost obsessional attitude toward all the failings on our side, toward every aberration from simon pure democracy in our own society and on the part of our allies.

I believe that this exaggerated, ultraliberal preoccupation with the failings on our side, has induced a tendency to minimize the failings and evils that exist on the other side. The proponents of this philosophy have felt that there exists on both sides good and evil, the same human frailty, the same capacity for human failing, the same desire for peace and understanding. Coexistence, therefore, is possible and it must be sought after even at the cost of further compromises.

This tendency to believe the best of communism while believing the worst about ourselves and the free world has wrought massive and irreparable damage since the close of World War II.

In the case of China, there were our desk-position policymakers who hated Chiang Kai-shek so much that they were happy to see him defeated and to help precipitate his defeat, even though the obvious consequence was the establishment of a Communist regime in China.

In the case of Korea, American influence only last year exerted itself to force Syngman Rhee out of power, ostensibly because his regime was autocratic and inefficient. In doing so, we did not stop to ask what the consequence of this would be. In my opinion, the successor government has suffered from the same characteristic Asian autocracy and inefficiency, but it has lacked Syngman Rhee's iron determination to stand up against communism.

In the case of Cuba, as I had pointed out, we were guilty of the same error, when we accelerated Batista's downfall at a time when no democratic alternative had been prepared, and when his downfall could only lead to a Castro government.

What I find particularly perplexing is that many of those who protest against the autocratic features of the Syngman Rhee regime or the Chiang Kai-shek regime are prepared to swallow autocracy and dictatorship wholesale if they have a "progressive" label pinned on them.

The regime of Kwame Nkrumah in Ghana is infinitely more dictatorial and oppressive, for example, than the Syngman Rhee regime was at its worst. But it is not criticized, presumably because it speaks in the name of "social reform" and "anti-imperialism." The Toure regime in Guinea has already assumed many of the trappings of Soviet totalitarianism. But we are urged to avoid harsh criticism in dealing with Guinea and to seek to win Toure over to our side.

It is time to take inventory of our position. We can no longer afford the luxury of toppling friendly anti-Communist regimes simply because they do not adhere to the norms of democracy that civilized society has taken centuries to evolve.

In World War II, to save ourselves from the evils of nazism, we entered into a military alliance with Soviet totalitarianism, which was equally as evil. As Churchill put the matter: "If a lion were about to devour me, and a crocodile came along and started biting off the lion's foot, I should welcome this assistance, even though I have no particular fondness for crocodiles."

It is time that we start building our alliances as best as we can, never endorsing dictatorship, using our influence and example in the interest of greater freedom, but seeking military agreements as frank arrangements of convenience, as we did in World War II.

The President of the United States has spoken, and in words not easily misunderstood. The Nation is with him, indeed the entire free world will rally to his support. He has come forward with the kind of leadership the West has demanded—strong and forceful. He has approached the Cuban crisis with a vigor, a clarity, and a determination calculated to crystallize in the minds of national leaders everywhere the true nature of aggressive, imperialistic communism. President Kennedy is generating a unity among nations not previously experienced—a unity that will thwart the Communist threat while it is consumed by its own evil.

DEPARTMENT OF URBAN AFFAIRS AND HOUSING

Mr. HUMPHREY. Mr. President, this past week it was my privilege to join with the junior Senator from Pennsylvania [Mr. CLARK] in cosponsoring a bill to establish a Department of Urban Affairs and Housing.

Because of the importance of this proposal and the widespread interest in it, I ask unanimous consent that the letter from the President submitting to the Congress a draft of the proposed legislation, the bill itself, along with a sectional analysis, and a letter from the Director of the Budget describing the measure in detail, be printed at this point in the RECORD.

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

APRIL 18, 1961.

DEAR MR. PRESIDENT, and DEAR MR. SPEAKER: I am transmitting for consideration by the Congress draft legislation to carry out the recommendation in my March 9 message on housing and community development calling for the creation of a new Cabinet Department of Urban Affairs and Housing.

Two problems standing near the top of our national priority list are, first, preventing

the appalling deterioration of many of our country's urban areas and rehabilitating the cities of our Nation which currently contain 70 percent of our people—a figure that is constantly growing—and, second, insuring the availability of adequate housing for all segments of our population. Since the National Housing Agency was established in 1942, the activities of the Federal Government in housing and in working with States and local communities in the rebuilding of our urban areas and in preventing their deterioration has increased steadily. The importance of this area of Federal activity merits recognition by the establishment of the Department of Urban Affairs and Housing. Thus, the new Secretary of Urban Affairs and Housing will be in a position to present the Nation's housing and metropolitan development needs to the Cabinet and will by virtue of his position provide the necessary leadership in coordinating the many Federal programs in these fields.

In addition to the draft bill, I am enclosing a letter from the Director of the Bureau of the Budget describing the legislation in detail. A letter identical to this one is being sent to the Speaker of the House of Representatives.

I hope that prompt action can be scheduled on this important legislation and that the Congress will act favorably on the proposal.

Sincerely,

JOHN F. KENNEDY.

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET,
Washington, D.C., April 17, 1961.

MY DEAR MR. PRESIDENT: There is enclosed herewith a draft of a bill, "To establish a Department of Urban Affairs and Housing, and for other purposes."

The bill carries out your recommendations for the creation within the executive branch of a new Cabinet-rank department to administer Federal programs for community development and housing contained in the state of the Union message dated January 30, 1961, and the message on our Nation's housing dated March 9, 1961.

The purpose of this legislation is to provide for full recognition and consideration of the problems resulting from the rapid growth in the United States of our urban and metropolitan areas and needs. Establishment of the Department of Urban Affairs and Housing will help in achieving consistent and flexible administration of the Government's community development and housing programs, give more effective leadership within the executive branch to the coordination of Federal activities affecting urban and metropolitan growth and development, and foster consultation among Federal, State, and local officials to contribute to the solution of urban and metropolitan development problems.

The bill sets forth a new declaration of national urban affairs and housing policy, which states that the welfare and security of the Nation requires the sound and orderly growth and development of the Nation's urban communities. It is declared that the national policy shall be to assist communities in developing and carrying out local programs to meet the problems resulting from growth and change. Included would be appropriate Federal concern with and leadership in comprehensive community planning, eliminating slums and blighted areas and providing decent homes in a suitable living environment for the Nation's population, providing adequate industrial and commercial locations, developing effective urban mass transportation, and providing public and recreational facilities and open spaces around our major population centers.

To help achieve this national policy, the bill establishes a new executive department, the Department of Urban Affairs and Housing, to be headed by a Secretary appointed by the President with Senate confirmation. The Department would be under the supervision and direction of the Secretary. An Under Secretary, three Assistant Secretaries, a General Counsel and an Administrative Assistant Secretary are also provided for and would perform duties prescribed by the Secretary. Responsibility would be vested in the Secretary for all functions currently performed by the Housing and Home Finance Administrator.

The proposed legislation directs the Secretary to conduct and make available continuing comprehensive studies of urban development and housing. He would advise the President with respect to Federal programs contributing to the achievement of the urban affairs and housing policy set forth in the bill, and would develop and recommend to the President policies for fostering the orderly growth and development of the Nation's urban areas. At the direction of the President, the Secretary would be expected to exercise leadership in coordinating Federal activities affecting urban areas and provide technical assistance and information concerning these matters to State and local governments. The Secretary would further be responsible for encouraging comprehensive planning by State and local governments in order to secure improved coordination of Federal, State, and community development activities at the local level.

The bill provides for the transfer to and vesting in the Secretary of the functions, powers, and duties of the Housing and Home Finance Agency, including the Federal Housing Administration and Public Housing Administration. The personnel, property, funds, and other resources of those agencies would be transferred along with the functions. The Secretary would have all the functions, powers, and duties of the Administrator of HHFA for administering the programs of the Urban Renewal Administration and the Community Facilities Administration, and those authorities now vested by law in the Commissioners of the Federal Housing Administration and the Public Housing Administration. Because of its peculiar corporate structure, the Federal National Mortgage Association would be transferred to the Department rather than to the Secretary, but the Secretary would be vested with the authorities now possessed by the Housing Administrator with respect to that constituent agency. The bill provides appropriate safeguards for the private owners of capital stock in the secondary market functions of the Federal National Mortgage Association.

The bill seeks to enable the Secretary to direct the Department's evolving and closely interrelated programs in a consistent and comprehensive manner by vesting in him authority to appoint the officers and employees of the new Department subject to civil service laws, determine, in the main, the internal organization of the Department, and delegate his functions to such officers and employees of the Department as he may designate. The Housing and Home Finance Agency, Federal Housing Administration, Public Housing Administration, the positions established by law in those units, and the National Housing Council, would be abolished.

The act creating the new Department makes provision for a deferred effective date and Presidentially designated interim officers.

Respectfully yours,

DAVID E. BELL,
Director.

A BILL TO ESTABLISH A DEPARTMENT OF URBAN AFFAIRS AND HOUSING AND FOR OTHER PURPOSES

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 Department of Urban Affairs and Housing Act.

DECLARATION OF NATIONAL URBAN AFFAIRS AND HOUSING POLICY

SEC. 2. (a) The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of our people require, as a matter of national purpose, sound development and redevelopment of our urban communities in which the vast majority of our people live and work.

The Congress further declares that the national policy for the attainment of this purpose shall be to encourage and facilitate the efforts of our urban communities to develop and carry out local programs to meet effectively the needs resulting from urban, suburban, and metropolitan growth and change, including: the preparation of comprehensive plans for necessary community development and redevelopment; the elimination of slums and blight; the provision of decent homes in a suitable living environment for all American families; the provision of adequate locations for industrial and commercial facilities to create new employment opportunities, and to assist in the establishment of an increased and more stable tax base; the promotion of effective mass transportation within urban areas, and the coordination of transportation plans with the needs of urban communities as part of the overall planning for such communities; the provision of additional public facilities and improvements commensurate with current and future needs; the provision of open areas, parks and other facilities for recreation; and the fostering of the provision or expansion of facilities for educational and cultural pursuits, thus contributing to the improvement of conditions under which people live and work and under which business enterprise may expand and prosper, to an economy of maximum production, employment, and purchasing power, and to the growth and security of the Nation.

To carry out such national purpose and policy, and in recognition of the increasing importance of urban communities in our national life, the Congress finds that establishment of an executive department is desirable to achieve the best administration of the principal programs of the Federal Government which provide assistance for housing and for the development and redevelopment of our urban communities; to give leadership within the executive branch in securing the coordination of the various Federal activities which have a major effect upon urban, suburban or metropolitan development and redevelopment; to encourage the solution of urban, suburban, and metropolitan problems through State, local, and private action, including promotion of interstate, regional, and metropolitan cooperation; and to provide for full and appropriate consideration, at the national level, of the needs and interests of urban areas and of the people who live and work in them.

(b) The Department of Urban Affairs and Housing established by this Act, and any other departments, agencies or instrumentalities of the United States having functions, powers or duties, under this or any other Act, which have a major effect upon urban, suburban or metropolitan development and redevelopment shall exercise such functions, powers and duties in accordance with the national policy declared by this Act and in such manner as will facilitate sustained progress toward the attainment of the national purpose established by this Act.

ESTABLISHMENT OF DEPARTMENT

SEC. 3. (a) There is hereby established at the seat of Government an executive department to be known as the Department of Urban Affairs and Housing (hereinafter referred to as the "Department"). There shall be at the head of the Department a Secretary

of Urban Affairs and Housing (hereinafter referred to as the "Secretary"), who shall be appointed by the President by and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary. The Secretary shall receive compensation at the rate now or hereafter prescribed by law for the heads of executive departments.

(b) The Secretary shall, among his responsibilities, conduct continuing comprehensive studies, and make available findings, with respect to the problems of urban development and housing; advise the President with respect to Federal programs and activities contributing to the achievement of national policy declared by this Act; develop and recommend to the President policies for fostering the orderly growth and development of the Nation's urban communities; exercise leadership at the direction of the President in coordinating Federal activities affecting urban areas; provide technical assistance and information to State and local governments in developing solutions to urban problems; and encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State and community development activities at the local level.

UNDER SECRETARY AND OTHER OFFICERS

SEC. 4. (a) There shall be in the Department an Under Secretary, three Assistant Secretaries, and a General Counsel, who shall be appointed by the President by and with the advice and consent of the Senate, who shall receive compensation at the rate now or hereafter provided by law for under secretaries, assistant secretaries, and general counsels, respectively, of executive departments, and who shall perform such functions, powers and duties as the Secretary shall prescribe from time to time.

(b) There shall be in the Department an Administrative Assistant Secretary, who shall be appointed, with the approval of the President, by the Secretary under the classified civil service, who shall perform such functions, powers and duties as the Secretary shall prescribe from time to time, and whose annual rate of compensation shall be the same as that now or hereafter provided by law for administrative assistant secretaries of executive departments.

TRANSFERS TO DEPARTMENT

SEC. 5. (a) Except as otherwise provided in subsection (b) of this section, there are hereby transferred to and vested in the Secretary all of the functions, powers and duties of the Housing and Home Finance Agency, of the Federal Housing Administration and the Public Housing Administration in that Agency, and of the heads and other officers and offices of said agencies.

(b) The Federal National Mortgage Association, together with its functions, powers and duties, is hereby transferred to the Department. The next to the last sentence of section 308 of the Federal National Mortgage Association Charter Act and the item numbered "(39)" of section 106(a) of the Federal Executive Pay Act of 1956 are hereby repealed, and the position of the President of said Association is hereby allocated among the positions referred to in the proviso of section 7(c) hereof.

CONFORMING AMENDMENTS

SEC. 6. (a) Section 19(d)(1) of the Act of June 25, 1948, is hereby amended by striking out the period at the end thereof and inserting a comma and the following: "Secretary of Health, Education, and Welfare, Secretary of Urban Affairs and Housing."

(b) Section 158 of the Revised Statutes (5 U.S.C. 1) is amended by adding at the end thereof: "Eleventh. The Department of Urban Affairs and Housing."

(c) The amendment made by subsection (b) of this section shall not be construed to make applicable to the Department any provision of law inconsistent with this Act.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, or other funds held, used, arising from, or available or to be made available in connection with, the functions, powers and duties transferred by section 5 of this Act are hereby transferred with such functions, powers and duties, respectively.

(b) No transfer of functions, powers, and duties shall at any time be made within the Department in connection with the secondary market operations of the Federal National Mortgage Association unless the Secretary finds that the rights and interests of owners of outstanding common stock issued under the Federal National Mortgage Association Charter Act will not be adversely affected thereby.

(c) The Secretary is authorized, subject to the civil service and classification laws, to select, appoint, employ and fix the compensation of such officers and employees, including attorneys, as shall be necessary to carry out the provisions of this Act and to prescribe their authority and duties: *Provided,* That, any other provision of law to the contrary notwithstanding, the Secretary may fix the compensation for not more than nine positions in the Department at annual rates not more than $1,500 in excess of the compensation now or hereafter fixed by law for grade 18 of the General Schedule established by the Classification Act of 1949.

(d) Subject to the standards and procedures prescribed by section 505 of the Classification Act of 1949, the Secretary is authorized to place not to exceed thirty-five positions in grades 16, 17, or 18 of the General Schedule established by such Act, and such positions shall be in addition to (i) the number of positions authorized by section 505 of the Classification Act of 1949 to be placed in such grades and (ii) the number of positions in such grades which were allocated under section 505 to any agency or organizational unit the functions, powers, and duties of which are transferred pursuant to this Act.

(e) The Secretary may delegate any of his functions, powers, and duties to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties. The second proviso of section 101(c) of the Housing Act of 1949 is hereby repealed.

(f) The Secretary may obtain services as authorized by section 15 of the Act of August 2, 1946, at rates not to exceed $100 per diem for individuals.

(g) The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone and other communications services; procurement and management of office space; central services for document reproduction and for graphics and visual aids; and a central library service. In addition to amounts appropriated to provide capital for said fund, which appropriations are hereby authorized, the fund shall be capitalized by transfer to it of such stocks of supplies and equipment on hand or on order as the Secretary shall direct. Such fund shall be reimbursed from available funds of agencies and offices in the Department for which services are performed at rates which will return in full all expenses of operation, including reserves for accrued annual leave and for depreciation of equipment.

(h) The Secretary shall cause a seal of office to be made for the Department of such device as he shall approve, and judicial notice shall be taken of such seal.

ABOLITIONS

SEC. 8. There are hereby abolished the Housing and Home Finance Agency, the Federal Housing Administration, the Public Housing Administration, and the National Housing Council, the offices of Housing and Home Finance Administrator, Federal Housing Commissioner, Public Housing Commissioner, Deputy Housing and Home Finance Administrator, Urban Renewal Commissioner, and Community Facilities Commissioner, the position of director referred to in section 106(a)(1) of the Housing Act of 1949, the position of director referred to in section 304 of the Housing Act of 1948 and any other positions heretofore established by law in the aforesaid agencies, but not positions established by law in the Federal National Mortgage Association.

ANNUAL REPORT

SEC. 9. The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for submission to the Congress on the activities of the Department during the preceding calendar year.

SAVINGS PROVISIONS

SEC. 10. (a) No suit, action, or other proceeding lawfully commenced by or against the head of any agency or any other officer abolished by the provisions of this Act, in his official capacity or in relation to the discharge of his official duties, or by or against any agency abolished by this Act, shall abate by reason of the taking effect of the provisions of this Act, but the court may, on motion or supplemental petition filed at any time within twelve months after such taking effect, showing a necessity for the survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, allow the same to be maintained by or against the Secretary or such other officer or office of the Department as may be appropriate.

(b) Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made or taken by or pursuant to applicable law, prior to the effective date of this Act, by any agency, officer, or office abolished by this Act pertaining to any functions, powers, and duties transferred by this Act shall continue in full force and effect after the effective date of this Act until modified or rescinded by the Secretary or such other officer or office of the Department as, in accordance with applicable law, may be appropriate. With respect to any function, power, or duty transferred by or under this Act and exercised hereafter, reference in another Federal statute to the Housing and Home Finance Agency or to any officer, office, or agency therein, except the Federal National Mortgage Association and its officers, shall be deemed to mean the Secretary.

SEPARABILITY

SEC. 11. Notwithstanding any other evidence of the intent of Congress, it is hereby declared to be the intent of Congress that if any provision of this Act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent

jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act or its application to other persons and circumstances, but shall be confined in its operation to the provision of this Act, or the application thereof to the persons and circumstances, directly involved in the controversy in which such judgment shall have been rendered.

EFFECTIVE DATE AND INTERIM APPOINTMENTS

SEC. 12. (a) The provisions of this Act shall take effect upon the expiration of the first period of sixty calendar days following the date on which this Act is approved by the President, or on such earlier date as the President shall specify by executive order published in the Federal Register, except that the President may nominate, and by and with the advice and consent of the Senate may appoint, any of the officers provided for in sections 3(a) and 4(a) of this Act at any time after the date this Act is approved by the President.

(b) In the event that one or more officers required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, the President may designate any person who was an officer of the Housing and Home Finance Agency immediately prior to said effective date to act in such office until the office is filled as provided in this Act or until the expiration of the first period of sixty days following said effective date, whichever shall first occur. While so acting such persons shall receive compensation at the rates provided by this Act for the respective offices in which they act.

SECTIONAL ANALYSIS

SHORT TITLE

Section 1 provides that the act may be cited as the Department of Urban Affairs and Housing Act.

DECLARATION OF NATIONAL URBAN AFFAIRS AND HOUSING POLICY

Section 2(a) sets forth the congressional declaration of the need for the sound development and redevelopment of the Nation's urban communities. It is declared that the national policy shall be to assist urban communities in developing and carrying out local programs to meet the problems resulting from growth. Included would be assistance in planning for community development and redevelopment, eliminating slums and blight, providing decent homes, promoting effective mass transportation, and providing public, recreational, and cultural facilities. It states the congressional finding that establishment of an executive department is desirable to administer the principal Federal programs of assistance for community development and housing, secure coordination among other Federal activities affecting urban areas, encourage the solution of related problems through State, local, and private action, and provide for the consideration of urban problems at the national level.

Subsection (b) of section 2 declares that the Department of Urban Affairs and Housing established by this bill and other Federal departments and agencies having functions, powers, and duties affecting urban and metropolitan development shall exercise such functions, powers, and duties in accordance with the national policy declared by this bill.

ESTABLISHMENT OF DEPARTMENT

Section 3(a) establishes a new executive department to be known as the Department of Urban Affairs and Housing and provides that it be headed by a Secretary of Urban Affairs and Housing, who would be appointed by the President with Senate confirmation. The Department would be under the supervision and direction of the Secretary who would receive compensation at a rate prescribed by law for heads of executive departments. At present, section 102 of the Federal Executive Pay Act of 1956 (5 U.S.C., section 2201) provides that the heads of executive departments shall receive $25,000 per annum.

Section 3(b) directs the Secretary, among his other responsibilities, to conduct continuing studies of urban and housing problems, advise the President with respect to Federal programs and activities contributing to the achievement of the national policy declared by the bill, exercise leadership at the direction of the President in coordinating Federal activities affecting urban areas, and provide technical assistance to State and local governments in solving urban problems. The Secretary would also promote the coordination of Federal, State, and community development activities at the local level.

UNDER SECRETARIES AND OTHER OFFICERS

Section 4(a) provides that there shall be an Under Secretary, three Assistant Secretaries, and a General Counsel in the Department, all of whom would be appointed by the President with Senate confirmation. Such officers would perform functions, powers, and duties prescribed by the Secretary. They would receive the same compensation as the Under Secretaries, Assistant Secretaries, and General Counsels of other departments. At present, section 104 of the Federal Executive Pay Act of 1956 (5 U.S.C., sec. 2203) provides that Under Secretaries receive $21,000 per annum; and section 106 of that act (5 U.S.C., sec. 2205) provides that Assistant Secretaries and General Counsels receive $20,000 per annum.

Section 4(b) provides that there shall be an Administrative Assistant Secretary who shall be appointed by the Secretary with the approval of the President. The Administrative Assistant Secretary would receive compensation at a rate of $19,000 per annum and would perform functions, powers, and duties prescribed by the Secretary. His appointment and compensation would be the same as in the cases of the Administrative Assistant Secretaries of certain other departments.

TRANSFERS TO DEPARTMENT

Section 5(a) provides for the transfer to the Secretary of Urban Affairs and Housing of all the functions, powers, and duties of the Housing and Home Finance Agency, Federal Housing Administration, Public Housing Administration, and the heads and other officers and offices of those agencies. Under that provision, the Secretary would have all the functions, powers, and duties of the Administrator of HHFA and, additionally, the functions, powers, and duties now vested by law in the Commissioners of FHA and PHA for the operation of their respective units. The functions, powers, and duties of the Community Facilities Administration, the Urban Renewal Administration, and their officers are already vested in the Administrator of HHFA and would, therefore, be transferred to the Secretary.

As provided for in sections 7 and 8 of the bill, the constituent units of HHFA, except the Federal National Mortgage Association, would be abolished, and the Secretary would be authorized to delegate and to authorize the successive redelegation of his functions, powers, and duties. In the exercise of the functions, powers, and duties of the Secretary, he could not take action to use funds for purposes other than those for which they were authorized by the Congress.

The Federal National Mortgage Association would not be included in the transfer to the Secretary and would not be abolished. Subsection (b) of section 5 provides that FNMA would be transferred to the department, and the Secretary would be vested with the functions, powers, and duties possessed by the Administrator of HHFA with regard to FNMA. Therefore, the Secretary would become the chairman of the FNMA board of directors. FNMA would be an entity within the department, and the rights and interests of the owners of outstanding common stock issued under the FNMA Charter Act would not be affected under the transfer.

Finally, subsection (b) contains a technical amendment to repeal the language in section 308 of the FNMA Charter Act (12 U.S.C., sec 1723) and that item in section 106(a) of the Federal Executive Pay Act of 1956 (5 U.S.C., sec. 2205) which provide that the President of FNMA is to receive compensation at the rate established for the heads of HHFA constituent units. Instead, that officer would receive an unchanged salary, $20,000 per annum, under the provisions of section 7(c) of the bill.

CONFORMING AMENDMENTS

Section 6(a) would amend section 19(d)(1) of the act of June 25, 1948 (3 U.S.C., sec. 19(d)(1)), to place both the Secretary of Health, Education, and Welfare and the Secretary of Urban Affairs and Housing in the line of succession to the office of President. They would become eligible to act as President only if the Vice President, Speaker of the House, President pro tempore of the Senate, and the heads of executive departments having precedence over them are unable to serve as President.

Sections 6(b) and 6(c) are technical provisions extending to the new Department the provisions of title IV of the Revised Statutes, except to the extent inconsistent with the bill. Those provisions deal with such matters as departmental vacancies, regulations, duties of clerks, details and employment of personnel, oaths, subpenas, and witness fees.

ADMINISTRATIVE PROVISIONS

Section 7(a) provides that all the personnel and resources, including funds, property, and records available in connection with the functions transferred by section 5 are transferred with the respective functions.

Subsection (b) of section 7 provides that no transfers of functions may be made within the Department with respect to the secondary market operations of the Federal National Mortgage Association unless the Secretary finds such transfers would not adversely affect the rights and interests of the owners of FNMA common stock.

Subsections (c) and (d) of section 7 would authorize the Secretary to appoint and fix the compensation of Department personnel and prescribe their duties. The laws applicable to the Federal civil service would apply to employees of the Department. The Secretary further would be authorized to fix the compensation for not more than 9 civil-service positions (including the heads of major constituent units) at rates not more than $1,500 in excess of the rate of compensation provided for positions in grade 18 of the General Schedule under the Classification Act of 1959, as now or hereafter amended, and to place up to 35 Department positions in grades 16, 17, or 18 of the general schedule pursuant to provisions of section 505 of the Classification Act of 1949, as amended (5 U.S.C., sec. 1105), which provides for Civil Service Commission approval of such allocations of positions. The positions to be placed in grade 16, 17, or 18 of the general schedule would be in addition to those authorized for Federal agencies generally by section 505 of the Classification Act of 1949, as amended, and those allocated to any unit transferred to the Secretary by this bill or to the FNMA.

Subsection (e) of section 7 permits the Secretary to delegate or authorize redelegation of any of his functions to such officers and employees of the Department as he may designate. The Secretary is also authorized to prescribe necessary rules and regulations. This subsection also repeals a portion of sec-

tion 101(c) of the Housing Act of 1949, as amended (42 U.S.C., sec. 1451(c)), to permit the Secretary to delegate or redelegate the authority to (1) approve the workable program of a locality for dealing with its overall problems of slums and blight, (2) certify that Federal assistance in urban renewal work enumerated under section 101(c) may be made available to a community, (3) certify the maximum number of dwelling units needed for the relocation of eligible families to be displaced as a result of governmental action, and (4) determine that the relocation requirements of section 105(c) of the Housing Act of 1949 have been met.

Subsection (f) of section 7 authorizes the Secretary to obtain the services of experts and consultants at rates not to exceed $100 per diem for individuals.

Subsection (g) authorizes the Secretary to establish a working capital fund, similar to those in other departments, for operating various common administrative services in the Department such as supply, messenger, mail, telephone, space, library, and reproduction services. The revolving fund would be financed through appropriations and charges against the agencies and offices in the Department for which services are performed.

Subsection (h) authorized the Secretary to have a Department seal made and provides for judicial notice of the seal.

ABOLITIONS

Section 8 would abolish the Housing and Home Finance Agency, the Federal Housing Administration, the Public Housing Administration, and the National Housing Council, and the offices of Housing and Home Finance Administrator, Deputy Housing and Home Finance Administrator, Federal Housing Commissioner, Public Housing Commissioner, Urban Renewal Commissioner, Community Facilities Commissioner, and all other positions established by law in the above agencies, but not in the Federal National Mortgage Association.

ANNUAL REPORT

Section 9 requires the Secretary to make an annual report to the President for submission to the Congress on the activities of the Department during the preceding year.

SAVINGS PROVISIONS

Section 10 provides that any pending litigation or other proceeding by or against any agency or officer abolished by the bill would not abate by reason of the new act, and also provides for appropriate substitution of successor parties. The section further provides that all rules, regulations and orders issued under applicable law prior to the effective date of this bill shall continue in effect unless modified or rescinded by the Secretary or other legally authorized officer or office of the Department.

SEPARABILITY

Section 11 provides a standard separability clause.

EFFECTIVE DATE AND INTERIM APPOINTMENTS

Section 12(a) provides that the act would take effect 60 days from the date of its approval, or on such earlier date as the President may specify. However, in the interim the President could nominate and the Senate could confirm the Department's officers. Such officers would not enter on duty until the act takes effect generally.

Section 12(b) makes provision for interim officers, as may be necessary, for a 60-day period immediately after the effective date of the act.

Mr. HUMPHREY. Mr. President, it is my hope, as I said earlier, that we will be able to proceed with the establishment of this department in our Government. I am hopeful that during the time that we have the hearings and a discussion of the bill Members of the Senate will interest themselves sufficiently to discuss it on the floor. It is very important that there be a broad legislative history established concerning it.

THE MINNESOTA OPPORTUNITY

Mr. HUMPHREY. Mr. President, in recent months I have been pleased and proud to see that my State of Minnesota is receiving increased attention in the national press and periodicals. Of course, I have long been aware of the beauty of the North Star State, the magnificent resources it contributes to the Nation and the skills and progressiveness of its people. I want other Americans in all sections of the country to share this appreciation.

I am sure that one of the key reasons for this new national interest in Minnesota is the important participation of the State and some of its leading citizens in the New Frontier.

Many Minnesotans have joined the administration in extremely important positions. Former Gov. Orville Freeman as Secretary of Agriculture, and the University of Minnesota's Dr. Walter Heller, as Chairman of the President's Council of Economic Advisers, are just two.

In the past week, two national magazines have focused attention on Minnesota—Look magazine and the Saturday Evening Post.

Look magazine announced that Bloomington, Minn., is 1 of just 11 American communities chosen for the All-America City Award, sponsored jointly by Look and the National Municipal League.

The citizens of Bloomington won this award through their determined and dedicated work for major civic improvements. I would like to quote from Look magazine's statement on the progressive leadership of Bloomington citizens for a particular project:

Bloomington was a victim of its own phenomenal growth. From a prewar village of 3,467, it had become the fourth largest city in the State, with a population of some 52,000. Expansion brought problems.

The city has spent $18 million on new schools since 1950. But it still lacked public water and sewerage systems, even though 80 percent of the private wells were contaminated. A committee of 34 citizens recommended the immediate construction of both facilities, but faced strong opposition. Later, 1,000 block leaders set out to persuade homeowners to tie into the new systems at a cost of $1,000 each. They did the job in 4 months. Today, the $16 million project is two-thirds completed.

I know the mayor of this city, His Honor Gordon Miklethun, and he is a fine, progressive, alert, able public official. He has given to the community of Bloomington, along with the members of the city council and other leading citizens, some of the finest leadership that I know of.

Mr. President, this project typifies the capacity for leadership and action of Minnesotans. The people of Minnesota face many problems of a changing society, but working together they tackle those problems and continue to build better communities and a stronger State.

I might add that even yesterday, in Minnesota, with the temperature in the very low forties, a temperature which is primarily conducive to give the rugged Big Ten football playing opportunity, the Minnesota Twins, the new baseball team, took the measure of the Washington Senators to the tune of 1 to 0, in a fine and spectacular baseball game attended by more than 13,000 persons as paid attendance.

The second important article on Minnesota appeared in the March 18 edition of the Saturday Evening Post. I ask that this article by Clay Blair, Jr., entitled "Minnesota Grows Older," be printed at this point in the RECORD.

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

MINNESOTA GROWS OLDER

(By Clay Blair, Jr.)

A chilly, mid-October wind scrubbed through the virgin stand of Norway and white pine. I pulled my coat tight and hurried along a path toward my objective, Lake Itasca, deep in the heart of Minnesota. When I rounded a bend it lay before me, small, deep blue, and vibrant, its surface ruffled by prancing, miniature whitecaps. Swaying, green, giant pines, feet clustered in a fern of brownish marshweed, ringed the irregular shore. I stopped and stared, momentarily overwhelmed by the beauty of the land and by the gentle impact of splendid solitude. Many moons ago this was a corner of Hiawatha's happy hunting grounds. It looked every inch the part.

Lake Itasca is one of the least known yet, in some ways, most significant ponds on our continent. Itasca is a contraction of the Latin words, veritas and caput, which mean, loosely, true head. Itasca is the humble origin of North America's mightiest, most influential and famous river, the Mississippi. From the lake it meanders northward for a way, little more than a respectable creek. Then it bends southward, gathering size and dignity in Minnesota's shallow but gushing watersheds. From there it rolls on and on and on, altogether 2,552 miles from Itasca to the Gulf of Mexico. I stood alone by the lake, pondering these facts. Only the chattering of my teeth broke the stillness.

I shouldn't complain about the cold. By Minnesota standards it was a sparkling fall day—only about 6° or 7° below freezing. In not many days Itasca's whitecaps would be subdued, buried beneath a 3-foot layer of ice. The temperature would plunge to a breathtaking 20°, 30°, 40° and sometimes 50° below zero. Then snow—fine, dry, unmelting snow—would fall, layer upon layer, from November until April. All of northern Minnesota would be transformed almost magically from deep green to a dazzling white snowscape. The days would become uncommonly brief. The sun would swing, reddish and low, across the southern skies in 9-hour arcs, casting elongated shadows behind the pines. During the long nights the sky would turn velvet black, pinpricked by brilliant stars or mottled by eerie northern lights. Then it would be cold—colder than most of us can imagine.

I had come to Minnesota at the urging of Frank B. Griffith, 68, an amateur Midwestern historian who believes that the State needs explaining to the outside world. I welcomed Mr. Griffith's invitation. For me Minnesota, like Tasmania, had always been a big question mark on my mental map. Now that is gone, replaced by vivid memories and facts collected on two visits there, one in the summer and one in the fall. I traveled

through the State by car, airplane, boat, canoe and on foot. I probed the clean Twin Cities, Minneapolis and St. Paul, and the incredibly rich farm country in the south and west. I hiked through the wilderness along the Minnesota-Canadian border, the land of beavers and blessed quiet. The tour was no lark. Minnesota is a big State. In area—84,000 square miles—it is about the same size as New England, New Jersey, and Maryland put together.

From the moment I arrived in Minnesota I was drawn almost irresistibly to Lake Itasca. Much later, while reading an account of Minnesota's fascinating geology, I stopped at this sentence: "In Minnesota's lake country man can find a solitude and beauty that his spirit needs; and in the last remaining Minnesota wilderness, among the ancient rocks and clear waters, man might come close to glimpsing immortality." This was, I believe, one elusive aspect of Minnesota that excited Mr. Griffith. The billowy clouds that day obscured a glimpse of immortality. But if a State can have a soul, then I believe I came closest to it when I paused briefly on my tour in Itasca.

Minnesota lies near the geographical center of our continent, more than 1,000 miles from the oceans. Yet water, both liquid and frozen, is, in a word, the essence of the State. Water forms the greater portion of the State's boundaries. Within these boundaries there are more lakes, swamps, creeks, bogs and potholes than in any other State in the Union. Minnesota has so much water, in fact, that it cannot contain it all. It flows out in all directions, not only south, down the Mississippi, but due north to Hudson Bay and east through the Great Lakes to the Atlantic. It is exaggerating only a little to describe Minnesota as the Nation's water faucet.

Most of the water came, originally, in the shape of an immense glacier which inched down from the north during the last ice age, about 11,000 years ago. When the glacier melted, it left behind a vast number of lakes. Exactly how many lakes is a moot point. Minnesota license plates describe the State as the Land of 10,000 Lakes, but this is imprecise. Recently State officials, having defined lake as an area of water 10 acres or greater in size, have begun a new and accurate count. So far they have tagged more than 22,000. Minnesotans insist that everyone in the State lives within 5 miles or 5 minutes of a lake. There are scores of lakes that have not even been named, let alone mapped.

The lakes play a decisive role in the lives of most Minnesotans. In the Twin Cities, I noted, most of the posh neighborhoods are set around lakes—Minnetonka and White Bear. Almost everyone I met owned a boat, no longer considered a status symbol in Minnesota. Although the water felt icy to me even in the warmest month—August—water sports are wildly popular. Nearly everybody swims. The clan of skindivers is swelling rapidly, and not a few dive all year round, swimming under ice in rubber suits. Water skiing is old hat. Last summer the 4-day national water ski championships were held in the Twin Cities on one of the numerous lakes within the cities' limits.

Then there is fishing. As far as I could determine, fishing is the single most absorbing endeavor in the State of Minnesota. According to a Minneapolis Star-Tribune survey, 75 percent of the people in the State fish for fun. The annual harvest, by Minnesotans and visitors, is a staggering 50 million fish. Minnesota sells more fishing licenses (1,250,000) than any other State in the Union except California. Surprisingly, tourism—mostly fishermen—is the State's third largest industry.

Maintaining Minnesota's fish population against this annual angler assault is big business. For example, the hatcheries turn out 7 million walleyed pike a year, to augment the natural reproduction. The fishing does not stop in wintertime. Men cut holes in the ice, Eskimo fashion, and sit for long hours in huts, waiting to gig a great northern or muskellunge.

A friend of mine, Walter Bennett of Washington, D.C., who could scarcely be described as a fishing fanatic, joins the summertime caravan to Minnesota. I inquired why. His reply is revealing. "It's not so much the fishing. It's great if you know where to go and if you really work at it. Mainly, I think, it's the chance to get away from everything. I go out in a boat every morning and just drift through that peace and quiet most of the day. If I get tired of one lake, I portage the boat to the next one. That's real lazyman's country. The only exertion I can remember is slapping at mosquitoes."

When I first arrived in Minnesota in August, I found most of the State squared off in debate about whether the lakes are playing out of fish. I'm sorry to report I cannot resolve this grave and perennial issue here. I trolled and cast with the most popular lures in some of the lakes, landing a few 1- or 2-pounders. But, being a skindiver used to the coral reefs of the Caribbean where a 15-pounder is routine, I'm not a good judge of tame-line fishing. I talked with many fishing experts—legion in Minnesota—who scoffed at the suggestion that the lakes were becoming depopulated.

"People who say that don't know how—or where—to fish," one said. On the other hand, some experts say positively that to get big fish, it is now necessary to penetrate deep into Canada.

"Don't believe it," a dedicated Minnesotan retorts. "Guys who say that are just looking for a good excuse to get farther away from their wives."

Those seeking total peace, and perhaps better fishing grounds, bypass the ordinary mass of lakes and head directly for "Arrowhead Country," a wedgeshaped, 3,500,000-acre tract, sprawling along the United States-Canadian border, from which automobiles and airplanes are barred. Without doubt, as Minnesotans proudly claim, this wilderness is the best canoeing country in the world. The most convenient jumping-off point is the town of Ely, where campers can hire guides, canoes and other equipment. The extent of a tour into this primeval land, I found, is limited by one's ability to portage canoes and supplies among the countless lakes and streams.

Lately a few of the hundreds of lakeside lodge owners have conceived a new way to prolong the tourist season. They would turn Minnesota's lakeside accommodations into a winter-resort center. One of these optimists is Paul Chrysler, who operates the plush Timberlane Lodge near Park Rapids, which is near Bemidji, sometimes called "the Nation's icebox." Like most Minnesotans, Chrysler turns aside talk of the frigid climate. "You have to remember all the lakes and rivers are frozen solid in winter, and because of this there's no humidity," he told me. "We have an extremely dry cold and you hardly notice it." Chrysler's layout on Long Lake includes snug bungalows with fireplaces, an indoor, heated swimming pool, bobsled run, ski hill and the lake, which is available for ice fishing.

"In winter," Chrysler says, "my guests can fly direct from the Twin Cities and land on the lake and leave the same way. Everything they need is right here." Minnesotans seem fascinated by the idea—some of them, anyway.

Up to now, however, apart from ice fishing in a hut, Minnesotans have shown little enthusiasm for outdoor winter sports. There is little snow skiing; most ice skating is done on indoor rinks. One reason is that it is too cold for most people. A lady who spent nine winters in northern Minnesota gives some idea of what it is like to be outside in this subzero climate.

"Keep moving," she writes, "never at a run, because you cannot breathe this air deeply. Not slowly, because you must keep the blood circulating rapidly, generating heat. Turn your heavy scarf close over your mouth and nose to warm the air you breathe as you walk along vigorously. If you are under 12 or over 45, you had better not walk more than a few blocks at a time. This climate is no respecter of age."

The lakes and waterways of Minnesota are not new attractions. They figured prominently in the roughhewn exploration and early settlement of the State and, still later, in the fascinating drama of Minnesota's economic evolution.

The first men in the State were prehistoric mound builders. Then came Indians—Dakota and Ojibwa. Just who followed is still an intriguing controversy among the scholars, involving, naturally, water and possibly an epic voyage. The squabble was touched off in 1898 when a farmer, Olof Ohman, uncovered a stone in a field near Kensington, Minn., chiseled over with Nordic runes. The message on this stone indicated it had been left in 1362 by Viking explorers, who had penetrated the Midwest through Hudson Bay and the northward-flowing Red River. After an exhaustive examination, some scholars claimed the stone a phony; others said it was authentic. Dr. Theodore C. Blegen, Minnesota's leading historian and former dean of the University of Minnesota's Graduate School, told me cautiously, "Let's say that neither side has won a clear-cut victory."

Barring these Vikings and skipping ahead 300 years to the mid-1600's, the first white men in Minnesota were French-Canadian explorers and fur traders who canoed west over the Great Lakes, searching for pelts and the hard-sought Northwest Passage to the Pacific. They found no passage, but the traders, soon including the British, were astounded by Minnesota's fur-bearing population. These tough outdoorsmen, called voyageurs, dotted Minnesota's lakes and rivers with trading posts to which Indians and whites alike paddled canoeloads of pelts from the back country. For decades thereafter the territory was the center of a tug of war involving the Hudson Bay Company, Northwest Company, British, French, Spanish, and Indians. After the Louisiana Purchase in 1803, Minnesota fell completely under U.S. jurisdiction. In 1858 it became the 32d State.

One of the most dramatic episodes in Minnesota's history occurred shortly after she achieved statehood. In 1862 the Sioux, as the Dakota Indians are popularly called, egged on by Chief Little Crow and others, brutally massacred some white settlers in a surprise attack. After a bloody and terrifying struggle, which ranks as one of the last great Indian wars, the Sioux were finally cornered. President Lincoln approved the hanging of 38 of the Indian leaders, who were executed in public, an occasion described by some historians as "America's greatest mass execution." The settlers drove the surviving Sioux out of the State and confined the more peaceful Chippewa (Ojibwa) to lake-ringed reservations, where they remain today, some 13,000 in number. These Indians hold exclusive rights to harvest the wild rice which grows on the lake shores.

The modern development of Minnesota unfolded in a rough-and-tumble three-act drama. The underlying vehicle of this play, which frequently bordered on the tragic, was water. Act 1 was the timber rape. About the time of the Civil War skilled Scandinavian lumberjacks, at ease in a vigorous climate and akin in spirit to the brawny voyageurs, descended on Minnesota's

magnificent virgin forests in greedy hordes. The rivers and lakes of Minnesota soon became highways for a massive outpouring of logs. Sawmills by the hundreds sprang up alongside the waterfalls. Big paddle wheelers chugged up the broad Mississippi to carry away the lumber. In 1894 and 1918 dreadful fires, which killed about 800 persons, swept through the forests, taking a further toll. Minnesota has never fully recovered from this wasteful onslaught. The descendants of the lumberjacks—Finns, Norwegians, Danes, Swedes, who inspired the tales of Paul Bunyan—remain, but virgin timber, such as the stand I saw in Itasca, is rare. Today most of Minnesota is covered by scrubby second-growth birch and aspen, scientifically harvested by the $200 million pulp industry. Ardent conservationists have planted millions of little pine trees, but it will be years before great forests cover the land again.

Act 2 was the evolution of the flour industry, which began about the time the big pine trunks began floating downstream to the sawmills. Homesteaders—devout, conservative Scandinavin Lutherans and German Catholics—flocked into southern and western Minnesota to claim the rich soil. Soon their farms began to produce wheat in enormous quantity, and hundreds of flour mills sprouted on Minnesota's handy waterways. The largest mills grouped at St. Anthony Falls, a sawmill center, where the settlements of St. Paul and Minneapolis lay side by side near the confluence of the Minnesota and Mississippi rivers. On Lake Superior, Duluth—named for an early French explorer—emerged as a big grain exporting port. For a while Minnesota was the flour capital of the world, and its big mills—Pillsbury, General Mills, and so on—became household words. In time the soil tired from yielding only wheat, and new, lower cost wheat areas developed in the Great Plains, and the flour-milling capital shuffled off to Buffalo, Kansas City and other places. However, the big milling companies kept their headquarters and some mills in the Twin Cities, together with the hub of a grain-gathering railroad network. With this base St. Paul and Minneapolis grew into transportation and financial centers of the upper Midwest.

The Scandinavian and German farmers who had come to plant wheat made a lasting impact on the State. They shifted to other crops—corn, alfalfa, flax, soybeans—and today Minnesota's 145,000 neat, efficient farms provide the State's greatest source of revenue. The 12th State in area, Minnesota ranks 5th in production of all farm products. The farmers also cast the State's character, which can be summarized as stodgy, reliable and healthy. Today Minnesota ranks low on crime, insanity and alcoholism, and high on literacy, school and church attendance—surprisingly, there are almost as many Catholics as Lutherans. On Selective Service qualification tests, for example, Minnesotans consistently score lowest in percentage of rejections. In per capita owner-occupied homes, an important yardstick of stability, Minnesota ranks second highest (after Michigan) in the Nation.

Act 3 was the discovery and exploitation of the richest iron-ore deposits in the United States. Indians told early explorers of the iron, but it was not fully exposed—or needed—until about the time of the Civil War. First came the Vermilion Range, then the 110-mile-long Mesabi Range, where in 1890 prospectors uncovered fabulous ore deposits almost on the surface.

What made the Mesabi deposits even more valuable was the proximity of a waterway—Lake Superior—to move the ore quickly and cheaply to the steel mills. The miners—tough immigrants for the most part, like the voyageurs and lumberjacks—brought in massive machinery to scoop off the "overburden and dig out the ore. Then they laid a downhill railroad system from the mines to the grain port, Duluth. There on the steep slopes of Lake Superior—alongside the grain elevators—they built a maze of semiautomatic ore-loading docks. Soon a fleet of elongated Great Lakes ore boats was nosing into Duluth. Over the years the open-pit mines of the Mesabi Range have supplied more than half of the Nation's insatiable craving for iron ore. Although it is frozen tight about 4 months of the year, in terms of tonnage, which mounts fast with high-density ore, Duluth ranks as the second-largest port in the United States.

Unfortunately for Minnesota, the waterways in this economic drama turned out mostly to be a one-way street, an expeditious means of draining off the State's resources. Take the iron ore, for example. For over half a century it has provided enormous revenue for the State, including vast sums for the support of the public education system, which not surprisingly is one of the Nation's best. But now, like the fur-bearing animals, the timber and wheatlands of yesteryear, the high-grade ore will eventually give out. Engineers have perfected ways of exploiting the low-grade ores—the taconite pellet is the most famous—but these are expensive. It may turn out that beneficiated ores cannot compete favorably with the ore deposits of Labrador and Venezuela. Certainly it will never bring Minnesota anything like the ore revenue of the past.

Thus, while Minnesota still sports a warm cloak of prosperity, on close inspection we see the sleeves are shiny and frayed, and there are no resources to supply a new one. This growing economic crisis is reflected in the population figures. In the last 10 years the Nation as a whole exploded with people. Yet experts in these matters say that in Minnesota the 1960 census really shows a net decline of about 100,000—a significant number in a total population of 3,400,000. The experts say the trouble is that Minnesota has failed to build a broad permanent industrial base to provide jobs for its youth—those from the cities and the increasing number displaced from the farms by rural mechanization.

This ominous trend has not been lost on Minnesota's government. Somewhat belatedly the State has embarked on a crash program to lure industry to the fold, drumbeating the high quality of the work force and the State's recreational facilities. But industry's response has been cool. Some businessmen complain of the climate and lack of raw materials, but most complain that Minnesota's tax climate is unfavorable, if not downright chilly for industry—especially a yearly inventory tax. These include the executives of Minnesota Mining & Manufacturing Co. (Scotch tape, Thermo-Fax copying machines and so on)—one of the State's largest companies. Most industrialists seeking new plant sites skirt Minnesota. A good deal of the industry already in the State is growing restless and grumbles out loud about moving elsewhere.

There are, as always, exceptions. One is a new 2,200-man IBM plant perched on a hill overlooking antiseptic Rochester, home of the Mayo Clinic. Another is a small coffee vending machine company in Minneapolis, owned and operated by Gilbert Totten, a young engineer from the East. In both cases the executives of these relatively new companies grumbled about the taxes, but felt the advantages of Minnesota outweighed the disadvantages. Both praised the work force, especially the boys fresh off the farms. IBM, "which likes small towns," is impressed by the character of Rochester. Totten, a dedicated outdoorsman who has camped with his family in the wilderness area and owns a sleek sailboat, is impressed by the "honesty and reliability" of Minnesotans. After stopping at these plants, I came away with the impression that each was a special case. By and large it seems clear that if Minnesota wants more new industry, its farm-dominated legislature must revamp the tax structure.

These are weighty matters which need not concern the tourist in search of walleyes, muskies or arresting scenery. His—or her—biggest problem is getting a good grip on this massive land in order to see everything that counts. To make this simple, I herewith present the high points of a wobbly but road-rested Blair Figure-Eight Tour of Minnesota. A week is recommended for this 1,400-mile jaunt. It can be done in much less time, because Minnesota's 122,000 miles of highways are straight and good and lightly patrolled by highway police, who show little interest in autos proceeding under 80 miles per hour.

My starting point was the Twin Cities, a pair of towns full of contrasts and contradictions. In appearance they are like night and day and might well lie 1,000 miles apart. Minneapolis is clean and modern, with wide, confusingly marked one-way streets, split-level homes and exceptionally fine restaurants bearing curious frontierlike names—Charlie's, Freddie's, Harry's. Minneapolis, a Lutheran town, has been called the Paris of the North by someone who obviously has never been to Paris. St. Paul, the State capital, is stuffy and conservative, reminding me of Boston—possible because it is overflowing with Irish Catholics, relatively old money and big ugly mansions. One may pass between these cities without a visa, but the rivalry is intense. Each has a separate government and police force, and each its own baseball stadium. Many think this rivalry has been carried to extremes, and because of it the Twin Cities have lost out to some prospective industries.

The most fascinating aspect of these cities is the level of culture. The Twin Cities have spawned outstanding newspapers, a world-famous symphony orchestra, an impressive art center and semiprofessional theater group, and unusually aggressive historical societies. No one I talked to can explain the cause of this oasis of sophistication. The best suggestion came from Art Naftalin, a young politician, historian, and philosopher. He thinks it was the lucky coincidence of locating the University of Minnesota, the Nation's fourth largest, close to Twin City money. Most of Minnesota's cultural assets seem to stem directly or indirectly from the university, the hub of the State's 42 institutions of higher learning. Another asset is Minnesota's football team, which in 1960 was ranked tops in the Nation by many experts.

From the Twin Cities I drove northeast to Duluth, a dull, New Englandlike town with sweeping vistas and the awesome ore and grain docks. Duluth is sometimes called the world's longest and thinnest city. The best I can say for it is that a beautiful drive leads out of it along the shore of Lake Superior. Along this north shore drive one finds the closest thing to grandeur in the State: steep, rocky cliffs, a towering lighthouse to guide the ore boats, and an unobstructed view of Lake Superior—or Gitche Gumee, as Longfellow called it. At the end of this 150-mile drive lie the Canadian border and Grand Portage, once a trade center of the voyageurs and now a small Indian reservation, where a post has been restored for tourists. On my figure-eight tour a trip along this drive must be counted as a side excursion, well worth it if there is time.

Doubling inland from the coast of Gitche Gumee I drove directly to Hibbing, a fascinating town in the middle of the relatively flat Mesabi Iron Range. Hibbing lies close by the Hull-Rust-Mahoning open-pit mine, the largest manmade hole in the world, and a truly astonishing sight to see. The town

is populated by 18,000 vigorous people, miners who spring from about 37 ethnic backgrounds and make an interesting study in melting potism. Once fabulously rich from ore taxes—the high school is an opulent reminder of those days—Hibbing has fallen on hard times. Many people are out of work and worried, and here one can see clearly the impact of Minnesota's growing economic problems. From Hibbing there is a road to Ely and the wilderness area, which lies beyond the Blair tour.

From Hibbing I journeyed west to Bemidji, the inland tourist center in the heart of the lake country. Bemidji, studded with giant wooden statues of Paul Bunyan and his blue ox, Babe, is the ideal jumping-off point for optional side trips and a focal point for duck hunters who invade the State each fall to bag a record 1 million pieces of highly prized game. Minnesota ducks, which feed on wild rice, lack a fishy taste. A road leads northeast to International Falls, a pulpwood center which I visited earlier by airplane. Other roads lead to nearby Indian reservations, which I found dull and depressing, but which might appeal to the youngsters. A road south leads to Itasca State Park and the head of the mighty waters.

Directly south of Itasca on the edge of the vast prairie country which sweeps on through the Midwest, there are, within a circle of 40 miles, four items on the Blair tour. The first is the controversial Kensington Runestone, now housed in a museum in Alexandria. The second is the boyhood home of Charles A. Lindbergh, now a State museum worth a quick look, just outside Little Falls. The third is the complete town of Sauk Centre, which is well known as the setting (Gopher Prairie) of Sinclair Lewis's famous novel, "Main Street." In the literary department, it may be worth noting that F. Scott Fitzgerald also came from Minnesota—St. Paul. The fourth, near Glenwood, is a bunch of rocks and debris, called terminal moraine, marking the southernmost reach of that last big glacier. Sauk Centre is pretty much as Lewis left it, drab and windblown. The terminal moraine will appeal largely to geologists.

This dusky prairie land has some other characteristics not evident to the untrained eye. It was at one time a breeding ground for radical protest groups—farmers, mostly, who felt they were being jilted by the milling interests in the Twin Cities. About the time of World War I, they were led by Charles A. Lindbergh, Sr., first as a Congressman, later as an unsuccessful candidate for Governor. These farmers, who later merged with urban workers to form Minnesota's Democrat-Farm-Labor Party, profoundly influenced the State's erratic political history and ultimately gave the Nation, among others, HUBERT H. HUMPHREY. The land is a breeding ground for ring-necked pheasant, introduced many decades ago by Minnesota's famed conservationist, onetime Commissioner Frank Blair. More than 1 million birds are bagged every fall in the cornfields, making this part of Minnesota close to the best pheasant-hunting country in the world.

To round out the bottom half of the figure eight, I returned to the Twin Cities and set out again, southwestward, into the heart of the German farm country. I pushed as far west as the fascinating town of Sleepy Eye (pop. 3492). In contrast to Hibbing, I found nothing sleepy about Sleepy Eye, which was named for a friendly Sioux, Ish-Ta-Ka-Ba. A center of soybeans, peas, corn, turkey and dairy production, Sleepy Eye is booming, according to Mrs. Mary A. Wooldrik, the remarkably spritely 83-year-old vice president of the State Bank. Out of curiosty I checked with the editor of the local paper, W. E. Barnes, to find out what was new. He told me the biggest events that ever occurred in Sleepy Eye were two: an exhibition baseball game staged by Babe Ruth in the snow, and the birth of the Seifert quadruplets. (Quads, now 10 years old, doing fine.) I found a monument down by the railroad tracks in honor of old Ish-Ta-Ka-Ba. The sculptor could not have portrayed this chief more wide-eyed, all of which shows there's more to a town than a name.

Turning back to the east, I drove through the rolling prairie farms to Rochester, which is also booming and full of nurses and doctors. After a quick look at the famous Mayo Clinic, and the I.B.M. plant, I headed north to Lake City on the shores of Lake Pepin, which is in reality a wide and beautiful spot in the Mississippi. I followed the Mississippi to Red Wing, a pottery center, which has a new but unspectacular bridge that was dedicated last October by President Eisenhower. The last stop on my circle was Stillwater, near the State penitentiary and site of a bullfrog farm. Here, in this unlikely place, I had one of the best meals I have ever eaten—in the Matterhorn Room of the Lowell Inn (mostly prime beef chunks which I cooked myself at the table, in boiling oil, and dipped in my choice of six meat sauces).

This, then, with a single exception, is the face of Minnesota. The exception, the Northwest Angle, is, without doubt, the most odd-ball piece of real estate in the United States. The Angle is a small, water-locked point of land perched on the bottom edge of Canada and belonging to Minnesota because of an old treaty mix-up over the exact source of the Mississippi. It is inhabited by a few souls who must be trying to get completely away from it all. I am not sure, because I never got there. On the day I scheduled a visit to the Angle (not part of the figure eight tour), bad weather turned back my light plane. No matter. The Angle's biggest claim to fame, historically, was that it was the northernmost part of the United States. Now Alaska has robbed the Angle of that honor, and it is left, a freak outpost in the land of sky-blue waters.

Mr. HUMPHREY. Mr. President, the article—through pictures and words—offers a fine description of the beauty of Minnesota and the magnificent vacation and recreational opportunities in the State. It offers a capsule review of the history of Minnesota which indicates the drive and adaptability of Minnesotans. It also touches on some of the challenges and problems facing the State today.

I take this opportunity again to call to the Nation's attention the amazing recreational facilities of the State of Minnesota, and the opportunity for good living that is available there. We like to extend the hand of welcome and fellowship to all citizens to visit our State.

I welcome this article's discussion of Minnesota's future, but I do take exception to the implications and statements that the State's economic prospects are lean.

Yes, there are difficulties ahead for Minnesota. Our State—like all others—has felt the pinch of the recession. Our farmers have been caught in the squeeze of rising costs and falling income. Our steelworkers have not had enough jobs.

But Minnesota is not running from these problems. Its people, working through their local, State, and Federal representatives, are doing what is necessary to build a stronger and more prosperous State.

I wish to set the record straight on one matter discussed in the Saturday Evening Post article—the business climate of Minnesota.

I will say concisely at this point that the climate is good. It is vigorous. It is good for people who want to compete and who believe in free enterprise.

The North Star State presents tremendous opportunities for new businesses and industries. Minnesota's abundant supply of water and other resources and its intelligent, skilled work force offer the conditions necessary for successful business and industrial operations.

We are very proud of Duluth and Superior and of Two Harbors, including also, may I say, the Mississippi River, which is a navigable stream up as far as Twin Cities. Many firms have taken advantage of those conditions and opportunities.

In 1959 alone, there were 173 new industries and industrial expansion projects in Minnesota. More than $65 million of new investment was made that year.

From 1954 to 1958, industrial employment in Minnesota rose from 208,506 to 219,168. Value added by manufacturing in Minnesota rose from $1,594,505,000—billion—to $1,994,850,000 Employment rose in industries producing petroleum products, rubber products, leather products, stone, clay and glass products, fabricated metal products, and machinery.

Unemployment has risen in the iron-ore industry, due, as I have said earlier, to the economic recession.

The pattern continues. From January 1 to November 30 of 1960, there were 38 new industrial projects and expansions in the State in operation. Fifty-nine more were under construction and 34 more were in the planning stage during those months.

Mr. President, I mention these figures to indicate that business and industrial firms are finding Minnesota an appropriate place to locate and to expand. We welcome their coming to our State. I am confident that more firms will learn of the resources and opportunities of Minnesota and will locate plants and facilities there.

Again I wish to underscore the great skill of our labor force, our transportation facilities, the fine railroads, the highways, the Mississippi River, the harbor at Duluth-Superior and at Two Harbors, and the system of airlines and the airports that make a great transportation network.

Minnesota is growing older, as the title of the Saturday Evening Post article says, but it is older only in the sense that the State and its people are mature and experienced. It is older in its opportunities and it is richer in its opportunities. There is in Minnesota a spirit of youth which will always remain. That spirit gives to the people of our State an eagerness and a capacity to learn, to grow, to build, to improve, to prosper.

I have entitled this discussion of my State "The Minnesota Opportunity." I think that in these days, when we hear so many bits of bad news, it might be good to recite some of the good news. Some of the good news is the great opportunity which is offered those who have a desire to invest, to grow, and to de-

velop in the great upper Midwest of America, and in particular the State of Minnesota.

COMPTROLLER GENERAL'S CRITICISMS OF DEFENSE DEPARTMENT PROCUREMENT PRACTICES

Mr. PROXMIRE. Mr. President, the taxpayer's burden in this country is becoming steadily heavier, as the level of Government budgets steadily goes up. At the Federal level more than half of all Federal spending goes for defense, and more than one-half of that defense budget goes for military procurement alone. If we are to cut expenditures in Government, Mr. President, we must look to defense purchasing. We must make certain that it is carried out with the utmost economy consistent with a strong Defense Establishment.

The most important way to save money in military buying is to foster and encourage the greatest competition possible among those who would sell to the Government. Unfortunately it is the rare exception for the Defense Department to rely on advertised competitive bidding.

I call the attention of the Senate to testimony of the Comptroller General—Congress' own very competent auditor—before the House Armed Services Special Subcommittee on Procurement Practices in the Department of Defense. On May 5, 1960, Mr. Joseph Campbell, the Comptroller General, appeared before this subcommittee to give his views on procurement procedures in the Department of Defense, and he gave special attention to the matter of competitive bidding.

On page 404 of those hearings, Mr. Campbell stated:

> The Armed Services Procurement Act of 1947 expresses the intent of Congress that purchases or contracts for property or services shall be made by formal advertising. We strongly feel that advertised procurement based on full and free competition between all qualified suppliers, in most cases, will result in the most reasonable costs, prices, and profits.

I cannot emphasize too strongly that it was the intent of Congress that procurement be by advertising for bids.

The standard reply of the Defense Department when this subject is raised is that modern weapons are so complex that it simply is not practical to permit, as they say, "every bicycle shop in the country" to bid on them. There is obviously some truth in this argument, but the Comptroller General said:

> We recognize that many procurements cannot be achieved for formal advertising, but we believe that the use of authority to negotiate should be carefully and discreetly exercised. In any negotiated contract something less than full and free competition is obtained; and consequently, the basic safeguards afforded by full and free competition are diminished or lost. The fact remains, however, as shown by table 7, page 10, of the committee's "Data Relative to Armed Services Procurement Matters," only 21 percent of the dollar value of procurements in the fiscal year 1959 was accomplished through formal advertising.

Since then, the proportion through advertising has diminished until now it is only about $1 out of $7 for advertised competitive bidding.

The Defense Department is able to avoid the need to seek competitive bids because the Armed Services Procurement Act necessarily permits exceptions to the advertised bid procedure. Mr. Campbell comments on this:

> Authority to negotiate contracts is provided by the 17 exceptions to the requirement for formal advertising contained in the Armed Service Procurement Act, as amended. The legislative history of these provisions indicates clearly that Congress intended the military departments to continue to make the great volume of their purchases and contracts by formal advertising. It was intended that this method be used in all procurements in which it could reasonably be expected to give satisfactory results, even though circumstances might exist which would be sufficient, but less than essential, to negotiate under one or more of the exceptions. Yet, the use of exceptions 10, 11, and 14 account for over 70 percent of the value of negotiated contracts for fiscal year 1959 and totaled nearly $15 billion. This is over four times the dollar value of procurements made by formal advertising for the same fiscal year.

The Comptroller General feels that the laws should be tightened up by requiring more complete justifications for utilizing these exceptions. At the present time very little justification is required or given. The Comptroller General stated:

> We believe that the armed services procurement regulation, as presently written, permits the use of negotiation wherever the procurement can be fitted into one of the exceptions, even though the procurement could be formally advertised. We think this situation might be improved if the procurement regulation were amended to require that the use of any exception, which does not, of itself, preclude the use of formal advertising, be supported by a complete statement of the pertinent facts to show clearly that use of formal advertising would be impractical.
>
> We recognize that the Department of Defense is now required, for contracts negotiated under exceptions 11 to 16, to support the decision to negotiate by a finding and determination. In our review of these findings and determinations we have noted that they are generally quite brief and do not provide enough information concerning the circumstances relating to the procurement to clearly show the factors requiring the use of the authority to negotiate. In fact, many findings and determinations appear to be somewhat stereotyped and give the reasons for negotiating in terms which are broad and general rather than specific.

But the Comptroller General feels that Congress should be able to count on the Defense Department to make a real effort to cut costs by using more advertised bids. He stated at this hearing:

> We believe, further, that, in addition to the need for the above changes in the regulations, significant benefits could be realized by a review and reexamination by the Department of Defense of the negotiation practices and procedures. A major objective of this review should be to establish definitive criteria and standards to be followed in determining the need to use the authority to negotiate. We believe that a careful examination of the use of the authority to negotiate and the development of effective criteria and guidelines for the use of contract negotiators would result in a substantial reduction of negotiated procurement in favor of procurements by formal advertising and would better serve the interests of both the Government and industry.
>
> For instance, a comparison of 45 samples obtained from one procurement office where identical items had been procured both through negotiation and through competitive bidding revealed that prices obtained by competitive bidding were 40 percent lower than the sole source prices.

The Comptroller General even had a few specific suggestions. He points out:

> One condition which has led to procurement from single sources is the failure of procuring activities to use drawings and other data obtained at Government expense for solicitation of competition in follow-on procurement of items developed at Government expense.
>
> The Government in many instances has not been in a position to realize the maximum benefits of competition in many procurements of military items, because manufacturing drawings were not readily accessible. We found inadequate records, controls, and procedures relative to the receipt, storage, and issue of drawings for procurement purposes. Also, in many cases drawings required by the terms of the contracts were either not furnished by the contractor, or were unnecessarily delayed, and were, therefore, not available for follow-on procurement.

Even when the Defense Department negotiates under one of the many ASPR exceptions, more could be done to obtain competition. The Comptroller General stated:

> A basic question to be resolved by the procuring agency, after it has determined that a contract must be negotiated, is whether competition can be obtained. Every effort should be made in this regard before it is determined that competition is impractical or impossible. Certainly, in no event, should the determination rest on an assumption that it is more economical to continue to obtain the product or material from the initial source, or that a particular organization is best suited to do the job. The ingenuity and ability of American industry need not be viewed in this narrow light. Rather, steps should be taken to obtain proposals from qualified offerors, and to give all offerers, within a competitive range, an opportunity to discuss their proposals.
>
> While no criteria are prescribed in this area by law, section 3–805 of the Armed Services Procurement Regulation does set out certain standards. Under this section 3–805, where one offeror submits a proposal which is clearly and substantially more advantageous to the Government, negotiations may be conducted with that offeror only. Where several offerors submit offers which are grouped so that a moderate change in either the price or the technical proposal of any one would make it the most advantageous offer, the contracting officer should, but is not required to, negotiate with all offerors in the group. And in certain procurements, where a substantial number of clearly competitive proposals have been obtained and the contracting officer is satisfied that the most favorable proposal is fair and reasonably priced, an award may be made without discussion or negotiation with any offeror.
>
> It is our opinion that the authority to negotiate does not, of itself, warrant the curtailment of competition. Yet this may be the result where several proposals are received and the contracting officer decides to negotiate with only one offeror or to award a contract without discussion with any offeror. In such cases the contracting officer must base his evaluation of the contractor's proposal on facts and information supplied by the proposed contractor and is

not in a position to determine with any degree of certainty the reasonableness of estimated costs and proposed prices.

We therefore are not in agreement with the present provisions of ASPR 3-805. We believe that the regulation should be amended to require, whenever practicable, the conduct of negotiations with all responsible offerors who submit proposals within a competitive range, price and other factors considered.

These sharp criticisms of procurement practices do not come from disgruntled bidders and critical Senators alone. It would be difficult to find a more responsible and cautious officer than the Comptroller General. Congress established the General Accounting Office specifically to give it a way to check on the executive branch through an agency which has the technically qualified personnel to do an adequate job. We should be grateful to the Comptroller General for calling our attention to the failure of the Department of Defense to carry out the intent of Congress in the area of procurement, and for pointing out how the taxpayers money could be saved if more competition was sought.

Mr. President, I submit a concurrent resolution calling on the Subcommittee on Defense Procurement of the Joint Economic Committee to ascertain why the Department of Defense continues to evade the clear intent of Congress that most purchases should be made by advertised competitive bidding, and I ask unanimous consent that the concurrent resolution be referred to that committee.

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

The concurrent resolution (S. Con. Res. 21) was received and referred to the Committee on Armed Services, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Joint Economic Committee, or any duly authorized subcommittee thereof, is authorized and directed to conduct a full and complete study and investigation of the extent to which competitive bidding is utilized by the Military Establishment in the procurement of materials and supplies with a view to determining whether existing procurement practices are economically sound and consistent with the national interest. The joint committee shall report to the Senate and the House of Representatives at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem advisable.

RESPONSIBILITY IN EDUCATION

Mr. ALLOTT. Mr. President, we hear much talk these days about the responsibility of the schools to our Nation, and equally as much talk about the responsibility of our National Government to our schools. Much of the time, however, the talk ignores the responsibility of the student, the responsibility of the local community, the ultimate responsibility of our educational system.

President W. L. McDivitt of Otero Junior College, La Junta, Colo., is an outstanding example of the new generation of educators who are concerned about our drift away from the acceptance of such obligation. Recently he took the trouble to write me some of his thoughts along this line. I now read from his letter:

I frankly feel that we have lost sight of our objectives in education, if we ever had them. In brief, I refer you to the four basic objectives outlined by the Educational Policies Commission of the National Education Association. They are: (1) Civic responsibility; (2) economic efficiency; (3) human relationships; and (3) self-realization. I do not feel that we are successfully pursuing these four basic objectives. With young people standing in line to pay a dollar down and a dollar forever on every type of item purchased, and with businessmen dangling this bait in front of them, and the schools doing little to teach economic efficiency, we can expect little else other than a hand being thrust toward the Federal Government pocketbook.

In his letter, he continues to expand that thought. I ask unanimous consent that Mr. McDivitt's letter be printed at this point in the RECORD; and I commend him for his very thoughtful discussion of this entire area.

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

OTERO JUNIOR COLLEGE,
La Junta, Colo., March 9, 1961.

Senator GORDON ALLOTT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR ALLOTT: I received your letter of February 27, in which you state Congress is losing effective control over Federal expenditures. I want you to know that I heartily agree with you on this, and I am sorry that there are not more people willing to speak on it.

I am old enough to remember the depression period, and I am also young enough to hope to have many productive years left. In my chosen profession, I hope to be able to give the kind of leadership that our young people need. I frankly feel that we have lost sight of our objectives in education if we ever had them. In brief, I refer you to the four basic objectives outlined by the Educational Policies Commission of the National Education Association. They are: (1) Civic responsibility; (2) economic efficiency; (3) human relationships; and (4) self-realization. I do not feel that we are successfully pursuing these four basic objectives. With young people standing in line to pay a dollar down and a dollar forever on every type of item purchased, and with businessmen dangling this bait in front of them, and the schools doing little to teach economic efficiency, we can expect little else other than a hand being thrust toward the Federal Government pocketbook. This may seem to be a rather shocking way to state the case, but I feel that this is our definite trend. For example, I think Federal aid to education is a good thing if it can honestly and truly be justified. This means, of course, that every local community and every State must first of all make every effort it can to get its own house in order. I do not feel this is being done in Colorado, though we have made rapid strides in this direction.

I discover that if President Kennedy's Federal aid program for education goes into effect, Colorado would stand to receive $26 million, and of course we would only have to pay $32 million to receive this benefit. This may be somewhat selfish from my standpoint.

I do realize that some States are not able to pay the cost of education. Perhaps we should establish a priority basis for States to receive this aid, but do so first of all only when we are certain that they have made every effort to help themselves. Welfare, as you know in Colorado, is a glaring eyesore. We are creating a generation of young people who have learned to expect to make a profession out of welfare and aid to dependent children. Once again, there are those who need it, but there are many robust and healthy people who, if they would get out and hustle, would be able to find work. However, they are not willing to do just any kind of a job. We experience this with some of our young people who enroll in college. I think we need to be very careful about scholarship programs and everything else relative to student aid. I have had young people who have reported to me the fact that they were down to their last nickel.

However, they can rake out a package of cigarettes while in conversation with you and agree that they will take a job until they have reported for the job and discovered that they do not make $2 an hour. Since a student is only using a job as a means to an end, he should be willing to settle for less than full scale pay. However, they have been raised in an environment where this is not a popular concept. I personally feel that we should go slow on scholarship aid until such time as we know that students are genuinely deserving. It is all well and good for educators to say that they will take Federal aid if there are no strings attached. Personally if I spend a dollar, I want to know where it is being spent. By the same token, when I cast my vote for Senators and Representatives, I expect them to know where the dollars are to be spent, and they should demand to know. I do not feel we can conscientiously have Federal aid without some kind of Federal control. This is simply not sound economics.

I commend you for being concerned about helter-skelter spending, and I would like to see the context of a bill which you would propose as a checkmate to this. If my letter sounds somewhat disorganized, this is only natural, as I am only talking about a very disorganized subject, and one from which we should bring a certain amount of order out of chaos.

Sincerely yours,

W. L. MCDIVITT,
President.

HARMFUL EFFECTS OF THE FREE TRADE POLICY

Mr. ALLOTT. Mr. President, it seems to me that in this day and age there is nothing we need more than constructive thought. In fact, I am forced to say that constructive thought is one of the rarest elements to be found in man. Unfortunately, we human beings have a habit of starting along a path and pursuing that course; and the name by which it is called, particularly the glib mottoes that surround it, causes us to hang to it and cleave to it for many years, often long after its purpose has been lost.

One of the things to which we have held very seriously, with little or no consideration of what it means to our country, is the so-called free trade policy. I suppose that at this point some of my colleagues will fear they are going to hear a speech in favor of high-tariff, protectionist policies. But that is not at all the case.

However, Mr. President, we began with a free trade policy based on the idea and concept that by that means we would create wealth in other countries; that by trading with other countries, we would permit them to build up and

strengthen their economic systems, so that we, in turn, could do more trade with them. But the hard, cold fact which it is very difficult for any economist today to ignore, is that the free trade system alone is not working but is wreaking great harm upon U.S. industries.

Mr. President, why do I say that? First, I wish to point out that in almost every field of economic endeavor in our country, today our firms are being taken out of the American market by the imported goods. In that connection, I can mention, first of all, agricultural products; second, ores—lead, zinc, fluorspar, and 50 others—which today are being imported at prices with which our producers cannot compete. They cannot compete because American labor is on a standard of living entirely different from that of the workers in the countries from which the imports come.

Some 4 years ago the Senate Committee on Interior and Insular Affairs studied the situation in regard to the importation of lead and zinc from South American countries. Contrary to the belief that the money paid for the imports from those countries was being used for the good of the workers there, who, in turn, would be able to buy the products of U.S. firms, we found that the workers in those countries were still working on the basis of approximately $1 a day or less, whereas the workers in the mines in the United States are working on a basis of $22 a day.

Does this mean that the standard of living and the wages of the workers in the United States should be cut or reduced? By no means, Mr. President. But it is time for this country, particularly those who shape our economic policies, to awake to the fact that the present policy is wrecking many American industries. It has almost closed the lead and zinc mines in the United States. In my own State, all of them, with the exception of one mine, are closed. How can our producers possibly compete, when imported lead and zinc are laid down in New York at 22 cents a pound, whereas the very minimum required to produce lead and zinc in this country—because of the wage differential—is 31 cents a pound.

Mr. President, I am in favor of the theoretical benefits of free trade; but I say that when the money paid for such imports is absorbed by a few large mining interests or is absorbed in taxes by the governments of the countries where the imports are produced, which in some cases are also the owners of those firms, then we are pursuing a foolish and foolhardy policy, because it has wrecked much of the mining industry in the United States.

This evening, I wish to speak more particularly and more specifically about one industry—and, in particular, about one company. It is the Colorado Fuel & Iron Co., which has had its main plant at Pueblo, Colo., for many years—beginning there long before I was born; and it still operates there.

I have a great feeling of affinity for this company. I was born in Pueblo. Many of my classmates worked in the steel mill of the Colorado Fuel & Iron Co., and their fathers worked there. I must confess frankly that when I was a young man, education for me would have been impossible if I, too, had not joined my friends in working in that steel mill. I worked there for five summers, between my terms at the university, during the winters. So I have a great love for these people, because many of them who work there are lifelong friends of mine.

I address my remarks to this subject tonight because I am primarily interested in these people and their jobs. Too little attention has been paid to what the trade policies of our country are doing to these people and many others like them all over the United States.

Very few persons realize the import and export trends of the past several years, and the fact that foreign competition is seriously affecting the U.S. economy, particularly the smaller steel companies. So I speak also in behalf of other small steel companies, not only the Colorado Fuel & Iron Co.

In this area, never before has competition been so dramatically obvious as it is today. In the U.S. markets, we can find steel, automobiles, machinery, hardware, appliances, housewares, toys, and many other articles which are marked "Made in Germany" or "Made in Belgium," or "Made in Japan" or "Made in Hong Kong"—all of them imported, and all of them the products of systems under which, in some areas, the labor employed in manufacturing the articles is no better than slave labor; and all of these commodities are available on the American market at prices less than the prices at which similar articles can possibly be manufactured in the United States. In fact, very often—particularly as regards fabricated steel products—the foreign countries have improved their manufacturing facilities during the past few years to such an extent that the imported goods are equal to such goods produced in the United States; yet the imported goods can still be sold for less than the selling price of similar goods produced in the United States, even after the importers have paid the tariff schedules which now apply to such importations.

It is not just the Colorado Fuel & Iron Co. alone. There are 2 million people who have lost their jobs in this field, since 1956, because of foreign trade changes. Where is the boom of the 1960's with the Colorado Fuel & Iron Co. and other small steel companies who are essentially fabricators? The boom has gone abroad. American businesses limp along, without help or attention from our Government, and, somehow or other, it is expected these businesses will continue to work in competition with people who pay dramatically less wages abroad. This is not merely the problem of management; this is the problem also of the worker.

Mr. A. F. Franz, president of Colorado Fuel & Iron Co., made a very penetrating explanation of this to the employees of the Colorado Fuel & Iron Co. in their newspaper, called The Blast, on March 27, 1961; and to him I am indebted for the figures which I intend to use in my remarks this evening.

Mr. Franz has done this before. He pointed out, in a speech in 1959, what was happening to the small industries; but no one in the Government, at least, apparently paid any attention.

The world steel industry has grown tremendously in the past 10 years. European and Japanese industries were destroyed after the war. With our help, they have been rebuilt. So they have as good, or in some instances, better equipment than we have in this country. We no longer have, on an overall basis, superior facilities. When they can compete with as good facilities as we have, and are still able to produce their products cheaper, then we have to look to the protection of our own industries and the protection of our own labor.

The increase in imports and the decline in exports of steel mill products, including pig iron, have been going on for a number of years. For example, in 1957, we exported 6 million tons of these products, which dropped to 3 million tons in 1960.

In 1957 we imported 1,388,000 tons, which had jumped to over 5 million tons in 1959, and to 3,720,000 tons in 1960.

Mr. President, I ask unanimous consent to have printed as a part of the RECORD, table 1, showing the record of exports and imports in this particular field during these years.

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

TABLE I.—*Imports and exports of steel, 1957 through 1960*

[In tons]

Year	Exports	Imports
1957	6,074,163	1,388,752
1958	2,802,805	1,931,559
1959	1,697,313	5,137,349
1960	3,100,711	3,720,349

Mr. ALLOTT. We hear much about balancing exports and imports of steel. Perhaps in tons this can be done, but the cold facts are that the big boosts in exports of steel have come to the big companies, which are able to produce steel in sheets and heavy production, but not to those which fabricate it. Of what products am I speaking when I make that statement? I am talking about wire rods, concrete reinforcement bars, hot-rolled bars, structural shapes, steel pipe and tubing, wire nails, wire fencing, barbed wire, wire rope and strand, round wire and steel wire, galvanized and other coated wire, and pig iron.

The fact is that the total U.S. imports and exports of this type of product, during the year 1960, in net tons, showed a very unfavorable balance. For example, the total tonnage imported to the United States was 2,946,000, and the total exported was 699,000.

Mr. President, I ask unanimous consent at this point in my remarks to include in the RECORD, table III, which shows the specific U.S. imports and exports, by type, of these specific products.

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

TABLE III.—*Total U.S. imports and exports of cost, freight, and insurance type products for 1960, net tons*

Products	Imported to the United States	Exported from the United States
Wire rods	408,216	10,237
Concrete reinforcement bars	515,541	15,872
Hot rolled bars	127,787	43,833
Structural shapes	501,287	283,972
Steel pipe and tubing	480,091	195,197
Wire nails	231,759	4,661
Wire fencing	27,949	1,350
Barbed wire	52,973	565
Wire rope and strand	36,000	9,400
Round wire and steel wire	206,661	13,951
Galvanized and other coated wires	26,969	8,392
Pig iron	330,847	111,773
Total	2,946,080	699,203

Source: U.S. Department of Commerce.

Mr. ALLOTT. Mr. President, one of the interesting things that has happened in this area is that few people in the Senate understand or believe the effect these facts have had upon the local economy. I suppose some persons through the Great Plains area are prone to believe that the condition has no effect on them.

I wish to call the attention of the Senate to some of the imports which come into the various customs districts.

For example, the State of Washington Customs District imported 34,244 tons of these products.

The Oregon Customs District imported 47,220 tons.

The San Francisco Customs District imported 121,783 tons.

The Los Angeles Customs District imported 292,994 tons.

The San Diego Customs District imported 18,701 tons.

The Mexican Border Customs District—and who would ever think it would happen there—imported 9,586 tons.

The Galveston Customs District imported 477,762 tons.

The New Orleans Customs District imported 190,626 tons.

The Mobile Customs District imported 59,947 tons.

The Great Lakes area imported 526,108 tons.

The Massachusetts Customs District imported 118,633 tons.

The New York and Philadelphia Customs Districts imported 398,308 tons.

The Maryland and Virginia Customs Districts imported 152,241 tons.

The North and South Carolina Customs Districts imported 90,507 tons.

The Georgia and Florida Customs Districts imported 549,516 tons.

All other customs districts together imported 151,519 tons.

So the net result, I repeat, is that there were imports of Colorado Fuel & Iron Co. and other small producer type products of almost 3 million tons, and exports of only 699,000 tons.

Mr. President, in order that Senators may adequately appraise what is happening to them and their regions by reason of this change in situation, I ask unanimous consent that there may be printed in the RECORD an evaluation and compilation of each of these products, by districts, as shown on table 2.

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

Imports by U.S. customs districts

Washington Customs District:	
Wire rods	338
Concrete reinforcement bars	2,812
Hot rolled bars	568
Structural shapes	2,597
Steel pipe and tubing	13,976
Wire nails	3,617
Wire fencing	705
Barbed wire	1,117
Wire rope and strand	838
Round wire and steel wire	4,544
Galvanized and other coated wire	367
Pig iron	2,765
Total tonnage	34,244
Oregon Customs District:	
Wire rods	401
Concrete reinforcement bars	4,264
Hot rolled bars	2,091
Structural shapes	7,669
Steel pipe and tubing	15,354
Wire nails	4,777
Wire fencing	1,477
Barbed wire	1,954
Wire rope and strand	1,986
Round wire and steel wire	6,219
Galvanized and other coated wire	176
Pig iron	852
Total tonnage	47,220
San Francisco Customs District:	
Wire rods	10,107
Concrete reinforcement bars	19,188
Hot rolled bars	2,233
Structural shapes	6,035
Steel pipe and tubing	39,084
Wire nails	17,784
Wire fencing	1,297
Barbed wire	1,868
Wire rope and strand	2,341
Round wire and steel wire	10,635
Galvanized and other coated wire	1,181
Pig iron	10,030
Total tonnage	121,783
Los Angeles Customs District:	
Wire rods	55,477
Concrete reinforcement bars	39,303
Hot rolled bars	5,488
Structural shapes	24,568
Steel pipe and tubing	111,898
Wire nails	18,229
Wire fencing	676
Barbed wire	734
Wire rope and strand	1,355
Round wire and steel wire	28,110
Galvanized and other coated wire	2,211
Pig iron	4,945
Total tonnage	292,994
San Diego Customs District:	
Wire rods	160
Concrete reinforcement bars	13,054
Hot rolled bars	198
Structural shapes	330
Steel pipe and tubing	2,245
Wire nails	1,315
Barbed wire	13
Wire rope and strand	84
Round wire and steel wire	2,617
Total tonnage	18,701
Mexican Border Customs District:	
Wire rods	551
Concrete reinforcement bars	1,881
Hot rolled bars	231
Structural shapes	942

Imports by U.S. customs districts—Con.

Mexican Border Customs District—Continued	
Steel pipe and tubing	1,233
Wire nails	764
Wire fencing	264
Barbed wire	593
Wire rope and strand	243
Round wire and steel wire	2,877
Galvanized and other coated wire	7
Total tonnage	9,586
Galveston Customs District:	
Wire rods	48,870
Concrete reinforcement bars	124,760
Hot rolled bars	18,027
Structural shapes	112,959
Steel pipe and tubing	105,846
Wire nails	23,205
Wire fencing	1,934
Barbed wire	12,785
Wire rope and strand	6,827
Round wire and steel wire	19,168
Galvanized and other coated wire	1,288
Pig iron	2,093
Total tonnage	477,762
New Orleans Customs District:	
Wire rods	37,735
Concrete reinforcement bars	26,960
Hot rolled bars	6,619
Structural shapes	50,584
Steel pipe and tubing	20,971
Wire nails	19,411
Wire fencing	9,497
Barbed wire	9,497
Wire rope and strand	2,584
Round wire and steel wire	3,053
Galvanized and other coated wire	3,053
Total tonnage	190,626
Mobile Customs District:	
Wire rods	5,673
Concrete reinforcement bars	7,289
Hot rolled bars	1,950
Structural shapes	10,990
Steel pipe and tubing	13,344
Wire nails	7,840
Wire fencing	2,251
Barbed wire	3,322
Wire rope and strand	1,286
Round wire and steel wire	5,512
Galvanized and other coated wire	490
Total tonnage	59,947
Great Lakes area:	
Wire rods	67,649
Concrete reinforcement bars	29,341
Hot rolled bars	21,739
Structural shapes	64,102
Steel pipe and tubing	37,453
Wire nails	7,511
Wire fencing	1,953
Barbed wire	3,683
Wire rope and strand	2,675
Round wire and steel wire	19,802
Galvanized and other coated wire	4,147
Pig iron	266,053
Total tonnage	526,108
Massachusetts Customs District:	
Wire rods	29,473
Concrete reinforcement bars	10,011
Hot rolled bars	8,213
Structural shapes	19,050
Steel pipe and tubing	8,599
Wire nails	16,211
Wire fencing	642
Barbed wire	567
Wire rope and strand	633
Galvanized and other coated wire	444
Round wire and steel wire	11,795
Pig iron	12,995
Total tonnage	118,633

Imports by U.S. customs districts—Con.

New York and Philadelphia Customs Districts:	
Wire rods	72,259
Concrete reinforcement bars	53,696
Hot rolled bars	39,488
Structural shapes	78,808
Steel pipe and tubing	38,336
Wire nails	45,178
Wire fencing	2,690
Barbed wire	4,051
Wire rope and strand	4,162
Round wire and steel wire	37,233
Galvanized and other coated wire	3,250
Pig iron	19,157
Total tonnage	398,308
Maryland and Virginia Customs Districts:	
Wire rods	44,599
Concrete reinforcement bars	12,866
Hot rolled bars	5,714
Structural shapes	29,673
Steel pipe and tubing	7,780
Wire nails	18,587
Wire fencing	4,266
Barbed wire	4,844
Wire rope and strand	2,192
Round wire and steel wire	14,947
Galvanized and other coated wire	6,661
Pig iron	112
Total tonnage	152,241
North and South Carolina Customs Districts:	
Wire rods	45
Concrete reinforcement bars	9,499
Hot rolled bars	4,394
Structural shapes	37,146
Steel pipe and tubing	10,573
Wire nails	19,687
Wire fencing	2,813
Barbed wire	2,707
Wire rope and strand	1,884
Round wire and steel wire	1,008
Galvanized and other coated wire	751
Total tonnage	90,507
Georgia and Florida Customs Districts:	
Wire rods	32,769
Concrete reinforcement bars	78,532
Hot rolled bars	5,803
Structural shapes	46,347
Steel pipe and tubing	23,896
Wire nails	19,075
Wire fencing	2,836
Barbed wire	3,135
Wire rope and strand	6,192
Round wire and steel wire	26,498
Galvanized and other coated wire	2,637
Pig iron	6,866
Total tonnage	549,516
All other customs districts:	
Wire rods	2,110
Concrete reinforcement bars	82,085
Hot rolled bars	5,031
Structural shapes	9,487
Steel pipe and tubing	29,503
Wire nails	8,568
Wire fencing	585
Barbed wire	2,103
Wire rope and strand	718
Round wire and steel wire	6,044
Galvanized and other coated wire	306
Pig iron	4,979
Total tonnage	151,519

Mr. ALLOTT. Mr. President, what the foreign competition means is not merely damage to business. What it means specifically to me, in terms of my hometown, is damage to people who work for a living. It means damage to 10,000 jobs. Indirectly, it affects the main street of a city of nearly 90,000. That is the reason why I am concerned about it.

Competition exists in the world marketplace. We are always going to face the prospect of competition. However, now we are being challenged, and we are being challenged, I believe, in an unfair way.

What can we do about this? I think one of the first things we can do is to appeal to our Government to reestablish the 25-percent differential with respect to Government bids, which differential was generally effective from 1933 to 1954 and was changed to 6 percent by Executive order of the President in 1954.

What does the differential mean? It simply means that the American Government will award contracts to American firms in competition with foreign firms so long as the bid by the American firm does not exceed the bid by the foreign competitor by more than 6 percent.

I am not sure whether the 25-percent differential is the absolute differential which should be adopted, but I know the 6-percent differential is no longer adequate to protect the great bulk of American manufacturers. I think it is time we started to protect them.

In the article to his workers Mr. Franz laid out what I consider to be a very wonderful program for management and for himself. He told the workers in the article what he wished to do. He felt he had to build a better plant. A great deal of money has been invested in the plant recently. It is imperative, Mr. Franz says, that the differential on Government bidding be changed.

Last year, during the great campaign, when I was out on the hustings in all the small towns and cities of my great State, in almost every place I spoke I made the statement that one could buy barbed wire, a product in very great demand in the West, from Japan, from Belgium, or from West Germany cheaper in the local town than from the C.F. & I. in Pueblo, in the same State.

I was never challenged on that statement. Every farmer and rancher who used barbed wire, as I made the statement, would sit and nod his head in agreement, knowing full well that any farmer or rancher could go to the hardware or implement store to buy the products I mentioned cheaper from foreign producers, after paying the tariff, than he could buy the products from companies in this country.

We must do something to protect ourselves.

Mr. Franz suggested what employees could do. Some of his suggestions are:

We must maintain quality standards.
We must provide service which is the best.
We must give the customer what he wants when he wants it.
We must fight for the order and work our heads off to keep it.
We must do an honest full day's work for a full day's pay.
We must handle machinery, equipment, and supplies with care.
We must constantly look for new ways to do a job better and more efficiently so that management would have the benefit of their advice.

He suggested they should reduce costs, and increase performance and personal responsibility.

Mr. Franz ended with the statement:

There must be complete cooperation between labor and management.

The jobs of these people depend upon the kind of job that management does and the kind of job that labor does.

Mr. President, in conclusion, I ask unanimous consent that a table which I have had prepared, entitled "U.S. Imports of C.F. & I. Products by Country of Origin," be printed in the RECORD.

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

U.S. imports of C.F. & I. products, by country of origin

[Approximate 1960 net tons]

Canada	340,000
United Kingdom	190,000
Holland	40,000
Belgium-Luxembourg	890,000
France	300,000
West Germany	375,000
Italy	50,000
Other European countries	100,000
Australia	40,000
Japan	500,000
Other countries	110,000

Mr. ALLOTT. Mr. President, it is interesting to note that the great importers into our country are Belgium, West Germany, Japan, and of course our great neighbor to the north.

Mr. President, I have one other table which shows U.S. imports and exports of flat-rolled products for 1960 in net tons.

Although in the fabricated steels the imports increased greatly, in the flat-rolled products of the sheet and strip mills for 1960, the reverse was true. During 1960 there were imports of this type of steel totaling 390,000 tons, and there were exports from the United States of over 2 million tons.

This type of production, when balanced with the production previously given, may seem to justify the statement that it all balances out, but it does not truly balance out, because the big producers are left in a favored position and the fabricators are left in an unfavorable position.

I ask unanimous consent that table IV be printed in the RECORD.

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

TABLE IV.—*U.S. imports and exports of flat-rolled products for 1960, net tons*

Products	Imported to the United States	Exported from the United States
Sheets and strip, hot and cold rolled	350,949	1,333,354
Tin and terne plate (including tin mill black plate)	39,264	685,753
Total	390,213	2,019,107

Source: U.S. Department of Commerce.

Mr. ALLOTT. In conclusion, Mr. President, I hope by these few remarks

to bring to the attention of my colleagues the situation we face, which has arisen because we have been stumbling along blindly with a policy in this country which, in my opinion, has not worked. It is time for the Congress to say to the Tariff Commission, as we attempted to say with respect to lead and zinc last year, and as we have attempted to say in other instances: "You must not look to the old guides. You must look to the future. We cannot determine these problems solely upon the basis of whether the imports affect the whole industry. If you are going to say, 'We cannot do anything for steel because we are still importing and exporting about the same amount,' this statement disregards the fact that the small steel companies, such as the C.F. & I. and the small fabricators, are suffering under our present system."

I bring this to the attention of the Senate because we must do something for our workers. If these companies fail, it will not mean merely the loss of the business or the loss of the stock, but also it will mean the loss of tens of thousands of jobs all over the United States. Since 1956 more than 2 million men have already lost their jobs in this industry.

ADJOURNMENT TO THURSDAY

Mr. HUMPHREY. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until Thursday next at noon.

The motion was agreed to; and (at 5 o'clock and 27 minutes p.m.) the Senate adjourned, pursuant to the order previously entered, until Thursday, April 27, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 24, 1961:

U.S. MARSHALS

William J. Andrews, of Georgia, to be U.S. marshal for the northern district of Georgia for a term of 4 years, vice William C. Littlefield.

Keith Hardie, of Wisconsin, to be U.S. marshal for the western district of Wisconsin for a term of 4 years, vice Ray H. Schoonover.

Fred F. Hoh, of Ohio, to be U.S. marshal for the southern district of Ohio for a term of 4 years, vice Howard C. Botts.

Peyton Norville, Jr., of Alabama, to be U.S. marshal for the northern district of Alabama for a term of 4 years, vice Pervie L. Dodd, retired.

IN THE NAVY

The following-named midshipmen (Naval Academy) to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

James B. Abbitt
Gary A. Abrell
Jay B. Adler
Bruce W. Albert
Don M. Alger
Arnold C. Allen
Benjamin E. Allen, Jr.
John B. Allen, Jr.
William C. Allen, Jr.
Larry F. Anderson
Lonny D. Anderson
William D. Andress, Jr.
Wesley A. Andrew
Richard A. Ardavany
John E. Ardell III
Paul D. Ardleigh
Paul R. Arneth
John C. Arnold
Albert E. Bailey, Jr.
Thomas F. Bailey
Joseph A. Baldwin
Thomas Balish
Walter P. Bardeschewski
Henry J. Barfield, Jr.
Ronald Barnett
Jon M. Barr
Harold C. Barrett
Robert W. Barron, Jr.
Charles A. Bartholomew
Perry A. Beem
Joseph M. Bellino
John R. Bence
Joseph C. Benedict
John M. Benevides
Wallace F. Benjamin
Andrew J. Bennett
David A. Benson
Joseph B. Berkley, Jr.
Michael D. Bickel
James E. Bicknell
James D. Black
Jerry H. Black
John W. Black
Charles H. Blackinton
John E. Blann, Jr.
Larry J. Bodiford
George T. Borst
Milton H. Boudov
James S. Bourn
Richard G. Bowen
Johns H. Bower, Jr.
John E. Boyer
Michael D. Bradley
Michael L. Bradley
John E. Braendle
John J. Brannan
Willard P. Bratten, Jr.
James P. Breece
DeForest M. Bronk
Lawson E. Bronson
William T. Brooks
Frank M. Brown, Jr.
David A. Brummersted
Marco J. Bruno
Charles R. Bubeck
Robert L. Burgard
Marshall L. Burgess
David V. Burke, Jr.
Reed R. Burn
William J. Burroughs, Jr.
Hugh W. Butler
Phillip N. Butler
Richard M. Butrovich
Willie Z. Byrd
Joseph P. Cahill
Arlington F. Campbell
Donald B. Campbell
Howard G. Cann, Jr.
Gary L. Carlson
Neil S. Carns
Thomas R. Case
Bertrand B. Cassels, Jr.
William J. Catlett III
James V. Cavanaugh
Robert J. Caviness
John G. Champlain
Gary M. Chapel
Malcolm W. Chase
Gerald J. Chasko
Kent R. Chastain
Alfred L. Cheaure
Donald M. Chinn
Robert F. Chipchak
Donald P. Chiras
Bruce W. Churchill
William P. Ciesla
William B. Clark
Donald G. Cleveland
Thomas R. Cochill II
Hal P. Cockerham
Isaiah C. Cole
Alan J. Conboy
James G. Connell, Jr.
James J. Connell
Raymond F. Copes III
Thomas S. Corboy
James D. Coullahan, Jr.
Douglas V. Crabbe, Jr.
Edward C. Craig
Kenneth G. Craig
Charles W. Crawford
Edward F. Curran
Robert T. Davis II
Arthur L. Dean, Jr.
David T. Dean
Joel P. W. Decker
John G. Demas
Robert R. Denis
Charles R. Denney, Jr.
Robert T. Derby
Richard S. DeRose
Ernest L. DeSha
Arthur J. Desrosiers, Jr.
Alfred G. Dessayer
George H. Dewhirst
Earl L. Diamond
William J. Dick
Thomas W. Diekmann
Anthony E. Dighton, Jr.
John K. Dixner
Alan H. Donn
Robert L. Drake
Allen A. Driscoll
Wade A. Driver
Richard C. Drummond
John M. Drustrup
Dorse H. DuBois II
Franklin D. Duff
John A. Dugan
Timothy P. Dugan, Jr.
Stephen J. Duich
Robert O. Dulin, Jr.
Hugh C. Duncan
Robert A. Dunkle
Gerald L. Dunn
James A. Dunn
Richard J. Dunn
Will-Matthis Dunn, Jr.
Earl W. Dunsmoor, Jr.
Eugene S. Dvornick
Thomas R. Eckert
Charles W. Eddins
John H. Edson
William R. Eldredge
Jon K. Elliott
William S. Emmerich
Ronald A. Erchul
Donald C. Erickson
Anthony C. Esau
Edward J. Ettinger III
Frederick A. Farber
Donald G. Farley, Jr.
Robert L. Farnan
Charles A. Farrell, Jr.
Ted P. Fenno
Donald R. Ferrier
Peter W. Ferriso
Robert S. Fitch
Patrick C. FitzPatrick
Wilson F. Flagg
Bernard M. Fleming
Elbert E. Flesher, Jr.
Frederick K. Fluegel
James A. Flynn
Robert L. Foord
Ernest Frankenberg
Stuart T. Freeland
Alan W. Frelich
Dana P. French, Jr.
John L. French, Jr.
Dale F. Furman, Jr.
Francis A. Furtaw
Elmer J. Galbraith, Jr.
Charles J. Gallagher, Jr.
John C. Gallamore
Francis M. Gambacorta, Jr.
Grant R. Garritson
Barry A. Gastrock
James L. George
Benno M. Gerson
Paul S. Gesswein, Jr.
Frank D. Giambattista, Jr.
D. Clark Gibbs
George C. Gibby
Richard B. Gill
Robert N. Giuffreda
George O. Glavis
James R. Gloudemans
Robert P. Glover
Philip A. Goins
Gene R. Gollahon
Roger A. Goodall
Michael T. Gothie
John G. Grafton
Robert L. Graham
Robert S. Graustein
Richard M. Gray
Eugene L. Green
William W. B. Greene
Alan G. Greer
Benjamin M. Gregg
Dwain G. Gregg
Richard A. Gregor
John R. Griffith
Donald P. Grinnell
Robert G. Grubb
Gordon E. Guenter
William T. Gurnee
Kurt A. Gustafson
John T. Guthrie
Wallace N. Guthrie, Jr.
Henry F. Hahn, Jr.
Thomas F. Halloran, Jr.
Leonard A. Hamilton
John B. Hancock
Robert C. Hanson
Harold E. Harden
Robert P. Hardison, Jr.
John W. Harris
William A. Hartman
Robert O. Hawkins, Jr.
John A. Hay
William C. Helton
Edmund L. Henault
Jimmy D. Henderson
Joseph P. Herlihy
Gary G. Herzberg
Raymond F. Herzog
William D. Hicks, Jr.
Stuart L. Hight
Robert S. Hill, Jr.
Virgil L. Hill, Jr.
Thomas W. Hines, Jr.
Thomas E. Hinton
Richard M. Hixson
Victor S. Hjelm
Robert W. Hoag II
James D. Hodde
Michael J. Hoernemann
Robert G. Hoffman
Robert F. Hofford
Neil E. Holben
Douglas P. Holbrook
Charles C. Holcomb
Allison J. Holifield, Jr.
Richard W. Holly
Richard W. Holt, Jr.
Anthony S. Hooker
Roderick M. Horne
Daniel J. Houton
Joseph C. Hubbard, Jr.
George L. Huffman, Jr.
Nelson D. Hulme
Robert C. Hulse
Bernard W. Humphrey, Jr.
William B. Humphrey
Walter A. Hutchens
Edgar D. Hux
James S. Ibach
Richard B. Jacobs
Mack Johnson, Jr.
Thomas B. Johnson
Frank A. Jones, Jr.
Milton H. Jones
Stanley H. Jones
Dennis P. Joyce
James D. Joyner
Colin T. Kagel
Victor A. Karcher
Joseph A. Kasales
Joseph T. Kavanagh
Edward L. Keller
Alvin G. Kelly
Robert F. Kelly, Jr.
Timothy M. Kelly
James A. Kemmeter
Jackson W. T. Kennedy
Jared P. Kennedy
Gus L. Keolanui
John E. Kerley
Richard L. Kibbe, Jr.
Joseph A. Kiel
William R. Kiggins, Jr.
Thomas R. Kinberg
Francis M. Kirk, Jr.
John C. Kirtland
Knowlton G. Klinck II
Robert L. Kline
William F. Klumpp II
George W. T. Knepell
Daniel Knight
Donald A. Knudsen
Larry N. Koch
Jon P. Komarek
Alexander B. Komoroske, Jr.
Thomas B. Korsmo
William A. Kraus
Frank R. Kroner, Jr.
Arland W. Kuester
James J. Kulesz
Richard A. Lamporte
Luther L. Landin, Jr.
Paul B. Lang
Theodore F. Langworthy
Anthony F. Lazzaretti
William J. Lee
John H. Lewis
Ira E. Livingston
John B. Loftus, Jr.
"H" Edmond Logan
Glenn U. Long
James P. Long
William C. Long
Frederick J. Lowack
Larry L. Lubbs
Robert D. Luckey
Wilbur D. Lunsford, Jr.
James A. Luper
Edward J. Lutz, Jr.
Charles W. Lyman III
Thomas W. Lynch
Donald J. Lyons
Douglas T. McDaniel
Laurence B. McEwen, Jr.
Edward S. McGinley II
Ronald E. McKeown
James M. McLaren
John P. McMahon
Michael J. McMahon
Thomas M. McNicholas, Jr.
Jacob A. Mack III
Bernard A. Macknis
Michael J. Madden
Thomas P. Manning, Jr.
Daniel P. March
Thomas M. Markley
Harold P. Martin
William G. Martin
Harry A. Marxen
John Matechak
Raymond K. Matzelle
Alfred A. Maybach, Jr.
George G. Mays
James W. Meadows
John P. Meaker
Harold R. Melendy
George G. Melenyzer
George H. Mensch
Carlos E. Mercado
Robert E. Metcalf
Charles P. Metzler, Jr.
Richard W. Michaux
David D. Middleton
David L. Miles
Alan K. Miller
Horace H. Miller, Jr.

John B. Miller III
Eugene E. Mitchell
Thomas E. Mitchell
Thomas W. Mitchell
Sanford N. Mock
Peter V. Moffett
John A. Momm
Dennis J. Moore
Dudley B. Moore III
Mark W. Moore
Michael J. Moore
David C. Morency
Ernest C. Moreno
Kenneth S. Morgan
Richard A. Morgan
Franklin M. Morley
Charles H. O. Morris
John K. Morris
Harlan L. Morrison
Frank A. Morrow
George E. Morrow
Paul D. Moses
Theodore J. Moss, Jr.
Joseph B. Mueller
Terence M. Murphy
Tom R. Murray II
William R. Needham
Edwin C. Nelson
Robert J. Nemes
William E. Newman
Robert D. Nichol
Christopher O. Nichols
Dennis B. Nichols
James F. Noonan, Jr.
Ashley C. Norfleet II
Richard A. Norman
Walter A. North
Clarence J. Nosal
Lionel J. Nowotny
James H. Nutt
Edward J. O'Brien III
Henry R. Ochel
William F. O'Connor
Kenneth J. O'Dea
Richard R. Oldham
Herndon A. Oliver III
Robert A. Olsen
Stephen J. Olzinski
Roger P. Onorati
Philip J. Oppenheimer
Robert G. O'Steen, Jr.
Norbert W. Overfield
Clarence M. Painter, Jr.
John G. Palmer
Fred J. Palumbo
Beverly St. Clair Pankey
Anthony R. Papandrea
Constantine J. Pappas
David M. Parker
Robert G. Partlow
Anthony H. Passarella
David J. Patz
John D. Pearson
Gilbert B. Perry, Jr.
J. Stephen Perry
Frederick M. Pestorius
Alan M. Peterson
Ward G. Peterson
Richard J. Petrucci
Norman B. Pigeon
Robert A. Pirrmann
Charles E. Plaugher
Thomas G. Pollak
Jerry L. Post
Michael J. Preston
Lawrence H. Price
John D. Prudhomme
James M. Quarles
John M. Quarterman, Jr.
Vinton A. Rambo
Salvatore J. Randazzo
Philip A. Rasmussen
James D. Rattan
James A. Rauth
Neal K. Reich
Ronald H. Reimann
William D. Rhodes
James C. Richardson, Jr.
Norman H. Ridenour
Arthur T. Rimback
George P. Ritter
Christopher B. Robbins
John J. Robinson
Kurt A. Rohdenburg
Stanley R. Roman
Melvin M. Romine
Thomas F. Rooney
Robert E. Rosdahl
Jerome C. Rosenberger
Neil B. Rosengren
Robert J. Ross
Michael C. Roth
William C. Rothert
Arthur E. Rowe, Jr.
William D. C. Royston
Daniel L. Rush
Leon B. Russell, Jr.
Charles M. St. Laurent
Andrew Salko III
Howard L. Sandefer
Raymond L. Sanders, Jr.
George F. Saupe
Peter E. Schilling
Robert P. Schin
Henry Schmidt, Jr.
Robert E. Schmidt
Howard T. Schottle
Henry J. Schwirtz
Edward F. Sclichter
Christopher R. Seelbach
Gerald N. Seneff
Guarino J. Seraly
Robert E. Seyfarth
Richard H. Shannon
Robert H. Shaw, Jr.
Jon A. Shelton
Robert W. Sherer
Robert E. Sheridan
James E. Shew, Jr.
Thomas A. Shields
William B. Shoemaker, Jr.
Albert J. Shower, Jr.
Richard S. Shreve IV
Robert D. Shupe
George R. Simmons
Richard N. Skirpan
Alan E. Smith
Glen W. Smith
Jerome F. Smith Jr.
Jerrold M. Smith
John A. Smith
John B. Smith
Larry E. Smith
Peter N. Smith
Reid H. Smith
Robert C. Smith
Robert W. Smith
Wayne J. Smith
Francis E. Snay
James T. Snedeker
James H. Sniezek
Wallace H. Snyder
Benjamin J. Sottile
Richard A. Spangler
Harold E. Spooner
Donald H. Sprouse
Charles D. Stackhouse
David M. Stafford
Maurice D. Stanley, Jr.
John A. Stave
Charles V. Stebbins
Boyden T. Steele
David J. Stem
Richard D. Stengel
Jackie L. Stevens
Allen W. Stewart
Charles L. Stewart
Jesse J. Stewart, Jr.
Richard A. Storm
William D. Straight
Walter F. Strobach
David H. Stryker
Daniel J. Sullivan
Dennis A. Sullivan
Richard K. Sunderland
David K. Sutelan
David J. Svendsgaard
Arra J. Swisher, Jr.
Kenneth R. Sydow
Richard D. Sylvester, Jr.
Richard P. Taft, Jr.
Van C. Temple, Jr.
George D. Theroux
Alphonse A. Thiel, Jr.
Charles E. Thomas
Gayle R. Thompson
Charles S. Thorell
David R. Timm
Marvin D. Tower, Jr.
James R. Traa
William H. Tredick
Frederick Triggs III
Thomas O. Tucker
Hugh B. Tulloch
John F. Tulodieski, Jr.
Gordon A. Uehling, Jr.
Charles R. Ulmer
Paul J. Umberger
John J. Valerio
Gerald R. Vanderbilt
Robert B. Van Metre
Kenneth L. Van Sickle
Frank A. Visted
Robert K. Vogel
Charles W. R. von Radesky II
Gordon W. Wacker
Herbert A. Wade
Richard D. Waer
Mark H. Waggoner
William O. Wagnon, Jr.
Kenneth W. Waldorf
John A. Walker
David M. Walsh
Robert Wasserman
Rodney K. Watterson
John M. Welch
Richard P. Wells
Gregory M. Wenzel
Stephen T. Werlock
David P. West
Frederick J. West
Robert E. Westfall
William D. Whitaker
Richard P. White
Robert M. Whiting, Jr.
Richard M. Whitney, Jr.
John J. Wiley
Gilbert V. Wilkes III
Leo J. Willetts, Jr.
Dudley D. Williams III
Jack R. Williams
Norman M. Williams, Jr.
Henry P. Willimon, Jr.
Frederick E. Wilmot
Raymond J. Wilson
Robert B. Wilson
Barry S. Wimberley
Thomas C. Winant
Howard T. Winfree
Bertrand R. Wittmann
Ned C. Wolfe
George R. Worthington
Alan F. Wright
David J. Wright
Walter J. Wylie
George E. Yarbrough
George E. Youmans
Robert L. Zalkan

The following-named midshipmen (Naval Academy) to be permanent ensigns in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law:

Thomas Anderson
Francis S. Barnes
Henry A. Booth, Jr.
Gilbert W. Bratschi
Edward L. Bryan
Peter J. Danna, Jr.
Jack V. Dell
Walter S. Draper IV
Ronald H. Ecklein
Douglas W. Falconer
Robert W. Fenick
John W. Foley, Jr.
Charles E. Gile
Kevin J. Growney
Domenic P. Guerriero
Raymond A. Hansen, Jr.
James C. Hellauer
Randolph J. Horhutz
Howard E. Kuhns
John S. Lamade
Harry L. Lara
Sarason D. Liebler
Joseph A. Matalavage
Bruce E. Maxon
Robert J. McLaughlin
John P. McQuade III
Ramon E. Mendez
William M. Moore, Jr.
Jeremiah T. O'Donnell
Gordon W. Prescott
Horace J. Savage
Raese V. Simpson
Edward M. Straw
Joseph M. Sullivan
Randolph B. Totten II
Terry G. Waller
William H. Wight, Jr.
Bobby N. Wingard
Leonard S. Yurkovic

The following-named midshipmen (Naval Academy) to be permanent ensigns in the Civil Engineer Corps of the Navy, subject to the qualifications therefor as provided by law:

Neil Block
Gordon W. Callender, Jr.
John M. Davis
Warren D. J. Hoppe
William J. Laufersweiler III
James T. Mergner
Richard S. Moore
James E. Mulgrew
Alan K. Riffey
Louis M. Sandrini
Richard J. Wallace

The following-named (Naval Reserve Officers' Training Corps candidates) to be ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Lawrence R. Adamitis
Bruce W. Anderson
Thomas H. Anderson
Robert E. Baker
Donald E. Barrick
Charles F. Bigsby
Burt J. Bogard III
Thomas J. Brock
William J. Byrne, Jr.
Michael A. Covell
Roy M. Davidson, Jr.
Curtis C. Davis, Jr.
Richard P. Doctor
Carl S. Droste
John C. Evans
Dennis J. Fitzgerald, Jr.
Frederick F. Forte
John J. Gallen, Jr.
Douglas A. Gimber
Glenn C. Hawks
Ronald R. Highwart
Arthur J. Hill
Charles S. Hill
Stephen A. Hodge
William G. Hoffman
Charles L. Hull
Melvin N. Ingalls, Jr.
John V. Kane III
Edward B. Kinner
Christian W. Knudsen
Henry L. McElreath
Scott T. McWhinnie
Jon I. Mullarky
William A. Northington, Jr.
Micheal J. O'Connell
Robert B. Okon
James R. Otto
Philip J. Pante
George W. Peak
Thomas H. Pence
Thomas E. Peters
William G. Preston
Roy H. Redderson
Paul R. Rittelmann
Leonard W. Schulz
Robert R. Seacat
Lynn A. Selke
Marschall M. Stark
John R. Stiles, Jr.
Eugene L. Surber
Warren A. Swanson
Julian H. Tolbert
Harold D. Vick

The following-named (Naval Reserve Officers' Training Corps candidates) to be permanent ensigns in the Supply Corps of the Navy, subject to the qualifications therefor as provided by law:

Joseph M. Atkinson
Jon A. Bird
Haig Bodour
Robert M. Callahan
John A. Campbell, Jr.
Thomas R. Carolan
James J. Cooner
Robert C. DeMeester
Ronald B. DeNeuf
James A. Divis
John M. Drees
Ernest E. Fava
James B. Fitch
Frank M. Freeman, Jr.
William J. Graff
John V. Griesmer
Robert T. Guyton
Larry L. Haase
John H. Hamby, Jr.
Ronald L. Heinemann
Billy W. Herbert
Joseph A. Kaddis
Donald L. Kanzler
Wayne F. King
John A. Knutson
Charles M. Lampman III
Michael R. Levin
Joseph E. Logan, Jr.
William G. McCanne III
Robert A. McCaughey
Robert D. McCutchan, Jr.
Richard T. Manley
David L. Marks
Alexander G. Mullin
Robert J. Nagle
Shamus J. O'Hare
Byron R. Ostrom
Robert C. Perdue, Jr.
Ross W. Peterson
William D. Rhodes, Jr.
Michael I. Schermerhorn
Charles D. Schroyer
Charles R. Snyder
Donald J. Stalker
Edward F. Sullivan
Jeremiah M. Sullivan
Robert L. Wenz
Ronald B. Williams
Carl G. Wolf

The following named (Naval Reserve officers' training candidates) to be ensigns in the Civil Engineer Corps of the Navy, subject to the qualifications therefor as provided by law:

Bruce E. Bell
Robert B. Bell, Jr.
James G. Belleson
Myron H. Bond
Melvin H. Chiogiji
John A. Dickson III
Daniel R. Gilmore, Jr.
Samuel B. Ligon
Brian E. McManus
Barry A. Moser
James L. Parrish III
Roy H. Redderson
George S. Robinson, Jr.
Richard E. Roy
Robert R. Spratt
Richard R. Thiel
Thomas R. Weaver

George Clarren (naval enlisted scientific educational program) to be a permanent ensign in the Civil Engineer Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named graduates from naval enlisted scientific educational program to be permanent ensigns in the line of the Navy, subject to the qualifications therefor as provided by law:

Charles E. Boucher
Roger W. Tallon

The following named (civilian college graduates) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

William C. Duncan
Charles H. Ramsey

Robert C. Jones (Naval Reserve officer) to be a permanent lieutenant and a temporary lieutenant commander in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law.

The following named (Naval Reserve officers) to be permanent lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

John N. Haswell
John L. Steffenson
Charles E. Inman

The following named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Medical Corps of the Navy, subject to the qualifications therefor as provided by law:

Richard A. Anderson
Peter B. Baute
Lester L. Bergeron
John C. Bull, Jr.
Robert W. Chambers
Edward B. Connolly
Douglas R. Currin
Robert J. Forcier
Eugene A. Lesovsky
Patrick J. Madden
Robert L. Martin
John J. Messina
William E. Pierson
Vade "G" Rhoades
Neil J. Rohan
Leslie I. Sechler
Laurie N. Smith

Nicholas M. Murphy (civilian college graduate) to be a permanent lieutenant and a temporary lieutenant commander in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law.

The following-named (civilian college graduates) to be permanent lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Richard K. Hanson
Wesley L. Voyles

The following-named (civilian college graduates) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

John D. Crawford
John R. Cushing, Jr.
Philip Rochford
Ward B. Skinner

The following-named (Naval Reserve officers) to be permanent lieutenants and temporary lieutenant commanders in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Clyde R. Jackson
Edward A. Miller
Albert F. Reid
Herbert A. Tabor
Herman D. Tow, Jr.

The following-named (Naval Reserve officers) to be permanent lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Albert G. Iandolo
Joseph C. Kelly
John S. Kitzmiller, Jr.
Ross L. Neagley, Jr.
Noel D. Wilkie

The following-named (Naval Reserve officers) to be permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps of the Navy, subject to the qualifications therefor as provided by law:

Aubrey J. Bourgeois, Jr.
Robert W. Brazil
Kenneth L. Cottle
Thomas C. Davis
William F. Dresen
Gerald W. Eastwood
David T. Fenner, Jr.
Donald E. Fitzgerald
Chester L. George
Paul E. Giers
John B. Holcomb
Hugh C. Howarth
Albert W. Jansson, Jr.
William J. Kelly, Jr.
Douglas C. Klanderud
Ronald J. Koss
Thomas F. Kravets
Cameron A. Lowe
Ronald W. Lucker
Alan B. Luke
Jonathan P. Luton, Jr.
Paul D. Lynch
Robert C. McMurdock, Jr.
Billie M. Mason
Robert E. Matlack
Frank R. Miller
Edward L. Mosby
Robert E. Murray
Dominic J. Niccoli
Theodore C. Nielsen
Charles T. Pavlick, Jr.
Kay T. Reese
George B. Robbins
David A. Roper
David S. Shaw
John T. Stevens
James J. Theisen
Roger W. Triftshauser
Owen T. Watkins

Lee S. Brooks, U.S. Navy officer, to be a permanent chief warrant officer, W–2, in the Navy, subject to the qualifications therefor as provided by law.

Francis E. Carnicom, U.S. Navy officer, to be a permanent chief warrant officer, W–4, in the Navy, subject to the qualifications therefor as provided by law.

Peter Corradi for permanent promotion to the grade of rear admiral in the Civil Engineer Corps of the U.S. Navy.

The following named officers for permanent promotion to the grade of commander in the line and staff corps as indicated:

LINE

Coulson, William T.
Harris, Robert B.
Routzahn, Milton M.
Jones, Charlie R.
Greksouk, John, Jr.
Quattlebaum, Richard M.
Oakley, Francis M.
Schuh, Linus H.
Byers, Donald F.
Matthewson, Francis F.
Luke, Manuel
Homer, Vernon L.

SUPPLY CORPS

Forde, Widar J.

CIVIL ENGINEER CORPS

McDuffie, Kerman C.

Charles S. Christensen, Jr., U.S. Navy, for temporary promotion to the grade of lieutenant commander subject to qualification therefor as provided by law.

Homer Kirkpatrick for temporary promotion to the grade of chief warrant officer W–3 in the U.S. Navy, subject to qualification therefor as provided by law.

The following-named officers for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

LINE

Adams, Byron R.
Adams, Douglas N.
Adams, John N.
Adams, John W.
Adams, Kenneth W.
Adams, Milton E.
Addison, James H.
Addleman, John C.
Adkins, James N.
Adler, Roy W.
Adolphson, James W.
Affleck, Robert G.
Akers, Max N.
Akers, William M.
Albert, David R.
Albright, Donald W.
Albright, John D.
Alden, James E.
Alden, John, Jr.
Alexander, Richard K.
Alker, Paul B.
Alkov, Francis L.
Allard, David L.
Allender, George R.
Alvarez, Marcos I.
Amick, Carl W.
Anderson, George L.
Anderson, Ralph P.
Anderson, Albert M.
Anderson, John R.
Anderson, Richard S., Jr.
Anderson, John W.
Anderson, Thorwald "H"
Anderson, Kenneth E.
Anderson, William A.
Angell, Preston W.
Antonio, Anthony I., Jr.
Arata, William A., III
Arnold, David W.
Aronson, Jack M.
Ashman, Richard T.
Asleson, Robert F.
Atherly, Harold E.
Atwell, Marion A.
Avery, Francis A.
Axtell, Lawrence H.
Ayars, James E.
Ayers, Raymond D.
Babinski, Hubert F.
Baetz, Jay G.
Bailer, Bruce C.
Bailey, Richard C.
Baillis, John E.
Baker, Charles H., Jr.
Baker, John K.
Baker, Richard J.
Baldwin, Edwin M.
Baldwin, Roger E.
Baldwin, Benjamin G., Jr.
Ballard, William L.
Ballard, Ronald H.
Banta, Clifton E., III
Barbe, John A.
Barbour, Henry F.
Barbour, Michael G.
Barnum, Lewis B.
Barrett, Stephen P.
Barrett, Curtis L., Jr.
Barron, Douglas W.
Barry, Gary D.
Barry, John R., Jr.
Barry, Thomas J.
Bartels, Harlan B.
Bartels, Malcolm G.
Bartholomew, Thomas C.
Barton, John H.
Bass, Arthur E.
Bass, Philip B.
Bassett, Frank E.
Battenberg, Paul R., Jr.
Batterby, Robert E.
Bauer, George T.
Baukus, Erwin J.
Baxter, George W.
Bayne, James L.
Baynes, Gerald T.
Beadles, Thomas J.
Beamer, Barton D.
Beard, Percy M., Jr.
Beath, Arnold R.
Beatty, John R.
Beaube, James D.
Beausang, Michael F., Jr.
Bechtel, Henry M., Jr.
Beck, Robert L.
Beckner, Roy T.
Beckwith, Paul B.
Beerling, George J., Jr.
Beitz, David H.
Belcher, Samuel A., III
Bell, Richard H.
Bellay, Daniel J.
Bellis, Donald E.
Bellows, Gerald E.
Benham, James T.
Bennett, Arthur J.
Beran, Milo R.
Berg, Kenneth A.
Berg, Peter E.
Berg, Roger L.
Berg, Robert P.
Bergan, Peter A.
Berger, Roger W.
Berkenstock, Howard R., Jr.
Berkowitz, Harris "I"
Bernet, Karl R.
Bernsen, Harold J.
Bertelsen, Viggo C.
Bertke, David E.
Besecker, John A.
Best, John W., Jr.
Bigford, Thomas B.
Bird, John P.
Bitting, Robert A.
Blackburn, George "L"
Blackburn, Harry L., Jr.
Blackistone, David L.
Blackwell, Bruce I.
Blair, Frederick E.
Blanco, James V.
Blank, Murray D.
Blatchford, James D.
Blatt, Russel N.
Bliss, John R.
Boatright, Jimmie R.
Boatwright, John G. P.
Boerner, Donald A.
Boffey, Philip M.
Bohlke, Wayne N.
Boie, William R., Jr.
Bolinger, Robert S.
Bolster, Robert N.
Bombardner, Clyde R.
Bond, Robert J., Jr.
Booriakin, Walter A.
Borcik, David E.
Borden, Edward L.
Bough, Bennie E.
Boult, Reber F., Jr.
Bourns, Courtney B.
Bowen, Clarence E.
Bower, William J.
Bowles, Howard A., Jr.
Bowman, Andrew L.
Boyd, James P., Jr.
Boyle, Ronald A.
Brace, James R.
Bradley, David H.
Brainerd, Walter S.
Brakke, Bernhard A.
Branch, Lyle F.
Brandel, John P.
Breast, Jerry C.
Bredbeck, William J.
Breed, Benny R.
Breidenstein, John F.
Brennan, John J.
Brenner, George H.
Brewer, James G.
Brewer, August W.
Bridgman, Walter E., Jr.
Briggs, Adam
Brining, George
Brinkworth, James E.
Brock, Virgil E.
Brooks, John W., Jr.
Brooks, Paul E.
Brown, Albert H.
Brown, Charles H.
Brown, Frank H.
Brown, John W.
Brown, Paul L.
Brown, Richard G.
Brown, Roger A.
Brown, Robert S.
Brown, William W.
Brownell, Robert B.
Browning, Robert E.
Bryant, Lawrence D.
Buck, Ralph V.
Budney, Stanley M.
Buell, Thomas B.
Buerger, Newton W., Jr.
Bugbee, Richard D.
Bump, Stanley E.
Bunting, Keith M.
Burchardt, Robert J.
Burchell, Raymond A.
Burck, George D.
Burgess, Frank E., II
Burnett, Norman L.
Burnett, James R.
Burns, Robert E.
Burr, Larry K.
Burson, Thomas D.
Burton, Charles D.
Bussard, Vernon R., Jr.
Busse, Arnold L.
Butler, William R.
Butterworth, Frank W., III
Byman, William E.
Byrer, James W.
Caldwell, James F.
Caldwell, Robert W. K.
Caldwell, Billy F.
Calkins, Delos S., Jr.
Calton, Robert G., Jr.
Calvert, John F.
Cameron, John W.
Cameron, Robert J.
Campbell, Craig S.
Camper, James R.
Cantrell, Walter H.
Carbiener, Wayne A.
Cargill, Denny B.
Carlson, Gilman R., Jr.
Carnes, Conrad D.
Carpenter, Charlton H.
Carpenter, Lawrence J.
Carr, Samuel F.
Carretta, Albert A., Jr.
Carroll, Charles P.
Carson, Aubrey W.
Carter, William L.
Carter, Jere S.
Carter, Samuel R., Jr.
Casebeer, Macey M.
Cash, Beveardge L.
Cass, Elijah J., Jr.
Chadick, Wayne L.
Chafee, George B., Jr.
Chamberlain, Heath B.
Chamberlain, John D.
Chamberlain, Frederick R., III
Chandler, David F.
Chapman, William F.
Chapman, Frederick W.
Chapple, Michael W.
Charlson, Charles H. S.
Cheney, Theodore C., Jr.
Chesney, Stanley J., Jr.
Chiocchio, Oddino S., Jr.
Chodorow, Alan M.
Chrisman, John A., Jr.
Christensen, Robert
Christenson, William C.
Cielnicky, Robert J.

Clark, Charles W., Jr.
Clark, Donald R.
Clark, Kim R.
Clark, Thomas B.
Clason, Roy E.
Clements, David
Clement, James M., Jr.
Clement, Frank J.
Clinton, John C.
Clothier, Robert B., Jr.
Clune, Edward M.
Cobb, Joseph K.
Cobb, John B.
Cochran, John M., Jr.
Coe, Freddy W.
Coellen, William F., Jr.
Coghlan, Vincent A., Jr.
Colldeweih, Jack H.
Coller, John A.
Collier, Richard S.
Collis, Charles D.
Comly, Camuel P., III
Conery, Francis A., III
Conover, William J.
Conover, David W.
Conroy, John M.
Conroy, Edward G.
Conzelman, Bruce T.
Cook, Dennis P.
Cook, Jan W.
Cook, Lawrence W.
Cooper, Grant A.
Coors, Henry G., IV
Copeland, Arthur J., Jr.
Corbett, Robert L.
Corder, James L.
Cordova, Richard N.
Corey, Thomas V.
Corr, Peter S., Jr.
Correll, Ward W.
Cousins, Robert A.
Cowdrill, David T.
Cowie, Irvin S.
Cox, David R.
Cox, David B.
Cox, Kenneth E.
Cox, Philip P.
Coyle, Francis X.
Coyne, George K., Jr.
Craig, Bruce L.
Crane, Peter W.
Crawford, Lawrence R.
Creasy, Albert H.
Creighton, Liles W., Jr.
Creighton, George C., III
Crew, Eugene H.
Crigler, Albert S., Jr.
Cromer, Arthur O.
Crusinberry, Walter O.
Culbertson, Denny D.
Cummins, Paul Z., II
Cunningham, Paul T.
Currey, Edwin L., Jr.
Curtis, Wayne
Cuthbert, Rolfe
Cyr, Joseph H., Jr.
Dahl, Richard C.
Dahl, William E.
Dahlmeier, John H.
Daniels, Shane P.
Dappolito, Joseph A.
Darbonne, Allen R.
Darby, Jack N.
Darcey, Richard C.
Dargis, Stanley "W", Jr.
Darius, Henry A., Jr.
Darling, Richard A.
Darling, Donald L.
Darmand, Monte
Daspit, Frank A.
Daugherty, Silas C., IV
David, George J.
Davidson, John A.
Davidson, David L.
Davies, Richard E.
Davies, William
Davis, Billy E.
Davis, Chester V.
Davis, Dan A.
Davis, John R.
Davis, James V.
Davis, Richard L.
Davis, Vernie R.
Davis, William R.
Davison, Donald C.
Dawes, Dexter B.
Dawson, Phillip E., Jr.
Dawson, William H.
Day, Chapin W., Jr.
Dayharsh, Charles E.
Dean, William J.
Dearasaugh, Daniel W., Jr.
Decker, John T.
Degnan, Thomas F.
Deibert, Edgar M.
Delany, Francis X.
De Long, Edgar E.
Delvecchio, Richard J.
Demand, Daniel H.
Demarco, Robert T., Jr
Demoss, Harold G.
Dennis, John P., Jr.
Denny, Chester H., Jr.
Denny, George L., II
Depass, Harry E., III
Desko, Daniel A.
Detrick, John T.
Develin, Thomas P.
Dewey, Robert T.
Dewrell, Martell E.
Dickson, Richard D.
Diebold, Terry R.
Diedrich, Charles H.
Dietrich, William H.
Dillard, Theodis
Dittrick, Alfred S.
Dittrick, John J., Jr.
Dodson, Paul E., Jr.
Doerfling, Henry H.
Dolbeare, Robert L.
Donahue, Leonard P., Jr.
Donnelly, Richard E.
Donnellan, Robert I.
Doss, Marion T., Jr.
Dotterweich, William E.
Dougherty, William A., Jr.
Dowd, John E., Jr.
Downham, Max C.
Doyle, Thomas J.
Drews, Gerald E.
Driggers, Theodore F.
Dubois, Rodney F.
Dumas, Larry N.
Dunbar, Richard P.
Dunbar, Peter B.
Duncan, William E.
Duncan, Donald G.
Duncan, Pat
Dunn, Jasper W. III
Dunn, William P.
Durham, Frank C.
Duvall, Michael R.
Duvall, Thomas R.
Duxbury, Richard B.
Dyck, Clark P.
Eade, Robert M.
Eades, Glenn B.
Earle, Thomas G.
Early, William L.
Eaton, David G.
Eckenrod, James S.
Eckenroad, Paul J., III
Eddy, Roger A.
Edewaard, William C.
Edmunds, Frank L., Jr.
Edney, Robert N.
Edwards, Ronald R.
Edwards, Steven H.
Edwards, Scott
Eggleston, John R.
Ehlers, Roland J.
Eifler, Charles T.
Eikel, Harvey A.
Ellinor, Thomas R.
Elliott, Donald R.
Elliott, Norman S., Jr.
Elliott, Jerry G.
Elliott, David J.
Ellis, Howard R.
Ellis, Russell A.
Emmert, David L.
Emmons, Harold L.
Engel, Walter P.
Enright, Harold F.
Ensley, Arthur F.
Eppling, David C.
Erbacher, Anthony E.
Ericksen, Wayne R.
Ericksen, Peter E.
Erickson, Bruce T.
Erickson, Allen W.
Estep, James A., Jr.
Estes, Albert R., Jr.
Estock, George, Jr.
Euler, Franz, III
Evans, Larry D.
Evans, Neil K.
Evans, Rowland G.
Eytchison, Ronald M.
Farlee, Bennett W.
Faulkner, David P.
Feeney, John S., Jr.
Fees, Howard J., Jr.
Feldhausen, Peter H.
Felix, Henry K.
Felton, Paul E., Jr.
Fendley, John N.
Fenick, Joseph D., Jr.
Ferguson, Earl A.
Ferguson, Robert H.
Fidler, Paul P.
Figura, Robert R.
Fink, William G.
Finley, Robert H.
Fisher, James R.
Fisher, Troy R.
Fiske, Harry K.
Fisler, Louis H.
Fitzgerald, James L., Jr
Flanagan, Thomas L.
Fleming, Samuel H. S.
Fleming, Thomas E.
Flood, Thomas P.
Flynn, Robert W.
Foley, Carl O.
Foley, Lawrence M.
Foley, Peter J.
Folgers, Kenneth N.
Ford, Michael J.
Ford, Raleigh R.
Fordham, Charles R.
Fordham, Warren J.
Forrestal, Thomas P., Jr.
Forsman, Charles J.
Forsyth, William D., Jr.
Forwood, William C.
Foss, Donald M.
Foster, Eugene V.
Fox, John F.
Fox, Michael A.
Fox, Richard A.
Fraher, Jeremiah
Frank, Nickolas J., III
Frawley, Michael P.
Freakes, William
Frear, Edward K.
Fredda, Victor I., Jr.
Freeman, Richard C.
Friedman, Ronald S.
Fritz, Charles L.
Fuller, Robert H.
Fuller, Gran F.
Gadbaw, Coleman J., Jr.
Gaines, Larry L.
Galla, John H.
Gallagher, Patrick R., Jr.
Gamboa, John F.
Gansel, David R.
Gardner, John T., Jr.
Garland, Keith P.
Garrett, Scott L.
Garrison, Donald W.
Garvey, William A.
Gary, Harris P., Jr.
Gates, Hugh H.
Gatje, Peter H.
Gay, Warren L.
Gebhart, Kenneth L.
Gentry, Kerry F.
George, Charles H.
Gerdes, Walter H.
Gerness, Norman R.
Gessner, Bernard F., Jr.
Gibbons, Thomas
Gibson, Richard B.
Gibson, David B.
Gibson, Richard C., Jr.
Gibson, William J.
Giddens, Jack L., Jr.
Gies, Leo C.
Giese, Carl E., Jr.
Giesea, James R.
Gifford, Laurence S.
Gilinsky, Richard J.
Gilligan, John K.
Gise, Lawrence P., Jr.
Given, Philip R.
Gladding, Thomas, Jr.
Gladin, Jack R.
Glaser, Frederick K.
Glatzer, Maurice
Glenn, Walter H.
Gloeckner, Frank J., III
Godschalk, Harold R.
Goldenstein, Gordon R.
Goldsberry, Harold A.
Gollnick, Gregory E.
Goodman, Michael "E"
Goodridge, Alan G.
Goodrow, John E.
Goodwin, James J.
Goodwin, James C., Jr.
Goodwin, Don F.
Goodwin, Robert L., Jr.
Goold, Robert P.
Goolsby, John A.
Gordon, James A., Jr.
Gordon, Bruce P.
Gorham, David S.
Gorton, Roderick M.
Gosebrink, Fred J.
Goss, Michael T.
Goto, Irving K.
Gottlieb, Richard F.
Gottsche, Albert L., Jr.
Gough, Melvin N., Jr.
Goulding, Robert S.
Graceffa, Joseph D.
Grafton, Robert B.
Graham, William A., Jr.
Graham, Denny L.
Grant, Roger L.
Granzin, Kent L.
Gray, Robert
Green, William H.
Greene, Richard P.
Greer, George B., Jr.
Greer, Marshall R., Jr.
Greer, Norman D.
Gregg, Samuel W.
Griffin, Walker A., Jr.
Griffin, Samuel M., Jr.
Griffin, Robert S.
Griffin, Hoke D.
Griffinger, Michael R.
Griffiths, John B.
Grimm, Thomas D.
Grocki, Chester J.
Groder, Richard A.
Gross, Alvin C., Jr.
Grossbaum, John J.
Grosse, Robert G.
Grucza, John F., III
Guccione, Joseph, Jr.
Guinn, Julian P.
Gundel, Walter D.
Gushee, Stephen H.
Gustafson, Kenneth R.
Guthman, Stephen F.
Haag, Ernest V.
Haenze, Leroy R.
Hagan, John A.
Hagedorn, Edwin C.
Hageseth, Gaylord T.
Haggard, Richard A.
Haggerty, Allen C.
Hahn, Richard H.
Haigis, Barry S.
Hailman, Jack P.
Hajek, Joseph V.
Hajim, Edmund "A"
Hale, James W., Jr.
Hale, William B.
Hall, Marshall B.
Hall, Robert E.
Hall, William R.
Haller, Hubert M.
Hallier, Manuel A.
Halverson, Ralph A.
Hamilton, William G., III
Hamilton, David B.
Hammer, Joe E.
Hamrick, James M.
Hanna, David L.
Hanna, Donald V.
Hannan, Myles
Hansen, Herbert W., Jr.
Hanson, Richard E.
Hardy, Ray S., Jr.
Hargadon, Edward W.
Harkless, Gerald A.
Harned, David W.
Harper, Glynn C.
Harrell, Haywood H.
Harrell, Dowell W.
Harrison, Joseph W., Jr.
Harrison, Charles E.
Harriss, David J.
Harshberger, Robert L.
Hartley, William D.
Harvey, Malcolm R.
Harvey, David D.
Harvey, James E., III
Harvey, Wilford H. H.
Harwood, David S.
Hastings, Marshall D.
Hastings, Ralph L.
Hatler, Donald D.
Haugen, Adolph B.
Haughey, Charles H.
Hawkins, Ray M.
Hawkins, James R.
Hayes, William V.
Haynes, Jerry R.
Haynes, Olin D.
Hayward, Richard W.
Healey, James F.
Heath, Paul E., Jr.
Hebert, Larry
Heck, Alger R.
Heckathorn, Clair E.
Heckman, Brooke R.
Hedrich, David R.
Heilman, Eric M.
Hekman, Peter M., Jr.
Held, James R.
Helgeson, Norman L.
Helweg, Otto J.
Hemminghaus, Roger R.
Hendershott, Robert J., Jr.
Henderson, Arnold H.
Henderson, Joseph R., Jr.
Henderson, Noel B.
Hendrix, Marion F.
Henkel, Oliver C., Jr.
Henris, James B.
Henry, Francis B.
Henry, Guido R., Jr.
Herb, Michael D.
Hernandez, Jesse J.
Herner, Ernest P., Jr.
Herold, Lance
Herrin, Milton T.
Herrin, William F.
Hess, Ronald A.
Hetland, Robert L. M.
Hewitt, William M.
Higbee, Robert C.
Higgins, James D., Jr.
Higgins, John L., Jr.
Hill, Martin G.
Hines, Frederick A.
Hines, Rubert, Jr.
Hinkell, John W.
Hinson, Elbert F.
Hobbs, Watson L.
Hoch, James E.
Hodge, Don W.
Hodgens, Jack A.
Hodgkins, William S.
Hodkins, William F.
Hoeffel, Jan C.
Hoel, Jack I.
Hoff, Michael G.
Hofstedt, Peter D.
Hohmann, William D.
Holbrook, Charles D.
Holdeman, George R.
Holderness, George M.
Holland, Harry M., Jr.
Holland, John D., Jr.
Hollister, Floyd H.
Holloman, Floyd W.
Holloway, William J.
Holm, Edwin J.
Holmberg, Bruce A.
Holmes, Henry A.
Holroyd, Robert E.
Holt, David E., Jr.
Holt, Jerry L.
Holtel, Bernard J.
Holthaus, Hollis L.
Holzhaeuser, Arthur E.
Homuth, Richard W.
Hoover, George S.
Hope, Lawrence A., Jr.
Hopkins, Jae E.
Hopkins, Thomas S.
Horn, Leslie J.
Horne, William F.
Hospes, Alan E.
Hosterman, Craig
Hotard, William C.
Hough, Ronald W.
Houston, Guy M., Jr.
Howard, William S., III
Howe, Gary W.
Hoyt, Bruce W.
Hubbard, Finley N., Jr.
Hubbard, Thomas K.
Hudnall, Robert M.
Huff, Walter E.
Hughes, Charles F.
Hughes, Francis M., Jr.
Hughes, Robert P.
Hulderman, George H.
Hulme, John B.
Hummer, John J.
Hunt, Alan G.
Hunter, Billy D.
Hunter, Harold C.
Huntington, Stuart L.
Huntsman, Alonzo B., Jr.
Husted, John M.
Hutchinson, Joseph D.
Hutchinson, Harold S., Jr.
Hutchinson, Peter A.
Hyde, Jack C.
Hynes, Donald J.
Ianson, Lawrence W., Jr.
Igoe, James E., Jr.
Illick, Walter S., Jr.
Immel, Arthur R.

Immerman, Arthur L.
Infinger, Everett N.
Ingle, Carl E.
Ingram, Forney H., Jr.
Ingram, Ronald F.
Irons, David L.
Irvin, Robert M.
Irwin, Joe R.
Izard, James
Jablonski, John W.
Jackson, Kermit J.
Jackson, Milton, Jr.
Jackson, Paul F.
Jackson, Perry Y., Jr.
Jackson, Thomas P.
Jackson, Warren D.
Jacobs, Paul H.
Jacobs, Thomas L.
Jacobsen, Richard E.
Jaeger, James W.
James, Albert J.
Jamroga, John J.
Janney, Russell L.
Jansen, Jan L.
Janson, Thomas L.
Jelks, John L., III
Jenkins, George J., Jr.
Jennett, James D.
Jennings, Karl F.
Jensen, Ronald L.
Jetton, Thomas C.
John, Arthur D.
Johns, Robert L.
Johnson, David H.
Johnson, George K.
Johnson, Richard V.
Johnson, Ronald L.
Johnson, Lester O.
Johnson, Paul H.
Johnston, James J.
Johnston, Richard C.
Johnston, William A.
Jokanovich, Peter
Joll, Jay R.
Jolly, James P.
Jones, David L.
Jones, Donald W.
Jones, Eugene P.
Jones, Frederick O.
Jones, Gerald E.
Jones, Harry L.
Jones, William R.
Jordan, Robert A., Jr.
Judis, Billy F.
Judson, James F.
Juhala, Roland E.
Julian, James R.
Juliano, Julius R.
Junta, Dale W.
Justice, Robert J.
Kadingo, Edward P.
Kaighn, Reuel S., Jr.
Kallal, James J.
Kane, Frederic C., Jr.
Kane, Leo P.
Kansteiner, Beau K.
Kauber, Rodney K.
Kaufman, Jerald D.
Kaufman, Larry E.
Kazimir, Donald J.
Keasler, Edwin S., Jr.
Keen, Arthur E.
Keim, Clarence H.
Keith, Frederick W., Jr.
Keith, Robert T. S., Jr.
Keller, Alan J.
Kellum, William C.
Kelly, John B.
Kendall, Robert P.
Kenney, James A.
Kent, Gary S.
Kent, Philip S.
Kerby, Donald C.
Kerkam, Benjamin F.
Kersh, John M.
Kessler, Edward L., Jr.
Kimmel, Leigh G.
Kineke, John I.
King, George J., Jr.
King, Jerry L.
Kingston, Kenneth H.
Kinney, James M.
Kinsman, Harold R., Jr.
Kinter, James E.
Kirby, Peter A.
Kirby, Robert P.
Kirk, Daniel K., Jr.
Kirk, Ronald B.
Kistler, James L.
Kitchens, Charles R.
Kitts, Earle L., Jr.
Klinedinst, Paul R., Jr.
Kneeland, Ralph F.
Kneuer, Joseph G.
Knox, Ronald W.
Knudsen, Larry S.
Kobylarz, Fred D.
Koenig, John W.
Kofoed, Robert M.
Konkel, Harry W.
Konklin, James E.
Kornegay, Robert R.
Korslund, Robert G.
Korzinek, Charles J.
Kosoff, Tracy M.
Kosup, Gilbert G.
Kotsonis, George
Kovach, Lawrence H.
Kraft, Jacob C.
Krauter, George E.
Kreitner, Clinton W.
Krieger, Harold K.
Krinard, Frederick A.
Krommenhoek, William C.
Krueger, Orton G.
Krumrei, William H.
Kuechmann, Jerome A.
Kuhneman, Martin F.
Kunz, Chester A., Jr.
Labovitz, David E.
Lachance, George M., Jr.
Lakey, James W.
Lamb, Thomas J.
Lamb, William B.
Lamont, Daniel K.
Lamoureux, Robert J.
Landers, John D.
Landrum, Raymond G.
Lane, Robert E.
Lanoue, Robert J.
Larson, Charles R.
Larson, Jerold J.
Larson, John W.
Larson, Lawrence P.
Larzelere, Charles W., III
Lauson, Robert G., Jr.
Lawler, Byron J.
Lawrence, Kent B.
Lawrence, Charles M.
Lawrence, Robert D.
Laws, Charles F.
Leake, Milton H.
Leary, John A., II
Leber, Jean R.
Lecour, Richard M.
Lee, Alton M.
Lee, Eugene, Jr.
Lee, Robert R.
Lefkowitz, Howard N.
Leiser, Edward L.
Lenden, James H., Jr.
Leonard, Daniel B., Jr.
Leslie, William H.
Leszcynski, Vincent J.
Levin, Roger L.
Levine, Paul J.
Lewis, Frederick E.
Lewis, John R., Jr.
Lewis, Jack F.
Lewis, Robert T.
Lightstone, John L.
Lillie, Robert B.
Lima, John A.
Lindberg, Arthur E.
Lindsey, Eugene E., Jr.
Lisle, George F.
Livziey, James G.
Lobb, Clarence E.
Lockhart, Paxton "D"
Logan, Robert S., Jr.
Lohnes, Christopher S.
Long, George T.
Longton, Joseph N.
Loomis, David W.
Lorig, Bruce C.
Lorusso, John M.
Lottridge, Stephen S.
Love, Philip E.
Lovejoy, Richard E.
Lovitt, Lewis D., Jr.
Low, Robert I.
Lowrey, Robert A.
Luallen, Joseph H., Jr.
Lubbers, Gary W.
Lubke, Arthur F., Jr.
Luce, Ralph W., III
Luders, Ernest C.
Lukenas, Leo A.
Lunde, Donald T.
Lupfer, Alexander M., Jr.
Lusk, James R.
Luter, Thomas H.
Lynch, Paul A.
Lynch, William T.
Lyon, Hylan B., Jr.
Lyon, William D.
Lyons, James R.
Lyons, Michael D.
Lyons, Samuel J., Jr.
Lysaght, Claude O.
Mabrey, Richard L.
MacAuley, William F.
MacDougal, Gary E.
MacGregor, Robert M.
Machemehl, Arleigh E.
Mack, Stephan J.
MacKenzie, Charles L.
MacKenzie, Franklin F.
MacKinnon, John H.
MacKinnon, Richard A.
MacKnight, William J.
MacLean, Rupert E., Jr.
MacNabb, William V.
MacNeill, Donald W.
Madden, Jerome T.
Magee, Robert F.
Maguire, John E.
Maher, David M.
Maher, Stuart T.
Mahnken, Carl C.
Mahoney, Robert D.
Major, James A.
Maloney, Thomas C.
Manahan, Maurice H.
Mann, Jon M.
Mann, Stanley P.
Mansfield, Eric G., Jr.
Mansfield, Joseph S., Jr.
Marek, Frank L.
Marold, Robert T.
Marr, William T.
Marsh, Arnold D.
Marshall, Wallace W., Jr.
Martella, Alex A., Jr.
Martin, Robert B.
Martin, James T.
Martinez, James R.
Martz, Bruce D., Jr.
Marx, Robert L.
Mason, Frank H., III
Mason, Robert H.
Massa, Lawrence L.
Massey, Lance B.
Masters, Jon J.
Matheson, John W.
Mathews, William M.
Mathews, Harland E.
Mattingly, Thomas K. I.
Maxton, James C.
May, Wesley
Mayden, Earl L.
Maye, George T.
Mayers, Daniel F.
Mayfield, Franklin D., Jr.
McAtee, Donald E.
McBryan, Donald J.
McCain, John S., III
McCandless, Bruce, II
McCarter, Jonathan C.
McCartney, James R., III
McClure, Kenneth G.
McConnell, Harry E.
McCormick, Gerald J.
McCullough, Martin L.
McCullough, Ellis C.
McDonald, William F.
McDonnell, Frank E.
McFarlane, James W.
McFee, Charles B., III
McGroarty, John J.
McHugh, Terence J., Jr.
McIntyre, Elmer L., III
McIntyre, William H.
McKenzie, Gene T.
McLain, John G., Jr.
McLane, Michael J.
McLaughlin, Frank S., Jr.
McMaster, Lauren L., III
McMichael, John C., Jr.
McMillan, Joseph C.
McMillan, John G.
McNamara, James J.
McNeary, William W., II
McNelly, Allen D.
McNergney, Robert P.
McNulla, James E., III
McNulty, George R.
McPadden, Joseph G.
McVadon, Eric A., Jr.
McVicker, James L.
Meador, Lee M.
Meese, Richard E.
Meinig, George R., Jr.
Melton, John P.
Melville, Reid T.
Menke, Allen G.
Mercier, Peter J.
Merriken, Stuart A.
Merritt, William A., Jr.
Merritt, Ernest A.
Merry, Theodore R.
Messervy, Harold V.
Messner, Karl R.
Meyer, Donald J.
Michels, Francis B.
Michl, Daniel J.
Middleton, Wesley L.
Midgarden, Peter N.
Midtvedt, Harold L.
Milkovich, Joseph J.
Miller, George A.
Miller, Douglas A.
Miller, Don H.
Miller, Paul J.
Miller, Henry W., Jr.
Miller, William H.
Miller, Robert L.
Miller, David B.
Miller, Howard
Miller, Clarence D.
Miller, Aloysius R.
Miller, Michael C.
Miller, Billy G.
Miller, Latnay H., Jr.
Miller, Charles L.
Milne, Robert D., Jr.
Miltenberger, James R.
Miner, Henry C., III
Miner, Robert W.
Mink, Leon M.
Mitchell, Kenneth F.
Mitchell, Walter F.
Moberg, Jimmy R.
Moll, Herbert
Moloney, Michael J., Jr.
Monroe, Robert C.
Montgomery, Richard C.
Moon, Tylman R.
Moore, James D.
Moore, James T.
Moore, Jack R.
Moore, William N.
Moorman, William R.
Moran, Francis J., Jr.
Moran, John W., Jr.
Moreland, Floyd E.
Morgan, Bobby S.
Morgan, James F.
Morgan, David E.
Moriarty, Brian M.
Moros, David
Morris, Clyde C.
Morris, Roger A.
Morris, Curtis W.
Morrison, Orrin L.
Morrow, Billy R.
Mortenson, William P.
Morton, John G.
Moser, Robert L.
Mosman, Donald E.
Mott, George E., III
Moulton, Walter A.
Mowery, Russell V.
Moyer, Edward J.
Moynihan, John J.
Mueller, Lincoln H.
Mueller, Ermett T.
Mulhall, Brendan D. D.
Mulhern, Michael P.
Mullaly, William J.
Muller, Deighton J.
Mulligan, Marvin E.
Mullin, George C.
Murch, Robert E.
Murphree, Tom S.
Murphy, Robert J., III
Murphy, Peter W.
Murphy, Martin R.
Musgrove, Robert W.
Myers, George D., II
Myers, Phillip R.
Nagel, Thomas S.
Nageotte, Richard R.
Nagle, Chester A.
Nakagawa, Gordon R.
Nance, Ivan V., Jr.
Narro, Arthur T.
Nazak, Robert M.
Neal, Rodney D.
Nelson, Paul, Jr.
Nelson, Richard C.
Nelson, Fred A.
Nelson, Peter J.
Nelson, Mark V.
Nesbitt, Gregory L.
Newcomb, David A.
Newton, George B., Jr.
Nicholas, Jack R., Jr.
Nichols, Eugene L.
Nicholson, Walker D.
Nickerson, John P.
Nicolls, Robert P.
Nix, Harvey, W., Jr.
Nixon, Clyde G.
Nordhaugen, Lyle G.
Noring, Harold A.
Norton, John H.
Norton, Lee E., Jr.
Nourse, David A.
Nulty, John L., Jr.
Nutting, Roger M.
Nystrom, Peter C.
Oakey, John M., Jr.
Oates, William B., Jr.
O'Beirne, Frank, Jr.
O'Brien, Charles F.
O'Brien, Rupert D., Jr.
O'Connor, Michael G., II
Oden, Thomas E.
Offutt, James A.
O'Hearne, David B.
Oldham, Edwin W.
Oleson, Charles A.
Oliver, William H.
Olivera, Clifford E.
Ollivier, Robin T.
Olmstead, Clifford D.
Olmstead, Edward A.
Olsen, Peter B.
Olsonoski, Richard L.
O'Mara, Robert L.
Omberg, William F.
Oncea, George
Ondishko, Christian N.
O'Neal, Edward A.
O'Neil, Jay R.
O'Neil, James M.
O'Neil, William A.
O'Neill, Thomas E.
Opheim, David G.
O'Regan, Francis M.
Orme, Douglas L.
Osborn, Jack D.
Osborne, Robert B.
Osborne, James T.
Ostrander, Peter H.
Ottaviani, Valentino
Otto, Carl H.
Overton, Dudley R.
Owen, John F.
Owens, Ramon R.
Pabst, Howard L.
Page, Fred A., Jr.
Page, Richard L.
Painter, Philip C.
Palermo, Norman A.
Palmer, William F.
Palmer, James A., Jr.
Palmer, Hugh L.
Panzarino, Joseph N.
Pardo, Stanley T.
Parker, Robert C.
Parker, Samuel A.
Parks, Terrence J.
Parks, William H.
Parrish, Thomas D.
Parrish, David F.
Pate, Zachariah T., Jr.
Patella, Lawrence M.
Patrick, Meredith W.
Patrick, Kenneth J.
Patrick, William D.
Patterson, Richard F.
Paull, Joseph F.
Pearce, Michael A.
Pedigo, Martin K.
Peele, Charles R., Jr.
Pehling, James H.
Pelton, Lawrence E.
Pendleton, David L.
Pendley, William T.
Penny, Lawrence A.
Peri, Victor P.
Perkins, Robert S., Jr.
Peters, John D.
Peters, William J., III
Peters, Donald L.
Peters, Milton G.
Peterson, Carl J.
Peterson, Charles B.
Petinos, Frank
Pettit, John T., Jr.
Pfister, Donald L.
Phelps, George T.
Phillips, Robert E.
Phillips, Robert W., Jr.
Phillips, Raymond C.
Phyfe, Lawson M.
Pidgeon, Robert H.
Pierce, Allen J.
Pierce, John P., Jr.
Pierson, Richard K.
Pinson, Peter C.
Pinto, John M., Jr.
Pippenger, William W.
Pisano, Patrick A.
Piskorski, Stanley
Pittenger, Richard F.

Pivarnik, William D.
Pizinger, Donald D.
Plum, George E.
Poarch, Charles E.
Poe, Gary R.
Pogue, Charles R.
Poindexter, John M.
Pollock, Grant H.
Polski, Paul A.
Pooley, Richard W.
Poppele, Richard E.
Poremba, Stanley, Jr.
Port, Joseph C.
Porter, Gene H.
Potter, John L.
Powell, Frederick C.
Powell, Ralph E.
Powers, Richard M.
Prather, Robert J., Jr.
Price, Billie L.
Price, John P.
Prickett, Gordon O.
Priebe, Terry R.
Prince, William G.
Proctor, Robert R.
Pulling, Wayne E.
Putnam, Wayne A.
Pyatt, Arnold F.
Pyle, Ronald W.
Quealy, Richard D.
Quinn, Eugene F.
Quinn, Richard H.
Raab, Theodore E.
Raabe, Otto G., Jr.
Rachap, Allan
Radigan, John M.
Radziej, Thomas J.
Rahmig, William C.
Rain, Don W.
Randolph, Thomas M.
Ranes, George J.
Rasmussen, Keith L.
Raudio, Victor J.
Reber, Lee I.
Redgate, James P.
Redmon, James W., Jr.
Reed, Calvin H.
Reed, Herbert H., Jr.
Reed, Roberts V., Jr.
Reeger, Harold L.
Reeves, Donald J.
Rehder, William A.
Reich, William F.
Reid, Lawrence R., Jr.
Reinarz, Roy L., Jr.
Reinhardt, Richard L.
Reister, Walter A.
Reiter, Francis M., Jr.
Renfro, Richard C.
Rennie, John C.
Rentsch, Russell B.
Reohr, John H., III
Retzlaff, Robert R.
Reveal, Leonard T.
Reynolds, Robert H.
Rice, Lloyd K.
Rich, James H., Jr.
Richard, Connie E.
Richardson, William H.
Richard, Roy A.
Riches, Raymond C.
Riddle, William L.
Riggs, Donald E.
Ring, William R.
Risteen, Hardy A.
Ritch, Thomas J.
Rivera, Daniel R.
Roach, Alan G.
Roach, John J., Jr.
Robbins, John E.
Robbins, Berton A., III
Roberts, John J.
Roberts, Michael J.
Roberts, Gary K.
Robertson, Carl W.
Roberts, Michael M.
Robinson, Kenneth G.
Robison, Kenneth A.
Robison, Delma C.
Rodeffer, Charles C.
Roder, Peter S.
Rogers, Richard D.
Rogers, Terrence R.
Rogers, David A.
Rohm, Edward L.
Rohrbough, John D.
Romito, Nicholas E.
Rorer, William H., III
Rose, Carl M., Jr.
Rosen, Robert S.
Ross, Harold M.
Rossi, Charles E.
Rossi, James A.
Rounds, James, IV
Rourke, Gerald S.
Rowden, Donald R.
Rowe, David V.
Rowe, Robert W.
Rowell, Glendon
Royse, Perry R., Jr.
Rozendal, Robert H.
Ruby, Scott M.
Rudee, Mervyn L.
Rueckert, Nils
Rufe, Robert W.
Runzo, Melvin A.
Ruppel, Byron D.
Russ, Carl F.
Russell, Harold B.
Ruth, John
Ruwwe, George R.
Ryan, Bernard A., Jr.
Ryan, Walter R., Jr.
Ryder, Thomas N.
Sabbagh, Harold A.
Sachse, William R.
Sager, Richard K.
Sample, Bobbie L.
Sanchez, Robert P.
Sanderson, David B.
Sansom, Robert G., Jr.
Sauer, Robert C.
Saunders, Kenneth A.
Scanlon, Edward P.
Scarbrough, Vernon R.
Schaaf, Gordon M.
Schafer, Carl W.
Schlang, Lawrence H.
Schloss, Stephen L.
Schmaedick, Ronald A.
Schmidt, John C.
Schneider, Donald A.
Schnepper, Ronald A.
Schoenagel, Harry F.
Schoettle, Michael B.
Schramm, William G.
Schricker, David E.
Schroeder, Clyde C.
Schroeder, James W.
Schroeder, Stephen F.
Schroering, John B.
Schueppert, Charles C.
Schultz, Robert F.
Schulz, William J.
Schulz, James H.
Schulz, John C.
Schupp, Ronald J.
Schwafel, Christian T.
Schweizer, Otto A., Jr.
Schwitzer, Allen B.
Scott, David G.
Scott, Wayne E., Jr.
Scram, Andrew D.
Seeberger, John J.
Segelbacher, George F.
Seger, Ralph L., Jr.
Seigel, Benjamin S.
Selby, Edward A.
Sendek, Joseph M.
Severance, Jay A.
Severson, Laverne E.
Sexton, Joel S.
Shafer, Jack L.
Shane, Louis P.
Shannon, James O.
Sharp, Stanley E.
Shaw, Sidney "H"
Shearer, Robert L. I.
Sheehan, James E.
Shelton, James W.
Shepherd, Harold D.
Sheppard, Donald D.
Sherman, John E.
Shope, Theodore L.
Short, David L.
Shriver, Robert A.
Shriver, Norman W.
Shuford, Edward L., III
Sickman, John F., Jr.
Silldorff, James S.
Sims, Howard D.
Sissel, George A.
Skezas, George C.
Skiles, Alvin V., III
Skinner, Albert G.
Skivington, Kenneth R.
Slaven, Robert K., Jr.
Slay, Charles C.
Slayman, Kelson E.
Sloan, John E., Jr.
Smallwood, Tim E.
Smarz, John, Jr.
Smedberg, Edwin B.
Sminkey, Robert L.
Smith, Bartley P.
Smith, Charles J.
Smith, Charles R.
Smith, Frank W.
Smith, Frederic N.
Smith, James C.
Smith, Leon T.
Smith, Nepier V.
Smith, Philip B.
Smith, Ronald L.
Smith, Richard F.
Smith, Russell A.
Smith, Thomas W.
Smith, Vance A.
Smith, William B.
Smith, William L.
Snader, John H.
Snell, Phillip A., Jr.
Snow, Barry I.
Snow, Joel A.
Snowden, Danford D.
Soast, Edwin A., Jr.
Sommer, Henry J., Jr.
Sorensen, Richard S.
Soules, Charles W.
Spadoni, Eugene A.
Spanbauer, John P.
Spane, William T., Jr.
Spear, Larry
Spence, Stuart B.
Spence, Winthrop J., Jr.
Spilios, George B.
Spires, Fred, Jr.
Sprague, Gordon P., Jr.
Sprigg, Marshall W.
Spydell, Robert E.
Stack, Richard B.
Stackhouse, Wendell K.
Standen, William W.
Stansfield, Orlin M.
Stanton, Henry S., Jr.
Stapleford, Thomas C.
Stapleton, Robert L., III
Stavropoulos, Ernest G.
Steckler, Joseph L.
Steed, Samuel
Steele, Robert H.
Steele, Robert J.
Stehlin, Donald A.
Stenard, Charles E.
Stephenson, Graves B.
Stepp, James O.
Sternberg, Harold I.
Steveley, Robert V.
Stibler, Robert W.
Stiff, Herbert L.
Stiller, Paul F.
Stinson, William O.
Stitelman, Martin
Stockton, Cecil G.
Stoddart, Richard S.
Stokely, Herbert A.
Stoll, Ralph W.
Stone, Robert L.
Stonhouse, John F.
Storey, William W.
Story, Roy K.
Stoudt, William E.
Streeter, Gregory F.
Strom, Edward K.
Stryker, Josiah D.
Stubbs, George R.
Stubbs, David W.
Stumcke, Frederick B., Jr.
Sturgill, Jack D.
Sturr, Henry D., Jr.
Sullens, Warren W.
Sullivan, Vincent E.
Sullivan, Donald K.
Summers, Carl R.
Surratt, Henry C., Jr.
Sutter, David F.
Sutton, Stephen P.
Sutton, Jack D.
Swain, John R.
Swanson, Royal R.
Swanson, Alasdair E.
Swarthwood, Willis M.
Swope, John P.
Sword, Curtis S., Jr.
Symons, Harry, Jr.
Taft, Denis J.
Tarquin, Donald C.
Task, Harold L.
Tate, John H., Jr.
Taylor, Philip H.
Taylor, Brent W.
Taylor, James T., Jr.
Taylor, Donald A.
Taylor, James R. C.
Tedder, James E.
Teneyck, Leonard G.
Tennet, Richard "E", Jr.
Tessler, Allan R.
Tevebaugh, Charles R.
Thacher, Eric F.
Theiss, Harold L.
Therrien, Leo E., Jr.
Thielman, John H.
Thies, John O.
Thomas, Kinnison H.
Thomas, Jack R.
Thomas, Robert H.
Thomas, Angus B.
Thompson, Robert H.
Thompson, Charles R.
Thompson, Thomas C.
Thrasher, Thomas N.
Thue, Howard M., Jr.
Tiedeman, Donald L.
Tierney, Thomas J.
Todaro, Fred M.
Top, Thomas W.
Tope, Joseph E.
Topping, Robert L.
Torick, Raymond M.
Townsend, Robert J.
Traylor, Robert C.
Triebes, Carl J., Jr.
Troolin, Leslie P.
Trout, Michael D.
Troutman, Fred G.
Troutman, Darrell C.
Truluck, Cecil M., Jr.
Trumbull, Thomas O.
Truslow, William A.
Trussell, William G.
Tucker, Paul C.
Tuft, Markham D.
Turecek, Karl J.
Turner, Danny W.
Turner, James W.
Turnquist, Donald E.
Uhlhorn, Walker S., Jr.
Upton, Joseph W., Jr.
Valberg, Jerome J.
VanDiver, Robert J.
VanHoose, James B.
VanLandingham, Richard D.
VanMoppes, Russell G.
VanPetten, Thomas L.
VanWyk, Garrett M.
Vargo, Henry G.
Vaughan, Robert R.
Veasey, Guy D.
Venable, Robert L.
Verner, Michael J.
Vick, John C.
Victor, Alfred E.
Viets, Henry G.
Vinson, John T.
Voegtlin, Robert E.
Voorhees, Philip V.
Wachter, Gary L.
Wade, Bernard D.
Wade, Fredric J.
Wagner, Norbert
Wales, Frederick L.
Walker, George E., Jr.
Wall, Robert M.
Walsh, Charles E.
Walstad, John O.
Walters, Robert L.
Walton, David M.
Walz, John W.
Wandell, John J., Jr.
Wareham, Harry B.
Wareham, John M., Jr.
Warren, Robert L.
Watkins, Robert M.
Watson, Ian M.
Way, John L.
Weaver, Robert E.
Weaver, Daniel C.
Webster, John D.
Webster, Stephen T.
Wedell, John A.
Wedemeyer, Richard A.
Weeks, Theodore G., Jr.
Weibly, Robert L.
Weidenbach, William H., Jr.
Weidner, George A.
Weigand, James G.
Weiner, David M.
Weisel, David R.
Weissburg, Jerry "S"
Weitfle, Paul L., Jr.
Welch, Larry J.
Welch, Stephen W.
Weller, Wallace L.
Weller, George A.
Welles, Bradford W.
Wells, Robert D.
Werner, Thomas A.
West, Ralph W., Jr.
West, William C., III
Westbrook, Dale A.
Westgate, Robert W.
Westphal, Kenneth A.
Whalen, James J.
Whalen, Henry F., Jr.
White, Clayton R.
White, Howard G.
White, Theodore C.
Whitehurst, William W., Jr.
Whiteman, Robert L.
Whiting, Clayton E. Jr.
Whitmire, Robert L.
Whitney, Clarence C.
Whitney, Richard P.
Whitten, Sherrill D.
Wiedemann, Franz, R.
Wiener, Thomas F.
Wigfield, Fred, III
Wightman, Carl A.
Wilburn, Donald L.
Wilcox, Bruce A.
Wilcox, Loren L.

SUPPLY CORPS

Artner, Robert O., Jr.
Austin, Walter I.
Baker, James H.
Barnes, John "E", III
Wilder, Wallace G.
Wilhelmy, Christopher B.
Wilkerson, Charles A.
Wilkinson, Alan C.
Wilkins, Merritt O., Jr.
Wille, Donald J.
Williams, George W.
Williams, Jack C.
Williams, James D.
Williams, James R.
Williams, John S.
Williams, Theodore M.
Williams, Wayne A.
Wills, Everette D.
Wills, George S.
Wilson, Dennis K.
Wilson, James S., Jr.
Wilson, Richard A.
Wilson, Richard J.
Wilson, Robert D.
Wineberg, William A., Jr.
Winn, Stewart D., Jr.
Wisniewsky, Richard L.
Withers, Robert W., IV
Withers, William Z.
Wolf, Walter F., Jr.
Wolfskill, Donald A.
Wolman, Martin
Wood, John H.
Wood, Leland E., Jr.
Wood, Samuel W.
Woodbury, Michael G.
Woodley, Richard P.
Woods, Daniel C.
Woods, Jess B., Jr.
Woods, Robert N., Jr.
Woodworth, Bruce M.
Woody, Melvin R.
Worden, Everett F.
Work, Phillip L.
Wray, James C.
Wright, David D.
Wright, David J.
Wright, James C.
Wright, Leo C.
Wright, Robert L.
Wright, Wilbur A.
Wulfhorst, Rex D.
Wylie, Kenneth E.
Wynne, Allen D.
Yarbrough, Charles R.
Yeager, Robert D.
Yoes, Ernest C.
Yost, Albert N.
Young, Delmar D.
Young, Richard G.
Young, Stephen G.
Young, William H.
Young, William K., Jr.
Zieber, Richard L.
Zimels, Peter R.
Zimmer, Harry J.
Zon, Ernest
Zorn, Nicholas D.
Zorn, Robert M., Jr.
Zwart, Ronald P.
Allen, Barbara L.
Armstrong, Jan V.
Bole, Barbara
Field, Grace L.
Fish, Paula G.
Handleman, Esther A.
Kelly, Barbara J.
Kraemer, Barbara J.
Lips, Martha N.
Mooney, Kathryn M.
Roan, Berntelle
Rust, Peggy J.
Satow, Hiroko
Underwood, Shirley J.
Walters, Angalena F.

Bell, Thomas A.
Bernatz, Gregory D.
Bernes, Donald B.
Bero, Ronald A.
Berry, Harold E.
Blackford, John H.
Bowne, Charles J., Jr.
Boylan, Charles T.
Brayshaw, Robert A.
Brooks, Charles H., Jr.
Brown, George C.
Brown, James W.
Brunker, Rodney E.
Bryant, Robert P.
Burden, David G.
Calhoun, Richard W.
Campbell, Charles O.
Carestia, Ralph J.
Cejka, Joseph L.
Chase, Thane "B"
Clarkson, James S.
Conlee, Cecil D.
Coogan, Timothy P.
Cooper, Jackie R.
Craft, Thomas G.
Craig, Alan M.
Crane, David D.
Davies, Robert N.
Degroft, Walter J., Jr.
Denny, James L.
Drake, Claude H.
Draughon, Ralph B., Jr.
Drury, William R.
Dunn, Bernard A.
Early, William B.
Ebey, John R.
Edmondson, Jay F.
Eye, Charles C.
Flanagan, Patrick F.
Forster, Jerald R.
Fry, Frederick R.
Furan, Duane L.
Gillingham, Roger D.
Gord, Stuart K.
Gray, Lloyd C.
Halliday, John M.
Hanna, Charles V.
Hanna, Robert M.
Hanson, Allan H.
Harrell, Samuel R.
Harris, Harland D., III
Hartlieb, Daniel G.
Harvey, Thomas G., Jr.
Hatchett, John W.
Hazlett, Harry L.
Hicks, Chesley M., Jr.
Hiller, Richard J.
Hirsch, William A.
Hogan, Richard C.
Holt, Robert C.
Hoopes, Ronald G.
Huth, Carl F., Jr.
Jackson, Edward M.
Jaecques, Raymond C.
Johnson, Omer L.
Jones, William G.
Kaplan, Sumner H.
Keith, Bobby P.
Kennard, John T.
Kocan, Edward L.
Leslie, Rodney M.
Lewis, John E.
Livingston, Kenneth E.
Lombard, Graydon F.
Lord, Charles W.
Louis, Fred, III
Lucas, Duane B.
Malcewicz, Paul F.
Mangels, Robert H.
Marbain, Max D.
Masters, Edward R.
Maxwell, John R.
Mayer, Raymond W.
McGee, William A.
McLaughlin, George H., II
McLees, William L.
McNall, Phillip F.
Montgomery, Samuel S.
Morrow, Lawrence D.
Mulholland, Moston R., Jr.
Nicholson, John P.
Oberhofer, Andrew O., Jr.
O'Brien, Richard S.
Olson, Engwall, A., III
Olson, George A.
Palmer, John D
Paris, Homer E, III
Patterson, James F
Pollard, James O.
Powell, Hal B.
Powers, Richard F.
Redding, William H., Jr.
Rice, Otto C.
Risinger, Robert E.
Robertson, Robert H., Jr.
Rock, Peter
Rogers, William J., Jr.
Schachner, Edmund D. M.
Schwarz, John H., Jr.
Shackleton, Robert J., Jr.
Sievers, Louis A., Jr.
Smallwood, Mark S.
Smiley, Glen F.
Snodgrass, Clifton R.
Snyder, Alfred G.
Spence, George G., Jr.
Stahl, Robert L.
St. Laurent, Georges C., Jr.
Street, Edward L.
Sturms, Herschel T., Jr.
Stutts, Jack H.
Sveen, Gerald E.
Talley, James L.
Thackston, George W., Jr.
Tierney, James G.
Upton, Thomas H., Jr.
Varnum, Ralph W.
Walther, Harrison N.
Wardrup, Leo C., Jr.
Warren, David G.
Watson, Junior J.
Webb, Robert D.
Webber, Craig R.
Welter, Miles B.
Welzbacker, Peter J.
Werbel, Samuel G.
West, Jay F.
Weston, Daniel R.
Wheeler, Hugh H.
Willett, Roy
Willig, Robert M.
Willingham, David G.
Wilson, James, Jr.
Winn, Frank N.
Wolff, Norman D.
Wulfkuhle, John H.
Wyatt, John M.
Young, Donald S., II

CIVIL ENGINEER CORPS

Alexander, Robert E.
Bednar, George J.
Biondo, Donald J.
Bodamer, James E.
Boennighausen, Thomas L.
Boyer, William M.
Bruen, Walter P., Jr.
Caldwell, Roger R.
Calvert, Glenn S., Jr.
Caughman, James B., Jr.
Cervenka, Norman L.
Collett, David K.
Dallam, Michael M.
Dozier, Herbert L., Jr.
Enyedy, Joseph M., II
Fabianic, William S.
Fort, Arthur W.
Fuligni, Dante
Gilmore, Gordon R.
Hamel, John O.
Harwell, Thomas W.
Haymaker, Robert L.
Kaiser, Edward J.
Kelley, Frederick G.
Kirkley, Owen M.
Knox, Kenneth B.
Kohler, Arthur D., Jr.
Kriebel, William V.
Kroll, Lawrence S.
Lowery, Richard A.
Lutz, Donald F.
Marshall, Jimmie G.
Mattox, Thomas B.
Mills, Frederick Z.
Misch, Franz, H.
Montoya, Benjamin F.
Moody, Thomas W.
Olson, William A.
Osterhoff, James M.
Peltier, Eugene J.
Podbielski, Victor
Riley, James L.
Scrabis, Joseph R.
Sherbrook, Michael V.
Simmons, William A., Jr.
Smythe, Arnold R., Jr.
Soukup, Charles L.
Steadley, Alfred M., Jr.
Suelter, Leonard G.
Thoureen, Thomas H.
Updegrove, Loyal R.
Walter, John A.
Williams, James A.
Wilson, James L., III
Wolf, Frederick H.
Worley, Robert F.
Wudtke, Donald E.

MEDICAL SERVICE CORPS

Anderson, Walter C.
Angelo, Lewis E.
Baker, George F., Jr.
Bender, Allen E.
Brown, Charles R.
Bullard, Henry B.
Cannady, John W., Jr.
Celeste, Vincent J.
Chipman, Albion P.
Comfort, Gerald G., Sr.
Corder, James E.
Crodick, William J.
DeWitt, James E.
Elfstrom, Berger R., Jr.
Fanning, Graydon E.
Ginn, Robert W.
Hodges, Richard C.
Holliday, James P., Jr.
Hussey, Theodore A.
Keller, Eugene R.
King, William U.
Kovarik, Clifford V.
Lakey, Dean E.
Law, Malcolm K.
Livingston, Donald K.
Madison, Howard D.
McIntyre, Max N.
McNair, Harold E.
Mulvey, Joseph R.
Owen, Ivan B.
Perry, Vernon P.
Redding, Francis J.
Richards, William E., Jr.
Scott, Floyd C., Jr.
Shedlosky, Albert F.
Smith, Fred E.
Smith, Robert W.
Spurgeon, Troy L.
Ustick, Leo A.
Waters, Carl "R"

The following-named (Army Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

David T. Stone

The following-named (U.S. Air Force Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

James A. Cassidy, Jr.
William M. Gibbons
Neal T. Rountree

The following-named (U.S. Military Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefore as provided by law:

Gene A. Adams, Jr.
James R. Corcoran
Kim E. Fox
Brendan M. Greeley, Jr.
Frank L. Heikkila

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Bryan K. Allen
Donald L. Bernath
Patrick A. Connors
Carl A. Koellner
Luther P. Stroud, Jr.
Peter D. Winer

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Claiborne H. Brown
Wesley J. Chowen
Frederick A. McCaughan
Charles L. Meadows
James T. Owen, Jr.
Robert L. Vertrees

The following-named (from the temporary disability retired list) for permanent appointment to the grade of major in the Marine Corps, subject to the qualifications therefor as provided by law:

Hector G. Risigari-Gal, Jr.

The following-named (Naval Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Joseph J. Allegretti
Carl R. Bledsoe
Andre R. Brousseau III
Arthur H. Butler
John A. Butler III
Frank Butsko
William R. Campbell, Jr.
Sterling K. Coates
Frank Dattilo III
Charles E. Davis
Dale "D" Dean
Nelson C. De Partee
Harry L. Dietz
Clifford R. Dunning
Donald L. Evans
John M. Everage
William W. Fitts, Jr.
Jackie R. Gardner
Darrel E. Gonyea
James A. Hart
Wilton H. Hyde, Jr.
Gene F. Johnson
Alfred R. Joyner
Richard J. Kievit
Henry Kolakowski, Jr.
Bruce E. Krueger
James M. Laster
John Lecornu
Frederick E. Lewis
Melvin H. Long
Joseph C. Maiden, Jr.
Joseph W. Marshall III
Willard D. Marshall
John M. Mattiace
Stephen M. Mayian
Andrew G. McFadden, Jr.
Gerald M. Meneskie
John C. Morris, Jr.
Donald J. Myers
John R. O'Connor
Edward A. Oleata
Robert R. O'Neil
Robert O. Pelott.
John L. Prichard
William M. Rakow, Jr.
Richard B. Rothwell
Justin M. Ryan
Bruce L. Shapiro
John J. Sheahan
Arnold R. Swart
Roy T. Talcott
William H. Trice, Jr.
Amilcar Vazquez
Sam T. Walter, Jr.
Malcolm W. Wehrung
William H. White
Paul C. Winn
Ralph A. Zimmerman
David R. Zittel

The following-named officers for temporary appointment to the grade of first lieutenant, in the Marine Corps, subject to the qualifications therefor as provided by law:

Edwin Bean
Theodore L. Gatchel
Larie W. Holmes
Arthur L. Houston
Neil R. Lincoln
Anthony J. McCarty
John R. Puckett

CONFIRMATIONS

Executive nominations confirmed by the Senate April 24, 1961:

PUBLIC HOUSING COMMISSIONER

Mrs. Marie C. McGuire, of Texas, to be Public Housing Commissioner.

U.S. ATTORNEY

David C. Acheson, of the District of Columbia, to be U.S. attorney for the District of Columbia for a term of 4 years.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 24, 1961

The House met at 12 o'clock noon.

Rev. Alex Porteus, Newburgh, N.Y., offered the following prayer:

Blessed is that nation whose God is the Lord.

I will lift up mine eyes unto the hills from whence cometh my help. My help cometh from the Lord.

We bow in silent recognition of this fact, thanking God for providing us with strength and wisdom. We are, indeed, grateful for this body of men and women who are giving themselves in the service of this Nation and world.

We pray especially for our President; may he and those around him in places of power be guided by Thy wisdom.