

we have respected his right to be extreme. But, Mr. Speaker, I submit that there are limits to intemperance on this or any other matter; and in this instance, the gentleman from Iowa, in my opinion, is exceeding those limits. In so

doing he has not only impugned the good people of my State and the South, and the Members of this body, but has also done a disservice to the people of his own great State of Iowa—whose Governor recently publicly stated that the

views of Mr. JENSEN did not represent the views of the people and citizens of Iowa. Tirades and extremism and attacks on our American institutions must be answered and stopped in the interest of preserving America.

## SENATE

WEDNESDAY, AUGUST 12, 1959

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

O God, who in all the terror and tension of these convulsive days art sifting out the souls of men before Thy judgment seat, strip us, we pray, of our boastful illusions. Let the chastisements of Thy broken laws be our teachers. Open our eyes to the evils among us that we so readily condemn in others.

Let Thy enabling blessing rest upon all who here labor with true purpose of heart for the purification of public life, for the removal of all practices that betray and deny the democracy we profess, and whose zeal is the spread of the gospel of good will to which there are no frontiers.

May we be mastered by that love, akin to Thine, which seeketh not its own, which endureth all things, and never faileth.

So may the thoughts of our minds, the motives shaping our deeds, the words which pass our lips, and the meditations of our hearts, be this day, and always, acceptable in Thy sight, O Lord, our strength and our redeemer. Amen.

### DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, D.C., August 12, 1959.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FRANK CHURCH, a Senator from the State of Idaho, to perform the duties of the Chair during my absence.

CARL HAYDEN,  
President pro tempore.

Mr. CHURCH thereupon took the Chair as Acting President pro tempore.

### THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, August 11, 1959, was dispensed with.

### 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 the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 554. An act for the relief of Argyrios G. Georgandopoulos; and  
S. 967. An act for the relief of Lea Levi.

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

H.R. 1665. An act for the relief of Mrs. Vassiliki P. Theodorou;  
H.R. 1695. An act for the relief of Lt. Col. Francis E. Resta;  
H.R. 2946. An act for the relief of Cecil E. Finley;  
H.R. 3801. An act for the relief of Harry and Lily Stopnitsky;  
H.R. 5530. An act for the relief of Lella Bernstorff Grauert;  
H.R. 5645. An act for the relief of Christopher J. Mulligan;  
H.R. 6886. An act for the relief of Lilliana Caprara; and  
H.R. 6954. An act for the relief of Frol Martin Simonov.

### HOUSE BILLS REFERRED

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

H.R. 1665. An act for the relief of Mrs. Vassiliki P. Theodorou;  
H.R. 2946. An act for the relief of Cecil E. Finley;  
H.R. 3801. An act for the relief of Harry and Lily Stopnitsky;  
H.R. 5530. An act for the relief of Lella Bernstorff Grauert;  
H.R. 5645. An act for the relief of Christopher J. Mulligan;  
H.R. 6886. An act for the relief of Lilliana Caprara; and  
H.R. 6954. An act for the relief of Frol Martin Simonov; to the Committee on the Judiciary.  
H.R. 1695. An act for the relief of Lt. Col. Francis E. Resta; to the Committee on Armed Services.

### COMMITTEE MEETINGS DURING SENATE SESSIONS

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Foreign Relations Committee; the Committee on Agriculture and Forestry; the Subcommittee on Antitrust and Monopoly, of the Committee on the Judiciary; and the Committee on the District of Columbia, were authorized to meet during the session of the Senate today.

### LIMITATION OF DEBATE DURING MORNING HOUR

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

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

### EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to

the consideration of executive business, to consider the nominations on the Executive Calendar.

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

### CHANGE OF REFERENCE OF NOMINATION

Mr. FULBRIGHT. Mr. President, on July 28, 1959, there was referred to the Committee on Banking and Currency the nomination of Frank A. Southard, Jr., of New York, to be U.S. Executive Director of the International Monetary Fund for a term of 2 years.

Earlier this year the Committee on Foreign Relations asserted its jurisdiction under the rule over legislation dealing with the International Monetary Fund.

It seems proper that that committee should also consider the nominations of U.S. officials of the Fund.

I, therefore, ask unanimous consent that the Committee on Banking and Currency be discharged from further consideration of this nomination and that it be referred to the Committee on Foreign Relations.

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

If there be no reports of committees, the nominations on the calendar will be stated.

### ATOMIC ENERGY COMMISSION

The Chief Clerk read the nomination of John H. Williams, of Minnesota, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 20, 1961.

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

### DEPARTMENT OF STATE

The Chief Clerk read the nomination of Robert D. Murphy, of Wisconsin, to be Under Secretary of State for Political Affairs.

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

The Chief Clerk read the nomination of Livingston T. Merchant, of the District of Columbia, to be Deputy Under Secretary of State.

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

### DIPLOMATIC SERVICE

The Chief Clerk read the nomination of Elbert G. Mathews, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

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

#### U.S. DISTRICT JUDGES

The Chief Clerk read the nomination of John A. Field, Jr., of West Virginia, to be U.S. district judge for the southern district of West Virginia.

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

The Chief Clerk read the nomination of Ted Dalton, of Virginia, to be U.S. district judge for the western district of Virginia.

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

#### U.S. PATENT OFFICE

The Chief Clerk proceeded to read sundry nominations in the U.S. Patent Office.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that these nominations be considered en bloc.

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

#### INDIAN CLAIMS COMMISSION

The Chief Clerk read the nomination of Arthur V. Watkins, of Utah, to be an Associate Commissioner of the Indian Claims Commission.

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

#### ROUTINE FOREIGN SERVICE NOMINATIONS

The Chief Clerk proceeded to read sundry routine Foreign Service nominations.

Mr. JOHNSON of Texas. I ask unanimous consent that these nominations be considered en bloc.

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

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

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

#### LEGISLATIVE SESSION

Mr. JOHNSON of Texas. 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.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD of Virginia, from the Committee on Finance, without amendment:

H.R. 2405. An act to amend section 101 of title 38, United States Code, to provide that

a child shall be deemed to be the adopted child of a veteran where the child was a member of the veteran's household and is adopted by the spouse of the veteran within 2 years of the veteran's death (Rept. No. 667).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

H.R. 4328. An act to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes (Rept. No. 673).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with amendments:

S. 1105. A bill to improve the land tenure patterns on the Fort Belknap Reservation (Rept. No. 670).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 2188. An act to set aside certain lands in Washington for Indians of the Quinault Tribe (Rept. No. 669).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2268. A bill to declare that the United States holds title to certain land in trust for the White Mountain Apache Tribe, Arizona (Rept. No. 671).

By Mr. ALLOTT, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2435. A bill to provide that certain funds in the Treasury of the United States to the credit of the Confederated Bands of Ute Indians be transferred to the credit of the Ute Mountain Tribe of the Ute Mountain Reservation, Colo. (Rept. No. 672).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

H.R. 6378. An act to authorize the American Society of International Law to use certain real estate in the District of Columbia as the national headquarters of such society (Rept. No. 681).

By Mr. BEALL, from the Committee on the District of Columbia, with amendments:

S. 1966. A bill to provide for the licensing of public insurance adjusters in the District of Columbia (Rept. No. 682);

H.R. 2317. An act to amend section 7 of "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, so as to provide for the bonding of persons licensed to engage in a business, trade, profession, or calling involving the collection of money for others (Rept. No. 683); and

H.R. 2318. An act to provide for the regulation of closing-out and fire sales in the District of Columbia (Rept. No. 684).

By Mr. HARTKE, from the Committee on the District of Columbia, without amendment:

H.R. 7907. An act to amend the act entitled "An act to incorporate St. Ann's Infant Asylum, in the District of Columbia," approved March 3, 1863, as amended (Rept. No. 676);

H.R. 8225. An act to amend the Uniform Narcotic Drug Act of the District of Columbia, as amended, to permit paregoric to be dispensed by oral as well as written prescription (Rept. No. 674); and

H.R. 8527. An act to exempt certain pension and other employee trusts from the laws of the District of Columbia relating to perpetuities, restraints on alienation, and accumulation of income (Rept. No. 675).

By Mr. HARTKE, from the Committee on the District of Columbia, with amendments:

S. 1372. A bill to extend the jurisdiction of the domestic relations branch of the municipal court for the District of Colum-

bia to cover the adjudication of the interests of husband and wife in personal and real property in the District of Columbia (Rept. No. 680);

S. 2035. A bill authorizing persons maintaining or defending actions in the District of Columbia on behalf of a minor to give releases of liability, and requiring persons receiving money or property in settlement of such actions or in satisfaction of a judgment in any such action to be appointed as guardian of the estate of such minor (Rept. No. 679);

H.R. 303. An act to provide for the conveyance of certain real property in the District of Columbia to the Association of the Oldest Inhabitants of the District of Columbia (Rept. No. 678); and

H.R. 4192. An act to prohibit the examination in District of Columbia courts of any minister of religion in connection with communications made by or to him in his professional capacity, without the consent of the parties to such communications (Rept. No. 677).

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

S. 1973. A bill to extend the validity of the passport to 3 years (Rept. No. 685).

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

S. 2065. A bill to amend Public Law 85-880, and for other purposes (Rept. No. 686).

By Mr. PASTORE, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 1734. A bill to amend section 409(c) of the Communications Act of 1934, as amended, with respect to presentations in any case of adjudication which has been designated for a hearing by the Federal Communications Commission (Rept. No. 687);

S. 1735. A bill to repeal the honorarium provision in subsection (b) of section 4 of the Communications Act of 1934, as amended (Rept. No. 693);

S. 1736. A bill to amend the Communications Act of 1934, as amended, by eliminating the requirement of an oath or affirmation on certain documents filed with the Federal Communications Commission (Rept. No. 688);

S. 1738. A bill to amend section 5(c) of the Communications Act of 1934, as amended, to redefine the duties and functions of the review staff (Rept. No. 689); and

S. 1740. A bill to amend section 202(b) of the Communications Act of 1934, in order to expand the Federal Communications Commission's regulatory authority under such section (Rept. No. 691).

By Mr. PASTORE, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 1737. A bill to authorize the imposition of forfeitures for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special fields (Rept. No. 689).

By Mr. PASTORE, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1898. A bill to amend the Communications Act of 1934 with respect to the procedure in obtaining a license and for re-hearings under such act (Rept. No. 690).

#### VETERANS' PENSION ACT OF 1959—REPORT OF A COMMITTEE—MINORITY VIEWS

Mr. BYRD of Virginia. Mr. President, from the Committee on Finance, I report favorably, with amendments, the bill (H.R. 7650) to modify the pension programs for veterans of World War I, World War II, and the Korean conflict, and their widows and children, and I

submit a report (No. 666) thereon. I ask unanimous consent that the report may be printed, together with minority views.

The ACTING PRESIDENT pro tempore. The report will be received and the bill will be placed on the calendar; and, without objection, the report will be printed, as requested by the Senator from Virginia.

#### BILLS INTRODUCED

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

By Mr. NEUBERGER:

S. 2525. A bill to establish in the Public Health Service a National Poliomyelitis Vaccine Bank; to the Committee on Labor and Public Welfare.

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

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

S. 2526. A bill prescribing minimum and maximum operation level of Flathead Lake, Mont.; to the Committee on Interior and Insular Affairs.

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

By Mr. CLARK:

S. 2527. A bill to amend the Internal Revenue Code of 1954 in order to eliminate preferential treatment with respect to certain categories of taxpayers, and for other purposes; to the Committee on Finance.

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

By Mr. KEATING:

S. 2528. A bill for the relief of John Lipset; and

S. 2529. A bill for the relief of Sultana Mosatche; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2530. A bill for the relief of Irmgard Maria Keck Mahoney; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 2531. A bill to authorize the San Benito International Bridge Co. to construct, maintain, and operate a toll bridge across the Rio Grande near Los Indios, Tex.; to the Committee on Foreign Relations.

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

By Mr. DODD:

S. 2532. A bill for the relief of Margherita Pino; and

S. 2533. A bill for the relief of Mari Rose A. M. Dinha; to the Committee on the Judiciary.

By Mr. WILLIAMS of New Jersey:

S. 2534. A bill for the relief of Stanley Alexander Yhap and Joycelyn Patricia Wooming Yhap; to the Committee on the Judiciary.

By Mr. HART:

S. 2535. A bill to establish an agency of the legislative branch of the Federal Government authorized to conduct the election of Members of the Senate and the House of Representatives; to the Committee on Rules and Administration.

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

#### AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—CHANGES IN ENROLLMENT OF BILL

Mr. EASTLAND. Mr. President, I submit a concurrent resolution, and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 71) was read, as follows:

*Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate be, and he is hereby, authorized and directed, in the enrollment of the bill (S. 1719) for the relief of Lushmon S. Grewal, Jeat S. Grewal, Gurmale S. Grewal, and Tahl S. Grewal, to make the following changes, namely: On page 1, in line 4, strike the word "Naturalization" and insert in lieu thereof the word "Nationality" and on page 2, in line 2, strike the word "Naturalization" and insert in lieu thereof the word "Nationality."*

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

#### RESOLUTIONS

Mr. SYMINGTON, from the Committee on Agriculture and Forestry, reported an original resolution (S. Res. 161) increasing the limit of expenditures for the Committee on Agriculture and Forestry, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when reported by Mr. SYMINGTON, which appears under the heading "Reports of Committees.")

Mr. KERR (for himself, Mr. BENNETT, Mr. MURRAY, Mr. ENGLE, Mr. BIBLE, Mr. MOSS, Mr. CANNON, Mr. YARBOROUGH, Mr. MAGNUSON, Mr. CARROLL, Mr. MANSFIELD, Mr. GRUENING, Mr. BARTLETT, and Mr. ANDERSON) submitted a resolution (S. Res. 162) requesting the U.S. Tariff Commission to make an additional investigation under section 332 of the Tariff Act of 1930 of the domestic lead and zinc industries, which was referred to the Committee on Finance.

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

#### SALK VACCINE BANK WOULD AID EXTENSION OF POLIO PROTECTION

Mr. NEUBERGER. Mr. President, many sections of the United States are currently experiencing unusually high levels of polio incidence. A dozen States report near epidemic rates in particular areas.

My own State of Oregon is among those suffering from a polio siege. Dr. Harold Erickson, State health officer, reports that Oregon has recorded more fatal cases of polio, more paralytic cases, and more evidence of the presence of the highly dangerous type I polio virus during the past 17 weeks than in any other similar period over the past 3 years.

Oregon's polio situation is not likely to improve soon—

Dr. Erickson states—

because too few of the State's residents have obtained Salk vaccination to prevent an epidemic, the State's supply of vaccine is nearly exhausted, and the limited amounts of new

vaccine coming on the market are being channeled to States which have been more severely hit by the disease.

While Oregon polio incidence has not reached epidemic levels so far in 1959, there are indications suggesting that incidence could reach epidemic levels within the next few weeks—

Dr. Erickson asserts.

Dr. Erickson has asked the Public Health Service to aid in obtaining needed vaccine. However, the Public Health Service has no vaccine supply of its own, and can only ask manufacturers to allocate available quantities to epidemic areas. Since Oregon has not been given this status, it may be 2 or 3 weeks before new vaccine is available in my State.

Principal reason for the existence of this situation in Oregon—and other States—is national reliance on private producers to feed into the market appropriate quantities of vaccine. Unfortunately, the system is not adequate. The reason is simple.

#### SALK VACCINE IN SHORT SUPPLY

Salk vaccine has an effective life of about 6 months when stored in vials. At the end of that period it must be retested or destroyed. Retesting is not commercially feasible due to cost.

In 1958, drug manufacturers overstocked the vaccine. A total of 11,024,000 units of outdated vaccine were destroyed. Manufacturers did not wish to make the same mistake again in 1959. Today in the current crisis there is a severe shortage of vaccine. While increased danger of contracting polio in epidemic areas has stimulated many to seek Salk shots, communities are canceling scheduled polio clinics because of lack of vaccine.

Mr. President, there is little we can do in connection with current epidemics but hope that supply soon catches up with demand in order that all who wish to be vaccinated may have that opportunity.

But Congress can and should do something to prevent a recurrence of this situation, and I introduce proposed legislation today to aid in achieving this aim.

My bill would create in the Public Health Service a Salk vaccine bank.

Under the provisions of the legislation I propose, the Public Health Service would be authorized to purchase Salk vaccine from private manufacturers and store it in appropriate commercial or Government facilities. States which required additional vaccine, but were unable to obtain it from drug companies, could request a vaccine loan to aid in dealing with the emergency situation. When demand for the vaccine lessened, the bank's depleted resources would be restored by purchase of new vaccine from funds paid by the States to cover cost of the units utilized during the shortage.

#### WHY RISK THE LIVES OF AMERICAN CHILDREN?

The effect of this system would be to provide a cushion so that sudden runs would not result in critical lack of vaccine. It would insure that more individuals become vaccinated, since the greatest incentive to take this action occurs in times when the disease is most

prevalent and the vaccine in shortest supply.

Mr. President, in 1955, when the Salk vaccine first became available, I urged establishment of a Federal allocation program to insure orderly distribution of the vaccine in the best interests of the Nation's health. At that time I pointed out the success of the Canadian Government in developing a comprehensive national program which foresaw the demand for the vaccine and sought to guarantee that immunizing inoculations were made available to all at prices all could pay. However, the Government purchase plan adopted by Canada, which allowed the orderly handling of this problem, was not utilized in this country.

It is too late now to alter the basic pattern set in 1955. But we should take any action which will aid in increasing the efficiency of the present operation.

It is in the best interests of all of us that every citizen in this country be protected against polio. I think my suggestion would help us reach that goal a little more quickly.

Mr. President, I ask that the bill be received and appropriately referred.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2525) to establish in the Public Health Service a national poliomyelitis vaccine bank, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

#### FLATHEAD LAKE, MONT.

Mr. MURRAY. Mr. President, on behalf of my distinguished colleague, the junior Senator from Montana [Mr. MANSFIELD] and myself, I introduce a bill for appropriate reference. The bill prescribes minimum and maximum operation levels for Flathead Lake, Mont. It is very important to the residents on that lake.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2526) prescribing minimum and maximum operation level of Flathead Lake, Mont., introduced by Mr. MURRAY for himself and Mr. MANSFIELD, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

Mr. MANSFIELD. Mr. President, in western Montana we have what I consider to be the finest and most beautiful natural fresh water lake on the North American Continent, Flathead Lake.

This lake is one of the scenic wonders of the West, it abounds with recreation potential. It is a sportsman's paradise. Along its shores you will find homes and summer cottages that are comparable to those anywhere in the Nation. Flathead Lake is the heart of a fertile valley. This lake also plays an extremely important role in the generation of power and control of floodwaters in the Northwest, as my distinguished senior colleague from Montana [Mr. MURRAY] and I know from personal, firsthand knowledge.

Periodically, since 1943, proposals are advanced which would alter the water

level of this lake and suddenly local opposition develops with a firmness seldom found in a group of people with varied interests. This opposition is not without cause. If the level of the lake rises, it floods hundreds of homes and valuable property. If the lake is allowed to fall below a reasonable level the shoreline becomes an unsightly mud flat.

At the present time the surface level of Flathead Lake is maintained between a maximum elevation of 2,893 feet and a minimum elevation of 2,883 feet. This limitation is prescribed in the Federal Power Commission license for Kerr Dam.

My distinguished senior colleague, the chairman of the Senate Interior and Insular Affairs Committee [Mr. MURRAY], my distinguished and able colleague in the House, Representative LEE METCALF, and I have introduced today proposed legislation which would make the maintenance of these maximum and minimum water levels on the lake a Federal statute, applicable to all plans and proposals which are dependent on the use of the waters from Flathead Lake.

Flathead Lake has a tremendous role to play in the development of western Montana and this can be done without adversely affecting the water level of the lake. If not, then we shall oppose vigorously any plan to tamper with one of Montana's greatest natural resources. In doing so, we are holding fast to the policy which has motivated our thinking on this particular matter and in which we have been personally interested, since 1943.

Mr. President, I ask unanimous consent that the bill may be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

*Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That in the operation of Kerr Dam, and in the operation of the Flathead Lake Channel improvement project, if authorized and constructed, the surface level of Flathead Lake, Montana, shall at no time be raised above the elevation of 2,893 feet nor permitted to fall below the elevation of 2,883 feet as prescribed by the Federal Power Commission license for Kerr Dam.*

#### ELIMINATION OF PREFERENTIAL TREATMENT WITH RESPECT TO CERTAIN CATEGORIES OF TAXPAYERS

Mr. CLARK. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code to require that gains from transfer of depreciable property used in trade or business and certain other types of property be taxed at ordinary income rates rather than at reduced capital gains rates not exceeding 25 percent.

It has been said, and I concur, that the capital gains subchapter of the code "has become one of the most impressive loopholes in the Federal revenue structure"—Joint Committee print, "The Federal Revenue System: Facts and Problems 1959," page 62.

Low capital gains rates are applicable, of course, only to income from transfers of capital assets. One of the chief reasons why the capital gains subchapter has become a tax-dodge refuge is to be found in the exceptions created by Congress to broaden the code definition of "capital asset."

Section 1221 of the code defines "capital asset" as follows:

The term "capital asset" means property held by the taxpayer (whether or not connected with his trade or business), but does not include (1) stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business; (2) property, used in his trade or business, of a character which is subject to the allowance for depreciation provided in section 167, or real property used in his trade or business;

The definition of "capital assets" underwent many legislative changes since Congress introduced the concept into the tax structure in the Revenue Act of 1921. Since the 1930's, however, the definition has been in substantially the same form as indicated above, that is, a sweeping inclusion of "property held by the taxpayer" and broad exclusions of large categories of property from which income is derived which could be regarded as the everyday profits of the business and commercial world.

The purpose of the exclusions and their application to the obvious situations are relatively clear; the normal receipts of the corner grocery store, the big city department store, and of the large manufacturing concerns are ordinary income even though they arise from the sale of "property." But a sale of stock on a stock exchange by the average investor, a sale of a parcel of undeveloped land purchased as an investment, or a sale of residence give rise to capital gain.

Many of the exceptions to the general definition of "capital asset" which have been created over the years by Congress are contained in section 1231 of the code. It is this section which would be amended by this bill to repeal provisions which have stretched the general definition of "capital asset" to include five types of property which were not originally considered to be capital assets.

Perhaps the largest loophole in the entire capital gains area involves the tax treatment as capital gains of depreciable personal property. As noted above, the general definition of capital asset expressly excludes depreciable property used in trade or business, and one would assume that gains realized from sale of such property would be taxed as ordinary income. This was the case until 1942. In the Revenue Act of that year, however, Congress legislated that gains realized from sale of depreciable property held for more than 6 months were to be treated as capital gains, although losses were to continue to be treated as ordinary losses. The justification for this change in the law was that treatment of gains from transfer of depreciable property as ordinary income had

"seriously adverse effect on replacement practices"—Joint Committee print, "The Federal Revenue System: Facts and Problems, 1959," page 47. This provision of the 1942 law is now contained in section 1231 of the 1954 code which asserts that "recognized gains on sales and exchanges of property used in trade or business held for more than 6 months into other property or money, shall be considered as gains from sales or exchanges of capital assets."

The new methods for claiming depreciation approved in the 1954 code, permitting the writeoff of about two-thirds of the cost of the property instead of 50 percent of the cost as previously provided, eliminated the major force of argument advanced earlier for extending capital gains treatment to income from transfer of depreciable personal property to encourage "replacement practices." In other words, replacement of property at low tax cost was given an enormous stimulus by the new liberal methods of claiming depreciation permitted in the 1954 code.

Commerce Department statistics show the spectacular rise in depreciation claims since the 1954 code went into effect. From a record high in 1953 of \$11.8 billion, the volume of depreciation deductions almost doubled to reach \$31.5 billion in 1958. Whereas depreciation was the source of only 30 percent of the funds spent by corporations for new capital goods and replacements in 1947, it was the source of 67 percent of all capital spending by corporations in 1958. A recent business survey by the McGraw-Hill Co. indicates that depreciation will continue to supply a greater volume of the funds needed for new plants and equipment for at least the next 4 years and that by 1962 the total will total \$26 billion and depreciation will be the source of 79 percent of all capital spending.

Thus it can be seen that businessmen have found a reliable source of funds to use in financing replacement of used plant and equipment in fast writeoff depreciation deductions. To put on top of this the added incentive of permitting capital gains treatment of income from sale of depreciable property would no longer seem to be justified.

My amendment would tax such income at ordinary income rates. This should not have an appreciable effect on current replacement practices but it should substantially increase tax receipts.

#### PERIPHERAL ITEMS

Capital gains treatment has also been extended by Congress in recent years to cover income from a number of peripheral items which cannot properly be considered as "capital assets" in the normal sense of the term.

Thus in the Revenue Act of 1943, capital gains treatment was extended to income from cutting or disposal of timber which had previously been taxed at ordinary income rates.

In the Revenue Act of 1951, the same preferential treatment was permitted for income from sale of livestock held for

more than 12 months which had previously been taxed at ordinary income rates.

In the same act, receipts from unharvested crops and coal royalties were held to be capital gains although both types of income had been subject to ordinary income rates until 1951.

My bill would prohibit preferential treatment of income from these peripheral items as capital gains and subject such income to ordinary income tax rates as was the case until these special privilege sections were written into the code.

I realize, Mr. President, that this bill would not completely rationalize the capital asset definition in the code. Ideally, perhaps, preferential treatment under the capital gains provision would be confined to income realized on the sale or exchange of assets such as corporate securities held over a substantial period of time where depreciation does not enter the picture. Other types of income currently receiving capital gains treatment, such as those representing compensation for personal services—distribution from retirement plans, stock options, patent royalties—anticipation of future income—in oil payments, life interests in estates—as well as gains from transactions involving inventory type assets—which are the subject of this amendment—should perhaps be taxed as ordinary income—Stanley S. Surrey, "Definitional Problems in Capital Gains Taxation," Harvard Law Review, April 1956.

However, the extensive rewriting of the code required to rationalize the capital gains laws to rule out preferred treatment of income from assets which are not true capital assets is obviously beyond the staff capabilities of any one Senator. I commend the capital gains area though, for the careful consideration of both the Treasury and the Mills committee next November when it undertakes a comprehensive review of the entire tax structure.

The regressive nature of the capital gains tax alone should compel a

thoroughgoing review of the capital gains provision in the code.

An individual taxpayer may deduct 50 percent of a long-term capital gain so that only one-half of the gain is subject to tax. Further, if the rate of tax applicable to the remaining gain exceeds 50 percent—a point reached at \$18,000 of income for a single person and \$36,000 for a married person—no further tax is to be paid on the gain. Put differently, the entire capital gain is subject to a maximum rate of 25 percent, regardless of the total income of the taxpayer.

Statistics culled from the IRS publication of "Individual Income Tax Returns for 1956" indicate which taxpayers are benefiting and to what extent from present capital gains laws. More than 80 percent of the returns filed for 1956 showing adjusted gross income in excess of \$200,000 reported capital gains and the average amount of tax saved on each of these returns because of claims of reduced capital gains rates was substantially in excess of \$100,000. In fact, 81 percent of the returns showing adjusted gross income in excess of a million dollars reported capital gains, and the average tax saved by application of the reduced capital gains rates amount to \$1.4 million per return. At the other end of the economic ladder only 2.4 percent of the returns filed for 1956 indicate adjusted gross income of less than \$3,000 reported any capital gains and the average amount of tax saved by the reduced capital gains rate on those returns was \$81 per return. These figures clearly indicate the need for a comprehensive review of the capital gains laws to bring them more in line with the fundamental theory of Federal taxation. Taxes should be levied according to ability to pay. Persons with equal income should be taxed equally regardless of source of income. I ask unanimous consent that a table showing the statistics be printed at this point in the RECORD.

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

*The capital gains tax (who benefits—how much—Treasury loss)*

Adjusted gross income of taxpayer	Total number of taxable returns filed (excluding information returns)	Percentage of total returns reporting capital gains	Average tax saved on returns reporting capital gains <sup>1</sup>	Revenue loss to Treasury because of capital gains claims
Under \$3,000.....	12,161,320	2.4	\$81	\$24,042,000
\$3,000, under \$5,000.....	14,808,530	3.3	108	52,370,000
\$5,000, under \$7,000.....	10,455,601	4.2	127	55,994,000
\$7,000, under \$10,000.....	5,725,893	7.6	189	82,269,220
\$10,000, under \$15,000.....	1,918,975	17.6	342	115,354,590
\$15,000, under \$20,000.....	497,449	30.7	566	86,762,550
\$20,000, under \$25,000.....	234,745	37.0	805	69,970,300
\$25,000, under \$50,000.....	348,246	46.2	1,843	294,855,440
\$50,000, under \$100,000.....	89,095	60.4	8,125	417,371,100
\$100,000, under \$150,000.....	14,057	72.6	28,117	287,013,500
\$150,000, under \$200,000.....	3,843	77.3	53,571	159,213,860
\$200,000, under \$500,000.....	4,031	82.0	122,431	404,513,920
\$500,000, under \$1,000,000.....	593	84.1	404,848	202,019,400
\$1,000,000 or more.....	268	81.3	1,453,438	316,849,500
Total.....				2,568,599,390

<sup>1</sup> NOTE.—Tax savings computed at  $\frac{1}{2}$  the bracket rate, to a maximum of 25 percent. Bracket rate assumed to be the rate for the average taxable income per return at that adjusted gross income level, including 90 percent of excluded capital gains.

Source: Statistics of Income, 1956—"Individual Income Tax Returns," U.S. Treasury, Internal Revenue Service.

Mr. CLARK. Mr. President, my bill, nevertheless, would take a long step toward capital gains tax reform by amending section 1231 to prevent capital gains treatment of income from five different types of property which cannot be considered as "capital assets" in any true sense of the term.

The junior Senator from Wisconsin [Mr. PROXMIRE] sponsored a substantially similar proposal in the bill (S. 2059) he introduced on May 29, 1959. There are three main differences between our bills. First, his proposal would prevent capital gains treatment, now permitted in section 1231, of gains from sale of real property used in trade or business. I did not follow that suggestion because depreciation deductions cannot, of course, be claimed with respect to real property, and it is the liberalization of the depreciation provisions of the code in 1954 which has led me to suggest that gains from sale of depreciable property should no longer receive preferred capital gains treatment. Second, the bill of the junior Senator from Wisconsin would repeal section 421 of the code which permits capital gains treatment of sums received by exercise of stock options under certain circumstances. While I strongly favor tightening of the tax law regarding stock options, I have been advised that the law prior to enactment of section 421 was in some confusion and new clarifying language in addition to repeal would be desirable. Third, Senator PROXMIRE's bill links his loophole closing proposals to reduction of individual rates in excess of 65 percent.

I agree that the highest individual rates should be reduced, but I would propose such a change in the law only when: First, loophole closing and other tax reform measures have been enacted; second, our tax laws are bringing in enough revenue to finance needed public services, and debt retirement; and third, there is a balance available from anticipated revenues for tax reduction purposes.

The extent to which public revenues would be increased by taxing at ordinary income rates the gains from sale of depreciable property and other items of ordinary income now taxed at low capital gains rates has been estimated at \$800 million by reputable economists. Since my proposal would accomplish a major part but not all of this reform because of the drafting problems indicated earlier, I estimate that my bill would raise something in excess of \$500 million in public revenue annually. Government statistics of individual tax returns for 1956 show that \$2.5 billion of public revenue was lost that year by application of reduced capital gains rates to income shown on individual returns. "Statistics of Income 1956 for Corporate Income Tax Returns," prepared by the IRS, indicates an additional revenue loss of \$641.7 million for that year because of tax treatment of corporate income from various sources as capital gains rather than ordinary income. Thus a total of \$3.2 billion was

lost to the Treasury in 1956 because of the capital gains provisions of the code. The \$500 million estimated yield from passage of my bill is based on the assumption that approximately one-sixth of the \$3.2 billion saved by the capital gains device is accounted for by capital gains treatment of income from sale of depreciable and various peripheral property which would be treated as ordinary income by the terms of my bill. Income from these sources was taxable as ordinary income until special interest legislation was enacted in recent years.

In my judgment, there are good arguments in support of my own bill, although I expect to confer with the junior Senator from Wisconsin [Mr. PROXMIRE] to see if we cannot agree on an identical measure.

It is high time that we start to rationalize the capital gains tax laws. This bill would do much to achieve such rationalization and raise \$500 million in public revenue so badly needed to finance additional public services and debt retirement and to insure a balanced budget.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2527) to amend the Internal Revenue Code of 1954 in order to eliminate preferential treatment with respect to certain categories of taxpayers, and for other purposes, introduced by Mr. CLARK, was received, read twice by its title, and referred to the Committee on Finance.

#### SAN BENITO INTERNATIONAL BRIDGE, RIO GRANDE, NEAR LOS INDIOS, TEX.

Mr. YARBOROUGH. Mr. President, I introduce for appropriate reference, a bill to authorize the San Benito International Bridge Co., a corporation, to build, maintain, and operate a toll bridge across the Rio Grande River in the vicinity of Los Indios, Tex.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2531) to authorize the San Benito International Bridge Co. to construct, maintain, and operate a toll bridge across the Rio Grande near Los Indios, Tex., introduced by Mr. YARBOROUGH, was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of a resolution by the Willacy County Commissioners Court requesting the construction of the bridge referred to, to facilitate trade and commerce between the United States of America and the United States of Mexico.

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

"Whereas the citizens of the United States, living in the vicinity of San Benito, Tex., and Harlingen, Tex., and Valle Hermoso, Mexico, number approximately 175,000 in population; and

"Whereas the present bridges across the Rio Grande River serving the area in which this great population reside and conduct commerce are inadequate to accommodate the commerce between the United States and Mexico; and

"Whereas there is a genuine necessity for adequate bridge facilities south of San Benito and Harlingen, Tex., at or near Los Indios, Tex., to accommodate and promote commerce between Mexico and the United States; and

"Whereas public convenience and necessity demand that adequate bridge facilities be provided in this rich agricultural, industrial, and tourist area: now, therefore, be it

*Resolved*, That the Senate and the House of Representatives of the United States be urged to pass enabling legislation permitting the San Benito International Bridge Co. (a corporation) to build, maintain, and operate a toll bridge across the Rio Grande in the vicinity of Los Indios, Tex."

THE STATE OF TEXAS,  
COUNTY OF WILLACY.

I, W. F. Brownfield, county clerk and ex-officio clerk of the Commissioners' Court of Willacy County, Tex., do hereby certify that the foregoing is a true and correct copy of a resolution as passed by the Commissioners' Court of Willacy County, Tex., at a special meeting thereof held on the 4th day of August, A. D., 1959, at the regular meeting place of such commissioners' court in the courthouse at Raymondville, Tex., and as the same appears of record in the Commissioners' court minutes of said county in volume 8, pages 192-193.

Witness my hand and official seal, this the 7th day of August, A. D., 1959.

[COURT SEAL]

W. F. BROWNFIELD,  
County Clerk and Ex-officio Clerk of the  
Commissioners' Court of Willacy  
County, Tex.

By MARJORIE IVY, Deputy.

#### CONGRESSIONAL ELECTIONS ACT

Mr. HART. Mr. President, I introduce, for appropriate reference, with the request that it lie on the table for a period of 2 weeks, a bill which would create an agency of the legislative branch of the Federal Government designed to insure that all citizens will have their right to vote protected.

The situation which now confronts us as a Nation is no longer tolerable. The evidence of continued denial of voting rights in various sections of the country disgraces us both in the eyes of our own citizens and in those of the rest of the world. The time has come for the Congress to face its responsibility and exercise its authority to regulate the election of its own Members.

The Constitution under article I, section 4, and under the 15th amendment, authorizes the Congress to make regulations as to the time, place, and "manner of holding elections for Senators and Representatives or to alter regulations prescribed by the State legislatures for such purposes, except as to the places of choosing Senators."

The judiciary cannot be expected to bear the burden of litigating the dilatory actions of innumerable local registration officials intent on frustrating the desires of eligible voters. In my opinion, we are witnessing today only the beginnings of these tactics.

It is unrealistic to believe the Department of Justice could litigate enough of the cases where individuals are denied their franchise to improve materially this situation. This is my view despite the fact that I would certainly applaud an increase in the Department's efforts on present laws.

While both are desirable, it is certainly less significant to press the Congress to enact such peripheral attacks on the basic problem as are proposed in constitutional amendments to abolish the poll tax and requirements that registration records be preserved than to make the basic decision this bill proposes.

This problem is the active election-by-election responsibility of the Congress, placed on the Congress by the Constitution, to insure the right to vote in each Federal election.

Nor is this a matter of States' rights. The States have only that authority in this field of congressional elections that is given them expressly by the Congress. It is the duty of the Congress itself to see to it that those who sit as its Members are elected by all the people. The buck on this issue stops here.

There is a long history of widespread and flagrant denials of the right to vote. The record of the hearings held by the Constitutional Rights Subcommittee of the Senate Judiciary Committee over the years tells the story. Further, the hearings held this year by the Commission on Civil Rights, expressly established by the Congress to look into voting practices, reveal a shocking illustration of the need for congressional action. Uncontested testimony before the Commission at its hearings in Montgomery, Ala., reveals only 4 registered Negro voters in Bullock County which has a Negro population of 11,000. In Macon County there are only 1,110 registered Negro voters in a total Negro population of 27,384—1950. In the same county there are 3,177 white citizens of which 3,016 are registered. Reports published by responsible private agencies indicate that this situation, while extreme, is not an isolated occurrence in a few counties. Even if it were, however, Congress cannot allow such a condition to exist without making a mockery of what we like to call free elections.

The proposal I make for the establishment of a Congressional Elections Commission as an arm of the Congress, is, as far as I know, a wholly new one. It may not be the best and it certainly is not the only approach that can be taken. My colleague, the senior Senator from Michigan, [Mr. McNAMARA] has, for example, introduced a joint resolution calling for a constitutional amendment on this subject. The outstanding virtue of the bill I now introduce lies in the fact that it establishes a continuing agency of the Congress itself, designed to insure that registration and election procedures shall be reasonable, fair, and equally available to all our citizens. It can perform the same service for the Congress in the vital area of its elections which the Government Accounting Office, another agency of the legislative branch, does in matters involving the public purse.

It is not my intention to press so new a proposal for immediate action by the Senate, urgent as it may seem. It is my hope that it will receive the kind of study and discussion that will lead us to the best possible solution of an old, but not forgotten, problem.

To assist those interested in the proposal, I ask unanimous consent that the text of the proposed act, a section-by-section analysis of the bill, and excerpts from an excellent monograph on the constitutionality of national legislation on the election of Representatives and Senators, prepared by the Legislative Reference Service of the Library of Congress, be inserted at this point in my remarks.

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

The bill (S. 2535) to establish an agency of the legislative branch of the Federal Government authorized to conduct the elections of Members of the Senate and the House of Representatives, introduced by Mr. HART, was received, read twice by its title, referred to the Committee on Rules and Administration, 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 this Act may be cited as the "Congressional Elections Act."*

#### TITLE I—STATEMENT OF PURPOSE: DEFINITIONS

SECTION 101. Taking cognizance of the fact that, although 89 years have passed since the Fifteenth Amendment was adopted, American citizens otherwise qualified to vote continue to be denied that right because of their race or color, and that qualified voters are thus arbitrarily and discriminatorily being denied a right to cast a vote for the selection and election of their representatives in the Senate and the House of Representatives; and recognizing the authority and the obligation of the Congress under the Fifteenth Amendment, and more particularly under article I, section 4, to assure that Members of the Senate and the House of Representatives are nominated and elected in a manner and pursuant to procedures which best assure that every qualified elector is afforded full opportunity to cast his vote, the Congress hereby determines that it is necessary, in order to assure to all qualified electors the opportunity to participate in the selection and election of Members of the Senate and the House of Representatives, that Congress establish an agency to conduct registration and voting in the primary, special, and general elections at which nominees to the Senate and the House of Representatives are elected.

SEC. 102. As used in this Act—

(a) The term "Commission" means the Congressional Elections Commission established by this Act.

(b) The term "special or general election" means any special or general election in any State or congressional district for the purpose of electing Members of the Senate and the House of Representatives, of the United States.

(c) The term "primary election" means any election, whether by convention, meeting, popular primary, or otherwise, in any State or congressional district for the purpose of choosing party nominees as candidates for the Senate or House of Representatives of the United States.

#### TITLE II—ESTABLISHMENT OF CONGRESSIONAL ELECTIONS COMMISSION

SEC. 201. (a) There is hereby established, as an agency of the legislative branch of the Federal Government, a Congressional Elections Commission, as an authority to conduct primary, special and general elections for Members of the Senate and the House of Representatives.

(b) The Commission shall be composed of three members who shall be appointed by the President by and with the advice and consent of the Senate. Not more than two of the members shall belong to the same political party. The President is requested in appointing members to provide, insofar as possible, representation for the various geographical areas of the United States.

(c) Each member of the Commission shall be appointed for a term of nine years, except that—

(1) the three members first appointed shall be appointed for terms expiring respectively on December 31, 1963; December 31, 1966; and December 31, 1969.

(2) a person appointed to fill a vacancy in the Commission occurring by reason of the death, disability, resignation, or removal of a member before the expiration of his term shall be appointed to serve for the remainder of such term.

(d) The President shall designate one of the members of the Commission as Chairman and one as Vice Chairman. The Vice Chairman shall act as Chairman in the absence or disability of the Chairman or in the event of a vacancy in the office of Chairman.

(e) Subject to the provisions of subsection (f), a vacancy in the membership of the Commission shall not affect its powers.

(f) Two members of the Commission shall constitute a quorum thereof.

SEC. 202. Each member of the Commission, other than the Chairman, shall receive compensation at the rate of \$20,000 per year. The Chairman of the Commission shall receive compensation at a rate of \$20,500 per year.

#### TITLE III—REGISTRATION OF VOTERS BY THE COMMISSION

SEC. 301. The Commission is authorized to make and maintain temporary and permanent registers of voters qualified to participate in primary, special, and general elections in the various congressional districts. The Commission's making and maintenance of such registers of voters shall be in its discretion and it shall not be necessary, for the making and maintenance of such registers, for the Commission to have first determined to hold an election therein pursuant to title IV of this Act.

SEC. 302. No person shall be registered as a voter under Section 301 who does not have the qualifications requisite for electors of the most numerous branch of the legislature of the State in which the congressional district is situated. The Commission shall establish adequate procedures to assure that all persons placed upon its registers as qualified voters continue to have the residence and other qualifications requisite for electors of the most numerous branch of the legislature of the State in which the congressional district is situated.

SEC. 303. No State or local laws or ordinances governing the time, place, or manner of the registration of voters shall be applicable to or limit the power of the Commission to conduct registrations of voters pursuant to this title, but the Commission shall endeavor, as far as in its judgment is conducive to uniform and orderly election procedures, to conform its conduct of the registration of voters to the procedures governing time, place, and manner of registration, prescribed in the State or local laws or ordinances in effect in the congressional district.

TITLE IV—CONDUCT OF ELECTIONS BY THE COMMISSION

SEC. 401. The Commission is authorized in any congressional district to conduct the primary, special, or general elections for the purpose of selecting and electing Members of the Senate and the House of Representatives whenever—

(1) the Commission is officially requested so to do by the duly empowered official of the State in which the congressional district is situated, or

(2) the Commission determines that, unless such election is conducted by the Commission, persons having the qualifications requisite for electors of the most numerous branch of the legislature of the State in which the congressional district is located are likely to be denied their right in such primary, special, or general election to cast their votes and to have them fairly counted.

SEC. 402. Whenever the Commission conducts a primary, special, or general election, such election shall be the sole primary, special, or general election for the congressional district for Members of the Senate and the House of Representatives, and the results thereof shall in any primary election determine the authorized nominees, and in any special or general election determine the duly elected Member of the House of Representatives and the official vote of such congressional district for Members of the Senate and the House of Representatives at large.

SEC. 403. No person shall cast a vote in an election conducted pursuant to section 401 unless (a) he has been found by the Commission, pursuant to title III foregoing, to have the qualifications requisite for electors of the most numerous branch of the legislature of the State in which the congressional district is situated, or (b) he is registered on a State registration list which the Commission determines to be appropriate for utilization in the election conducted by it, as a person having the qualifications requisite for electors of the most numerous branch of the legislature of the State in which the congressional district is situated.

SEC. 404. The Commission shall immediately, upon determining to conduct an election pursuant to the authority contained in section 401(a) or (b), give notice of such determination to the Governor of the State concerned.

SEC. 405. No State or local laws or ordinances governing the time, place, and manner of conducting elections shall be applicable to or limit the power of the Commission to conduct elections pursuant to section 401, but the Commission shall endeavor, as far as in its judgment is conducive to uniform and orderly election procedures, to conform its conduct of elections to the standards of time, place, and manner prescribed in State or local laws or ordinances in effect in the congressional district.

TITLE V—CERTIFICATION OF RESULTS

SEC. 501. The Commission shall, upon the determination of the results of any primary, special or general election conducted pursuant to title IV, certify the results of such election to the Speaker of the House of Representatives, to the Secretary of the Senate, to the Governor of the State in which the election was conducted, and to other appropriate persons. Such a certification shall constitute the binding and conclusive determination of the results of the election.

TITLE VI—DELEGATION OF POWERS

SEC. 601. The Commission is authorized to delegate to any appropriate officer or officers of a State or local government, or to any agent, employee, or designee of the Commission, any or all of the powers granted by this Act, with the exception of the authority granted pursuant to section 301 to determine whether or not to make and maintain

registers of voters in any congressional district, and the authority granted pursuant to section 401 to determine whether or not to conduct an election thereunder, which determinations shall be made only by a quorum of the Commission itself.

TITLE VII—JUDICIAL REVIEW

SEC. 701. Any citizen of a State having the qualifications requisite for electors of the most numerous branch of the legislature, who has made appropriate application for inclusion upon a register of qualified electors maintained by the Commission for the congressional district in which he is a resident, who is denied such registration or who, having once been so registered, is removed from such register or denied the opportunity to vote in a primary, special, or general election conducted by the Commission in such congressional district, shall have an action for declaratory and injunctive relief in the United States district court for such district.

TITLE VIII—PERFORMANCE OF COMMISSION FUNCTIONS

SEC. 801. The Commission is authorized to appoint and fix the compensation of such officers and employees as may be necessary to enable it to perform its functions and duties.

SEC. 802. In carrying out its functions the Commission is authorized to utilize on a temporary basis employees of the departments and agencies of the executive branch of the Government. Each department and agency of the executive branch of the Government shall fully cooperate with the Commission to the end that it may effectively carry out its functions and duties and shall, at the request of the President, assign on a temporary basis employees of such department or agency to the Commission.

SEC. 803. In carrying out its functions the Commission is authorized to utilize the services of State and local governmental officers and employees and the facilities of State and local governments. The Commission is authorized to reimburse any State or local officer or employee whose services are utilized under the authority of this section for travel expenses incurred, and to pay to any such officer or employee per diem in lieu of subsistence, in the same amounts as authorized by law for persons in the Government service serving without compensation. The Commission is authorized to reimburse any State or local government for the services of any officer or employee of such government, and for the facilities of such government, utilized under the authority of this section.

SEC. 804. (a) In carrying out its functions and duties, the Commission may sit and act at such times and places, hold such hearings, take such testimony, administer such oaths, require the attendance and testimony of such witnesses and the production of such books, records, or other written matter, procure such printing and binding, and make such expenditures as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission. Subpoenas for the attendance and testimony of witnesses or for the production of written matter may be issued over the signature of the Chairman, or any member designated by him, and may be issued by any person designated by the Chairman or by such member.

(b) A witness attending any session of the Commission shall receive \$4 for each day's attendance and for the time necessarily occupied in going to and returning from the same, and 8 cents per mile for going from and returning to his place of residence. Witnesses who attend at points so far removed from their respective residences as to prohibit return thereto from day to day shall be entitled to an additional allowance of \$12 per day for expenses of

subsistence, including the time necessarily occupied in going to and returning from the place of attendance. Mileage payments shall be tendered to the witness upon service of a subpoena issued on behalf of the Commission.

(c) In case of contumacy or refusal to obey a subpoena issued on behalf of the Commission, any district court of the United States or the U.S. court of any possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission, there to produce evidence if so ordered, or there to give testimony touching the matter under investigation; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

SEC. 805. The Commission may promulgate such rules and regulations, not inconsistent with the provisions of this Act, as it deems necessary or desirable for the performance of its functions and duties under this Act.

SEC. 806. The Commission shall, on or before January 31 of each year, submit to the Congress a report of its activities under this Act together with any recommendations for suggested legislation which it finds desirable.

SEC. 807. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

SEC. 808. No provision of law contained in section 5, of the Act entitled, "An Act for the apportionment of Representatives in Congress among the several States under the Thirteenth Census", approved August 8, 1911; section 26 of the Revised Statutes; and section 27 of the Revised Statutes, which is inconsistent with this Act, shall be applicable to elections conducted under this Act.

The analysis and excerpts presented by Mr. HART are as follows:

ANALYSIS OF CONGRESSIONAL ELECTIONS COMMISSION BILL INTRODUCED BY SENATOR PHILIP A. HART

It is the purpose of the Congressional Elections Act to establish an agency of the legislative branch of the Federal Government with authority to conduct the elections of Members of the Senate and the House of Representatives.

TITLE I

Title I states that because of the continuing denial to American citizens, on grounds of their race or color, of their right to vote, particularly to vote in the election of Representatives and Senators, recognizing the authority of Congress under the 15th amendment and under article I, section 4 of the Constitution, to assure fullest participation of qualified electors in congressional elections, the Congress determines it necessary to establish an agency to conduct registration and voting in the primary, special and general elections at which Representatives and Senators are elected.

TITLE II

Title II establishes the Congressional Elections Commission as an agency of the legislative branch of the Federal Government authorized to conduct primary, special and general elections for Members of the Senate and the House of Representatives. The Commission is composed of three members appointed by the President with the advice and consent of the Senate. Commissioners to be appointed for a term of 9 years.

TITLE III

Title III authorizes the Commission to make and maintain registers of voters in

various congressional districts who are qualified to participate in primary, special and general elections of Members of the Senate and House of Representatives. The Commission may maintain registration lists in various congressional districts whether or not it has determined to run an election in the District. It is also provided that no person can become or stay registered on the Commission's lists who does not have the qualifications for electors of the most numerous branch of the State legislature. It is also provided that State and local laws and ordinances covering the time, place or manner of registration are not applicable to registrations conducted by the Commission, but the Commission is instructed to conform its conduct of registration as far as possible to the procedures in effect under State or local laws.

#### TITLE IV

Title IV authorizes the Commission to conduct primary, special or general elections in any congressional district for Members of the Senate and the House of Representatives either when (1) the Commission is officially requested so to do by the State in which the district is located, or (2) the Commission determines that unless it conducts such an election qualified voters are likely to be denied their right in such a primary, special or general election to cast their votes and have them fairly counted. Whenever the Commission conducts a primary, special or general election that shall be the sole primary, special or general election in the congressional district for Members of the Senate and the House of Representatives and the results thereof shall determine the party nominees, the elected Members of the House of Representatives and the official vote of the congressional district for Members of the Senate and the House of Representatives at large. No person may vote in an election conducted by the Commission unless he has either been registered under title III by the Commission or he is registered on a State registration list determined by the Commission to be appropriate for use in its own elections. The Commission, if it decides to conduct an election, shall immediately notify the Governor of the State.

#### TITLE V

Title V provides for the certification of results of election by the Commission to the Speaker of the House, the Secretary of the Senate, and the Governor of the State, and that such certification constitutes the binding and conclusive determination of the results of the primary, special or general election.

#### TITLE VI

Title VI authorizes the Commission to delegate to its own agents and employees or to appropriate officials of the State and local governments any of the powers provided by the act with the exception of the authority of the Commission to determine whether or not to maintain registers of voters or to conduct an election in any particular congressional district which powers shall be exercised only by the Commission itself.

#### TITLE VII

Title VII authorizes suits for declaratory and injunctive relief in the U.S. district court by any citizen qualified to vote who has applied for registration by the Commission and is denied it or after being granted registration is removed from the registry or is denied opportunity to vote in an election conducted by the Commission.

#### TITLE VIII

Title VIII contains miscellaneous provisions concerning the compensation of agents and employees of the Commission as well as officials of the State to whom Commission functions may be delegated; provisions for the taking of testimony by the Commission;

attendance of witnesses; refusals to testify; promulgation of the Commission rules and regulations; reports to the Congress; and amendment of prior laws.

#### EXCERPTS FROM CONSTITUTIONALITY OF NATIONAL LEGISLATION ON ELECTION OF CONGRESSMEN AND SENATORS

1. This subject involves the division of legislative power as between the States and the National Government. The extent of the congressional power to legislate on elections is determined by the provisions of the U.S. Constitution. The provisions relating to elections are set forth in part 1 of this report. Attention is directed to article 1, section 4 which provides that Congress may make regulations as to the times, place, and "manner of holding elections" for Senators and Representatives or may alter regulations prescribed by the State legislatures for such purposes, except as to the places of choosing Senators. A distinction between prescribing the manner of holding elections and prescribing the qualification of electors must be recognized because article I, section 2 and the 17th amendment provide that the electors for Representatives and Senators shall have the qualifications requisite for electors of the most numerous branch of the State legislatures. The power of the State in this and other matters is subject to the limitations set forth in the 14th, 15th, and 19th amendments.

2. The Supreme Court decisions on the validity of State laws on the qualification of electors have been reviewed in this report because they bear upon the division of power between the States and the National Government and because the opinions in some of these cases contain statements that the right to vote is derived from the States and it is important to recognize that these statements were made in reference to the qualification of electors and not in reference to other election matters, such as the power to regulate the manner of holding Congressional elections. Thus, there is no fundamental conflict between these statements and statements in cases involving other issues that the right to vote for Representatives in Congress is derived from the U.S. Constitution.

3. The Supreme Court decisions on actions against racial discrimination after the civil rights legislation of 1870 are described in this report because they demonstrate the importance of respecting Constitutional limitations in drafting and interpreting legislation. Two of these decisions held certain sections of the civil rights laws unconstitutional (*United States v. Reese* and *James v. Bowman*). In both instances the difficulty was the failure of the statute involved to comply with the requirements of the 15th amendment and the decisions resulted from imprecise drafting of the legislation rather than from a lack of congressional power to deal with the matter in controversy. Two other racial discrimination cases (*United States v. Cruikshank* and *Ex parte Yarbrough*) demonstrate the difference in congressional power as between State elections and national elections. One case held that the U.S. Constitution does not prohibit private racial discrimination in State elections and the other held that there is constitutional power to prohibit private racial discrimination in the election of a Representative in Congress. These two cases involved, not the constitutionality of legislation, but the meaning of "rights or privileges secured by the Constitution" in a criminal statute protecting such rights.

4. The foremost exercise by Congress of its power under article I, section 4 of the Constitution was the enactment of several sections in the Civil Rights Acts of 1870-71 providing for the supervision of elections of Representatives in Congress. A number of these sections were held constitutional and

no section of the civil rights legislation which dealt expressly with the election of Representatives in Congress was held unconstitutional. The Supreme Court decisions on these sections are set forth in part 4 of this report. The outstanding case is *Ex parte Siebold*. The sections involved were repealed in 1894 along with several others relating to elections.

5. After the repeal in 1894 of much of the national legislation on elections, controversies arose on whether criminal statutes punishing conspiracies to commit an offense against the United States, and conspiracies to interfere with rights secured by the Constitution were applicable to activities affecting elections. These cases are described in part 5 and some of them, notably *United States v. Gradwell*, discuss the scope and exercise of congressional power on elections, in the process of interpreting the conspiracy statutes.

6. The only congressional enactment dealing expressly with the election of Representatives and Senators which has been held unconstitutional was the portion of the Corrupt Practices Act relating to nominations and primary elections. *Neuberry v. United States*, 256 U.S. 232 (1921). However, this decision has been virtually nullified by the subsequent decision in *United States v. Classic*, 313 U.S. 299 (1941). The cases on primary elections are reviewed in part 6 of this report. The Supreme Court decision in the Classic case interpreted "elections" in article I, section 4 as meaning "choice," and thus including the process of nomination. Also, the Court relied upon the "necessary and proper" clause in article I, section 8 of the Constitution.

7. The Supreme Court cases on congressional power to deal with registration procedures affecting congressional elections are less helpful than those relating to general and primary elections. A section of the 1870 Civil Rights Act which dealt mainly with registration was said to be valid in two Supreme Court cases but neither case appears to have involved registration itself. However, the Supreme Court opinion in the Classic case indicates that the authority of Congress to regulate the manner of holding elections is supplemented by the necessary and proper clause. If the administration of State registration laws was found to affect the right of a person to vote for a Representative or Senator, national legislation on the control of a State registration system would most likely be held constitutional, provided it complied with provisions of article I of the Constitution. These requirements may be summarized as (1) the legislation must expressly deal exclusively with the election of Representatives and Senators, (2) the legislation cannot prescribe the qualification of electors, (3) the legislation must relate to what is necessary and proper for the regulation of the manner of holding such elections.

#### INCREASED LIMIT OF EXPENDITURES FOR COMMITTEE ON AGRICULTURE AND FORESTRY—REPORT OF A COMMITTEE

Mr. SYMINGTON. Mr. President, from the Committee on Agriculture and Forestry, I report an original resolution increasing the limit of expenditures for the Committee on Agriculture and Forestry, and I submit a report (No. 668) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be appropriately referred.

The resolution (S. Res. 161) increasing the limit of expenditures for the Committee on Agriculture and Forestry, was

referred to the Committee on Rules and Administration, as follows:

*Resolved*, That the Committee on Agriculture and Forestry is authorized to expend from the contingent fund of the Senate, during the Eighty-sixth Congress, \$15,000 in addition to the amount, and for the same purposes, specified in section 134 of the Legislative Reorganization Act of 1946.

#### ADDITIONAL INVESTIGATION OF DOMESTIC LEAD AND ZINC INDUSTRIES

Mr. KERR. Mr. President, on behalf of myself, and Senators BENNETT, MURRAY, ENGLE, BIBLE, MOSS, CANNON, YARBOROUGH, MAGNUSON, CARROLL, MANSFIELD, GRUENING, BARTLETT, and ANDERSON, I submit a resolution requesting the U.S. Tariff Commission to make an additional investigation under section 322 of the Tariff Act of 1930 of the domestic lead and zinc industries. I ask unanimous consent that the resolution lie on the table through the first day of next week, August 17, in order to afford opportunity to other Senators to join as sponsors.

The ACTING PRESIDENT pro tempore. The resolution will be received and appropriately referred; and, without objection, the resolution will lie on the table, as requested by the Senator from Oklahoma.

The resolution (S. Res. 162), submitted by Mr. KERR (for himself and other Senators) was referred to the Committee on Finance, as follows:

Whereas, pursuant to a resolution of the Senate Committee on Finance dated July 27, 1953, and a similar resolution of the House Committee on Ways and Means dated July 29, 1953, the United States Tariff Commission made an investigation under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332) of the domestic lead and zinc industries and submitted a report of the results thereof to the said committees on April 19, 1954;

Whereas such measures as have been taken with a view to relieving the distressed condition of the domestic lead and zinc mining industries have failed to provide adequate relief: Be it therefore

*Resolved*, That the United States Tariff Commission is hereby directed, pursuant to the said section 332 of the Tariff Act of 1930, to make a further investigation along the lines of the aforesaid investigation and to submit a supplemental report to the Congress on or before March 31, 1960, bringing down to date the said report of April 19, 1954.

Sec. 2. The said supplemental report of the Tariff Commission shall include specific findings of the Commission with regard to the current condition of the lead and zinc mining industries and as to what additional import restrictions, if any (by way of increased duties or import quotas, or both), need to be imposed upon articles dutiable under paragraphs 72, 77, 391, 392, 393, and 394 of the Tariff Act of 1930, on zinc fume or zinc flue dust dutiable under paragraph 214 of the said tariff act, on zinc wire dutiable under paragraph 316(a) of the said tariff act, on zinc engravers' plates dutiable under paragraph 341 of the said tariff act, and on zinc alloys and lead and zinc mill products dutiable under paragraph 397 of the said tariff act, in order that lead and zinc mining operations in the United States may be conducted on a sound and stable basis. In the course of its investigation the Commission shall hold a hearing at which interested parties shall be given opportunity to appear and be heard.

#### AMENDMENT OF THE IMMIGRATION AND NATURALIZATION ACT—RETURN OF BILL BY HOUSE OF REPRESENTATIVES

Mr. EASTLAND. Mr. President, I ask unanimous consent to enter a motion to reconsider the vote of the Senate on July 22, 1959, in disagreeing to the amendment of the House to the Senate amendment in House bill 6118, entitled "An act to amend section 6 of the act of September 11, 1957."

The ACTING PRESIDENT pro tempore. Without objection, the motion will be entered.

Mr. McNAMARA. Mr. President, may we have an explanation?

Mr. EASTLAND. The bill involves an amendment to the Immigration and Nationality Act. The Senator from New York [Mr. KEATING] wanted a conference. He has now agreed to the House amendment.

Mr. JAVITS. Mr. President, may we have an idea of what we shall be doing legislatively if we agree?

Mr. EASTLAND. I wish to make a motion that the bill and the accompanying papers be returned to the Senate, at which time that question will arise.

Mr. JAVITS. In other words, we are not passing legislation; we are merely asking for the return of the papers?

Mr. EASTLAND. That is correct.

On motion by Mr. EASTLAND, and by unanimous consent, it was ordered that the House of Representatives be requested to return to the Senate the bill (H.R. 6118) to amend section 6 of the act of September 11, 1957, with the accompanying papers.

#### CHANGE OF REFERENCE

Mr. MAGNUSON. Mr. President, on April 27 I introduced, at the request of the Interstate Commerce Commission, 11 bills to implement certain recommendations contained in the Commission's last annual report. All of the bills were referred to the Committee on Interstate and Foreign Commerce. Among them was S. 1810, to repeal the provisions of section 5 of the act of July 28, 1916, as amended, relating to the furnishing of information to the Postmaster General by the Interstate Commerce Commission with respect to revenue received by railroads from express companies for the transportation of express matter.

The act of July 28, 1916, which S. 1810 seeks to amend in part, is the comprehensive Railway Mail Service Pay Act virtually all of which relates to postal matters and the Post Office Department.

S. 1810 is, in my opinion, a bill that properly could have been referred to the Committee on Interstate and Foreign Commerce or to the Committee on Post Office and Civil Service. However, in view of the fact that it does amend a basic postal statute and that the Committee on Post Office and Civil Service is presently studying and holding hearings on various matters affecting the express service and the parcel post system, I believe it would expedite the business of the Senate and be in the interest of orderly procedure to have S.

1810 considered by the Post Office and Civil Service Committee.

The Senator from Oklahoma [Mr. MONRONEY], who was the coauthor of the Legislative Reorganization Act of 1946, defining the jurisdiction of the several committees, and who is the Senate's expert in these matters, is in accord with my position. Furthermore, he has assured me that the Post Office and Civil Service Committee is prepared to give prompt consideration to S. 1810. I ask, therefore, that the Committee on Interstate and Foreign Commerce be discharged from further consideration of S. 1810, and that it be rereferred to the Committee on Post Office and Civil Service.

The ACTING PRESIDENT pro tempore. Without objection, the Committee on Interstate and Foreign Commerce will be discharged from further consideration of the bill, and it will be referred to the Committee on Post Office and Civil Service.

#### PROPOSED AMENDMENT TO CONSTITUTION, RELATING TO QUALIFICATIONS OF ELECTORS—ADDITIONAL COSPONSORS OF JOINT RESOLUTION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the names of Senators KENNEDY, CARROLL, and MOSS may be added as additional cosponsors of the joint resolution (S.J. Res. 126) proposing an amendment to the Constitution of the United States, relating to the qualifications of electors, introduced by the Senator from Florida [Mr. HOLLAND], for himself and other Senators, on August 6, 1959.

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

#### SETTLEMENT OF CURRENT STEEL STRIKE—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Mr. SYMINGTON. Mr. President, I ask unanimous consent that at the next printing of Senate Concurrent Resolution 69, with reference to settlement of the current steel strike, the names of the Senator from Michigan [Mr. HART] and the Senator from Maine [Mr. MUSKIE] be added as additional cosponsors.

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

#### 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. MORSE:

Statement by him before Senate Committee on Appropriations, August 12, 1959, concerning religious and racial discrimination amendment to mutual security appropriation bill, H.R. 8385.

By Mr. SALTONSTALL:

Report by him to the people of Massachusetts, entitled "Independence—The American Way."

By Mr. CHURCH:

Article written by Senator HUMPHREY entitled "East-West Trade: Advantages and Disadvantages," published in the May 1959 issue of *Tradescope*.

**NOTICE OF HEARING ON NOMINATION OF EUGENE R. GILMARTIN, TO BE U.S. JUDGE FOR THE DISTRICT COURT OF GUAM**

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for 2:30 p.m., Wednesday, August 19, 1959, in room 2300, New Senate Office Building, on the nomination of Eugene R. Gilmartin, of Rhode Island, to be judge for the District Court of Guam.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Nebraska [Mr. HRUSKA], and myself, as chairman.

**THE POST OFFICE DEPARTMENT AND THE POSTAL SERVICE**

Mr. DIRKSEN. Mr. President, on July 13 *Newsweek* magazine published a very considerable article on the Post Office Department and the operation of the postal service.

The Postmaster General has talked to me about this on occasion. I also note that the National Association of Postal Supervisors and others have written to the editor of *Newsweek* magazine and have taken exception to a good many of the statements which appeared in that article which was published in that magazine.

I ask unanimous consent to have printed in connection with my remarks in the *RECORD* a letter, signed by Donald N. Ledbetter, national secretary of the National Association of Postal Supervisors, addressed to the Postmaster General, and also a rather extensive analysis of the article published in *Newsweek* magazine. The analysis is in the form of a letter written by Charles E. Puskar, executive secretary-treasurer of that organization, and was addressed to the editor of *Newsweek*.

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

NATIONAL ASSOCIATION OF  
POSTAL SUPERVISORS,  
Washington, D.C., July 31, 1959.

HON. ARTHUR E. SUMMERFIELD,  
Postmaster General,  
Washington, D.C.

DEAR GENERAL SUMMERFIELD: The members of our association were greatly upset by the highly critical review of the postal service which appeared in the July 13 issue of *Newsweek* magazine. We feel that the article was an insult to every employee of the postal service, and that such an attack is wholly unwarranted.

Our national president, Fred J. O'Dwyer, has written a letter to *Newsweek* refuting the charges contained in the article, and expressing the feeling of humiliation which has been felt by the employees of the postal service as a result of the article.

President O'Dwyer asked that we send a copy of his letter to you so that you would know that the postal supervisors cannot take charges such as these lying down.

With kindest personal regards, I am,  
Sincerely yours,

DONALD N. LEDBETTER,  
National Secretary.

JULY 28, 1959.

The EDITOR, *NEWSWEEK*,  
New York, N.Y.

DEAR SIR: The article relative to the postal service in your magazine of July 13, 1959, contains many misstatements and is colored to discredit the postal service. It is a reflection against the loyal and efficient postal employee. As the president of the National Association of Postal Supervisors, on behalf of our 24,000 members in every part of the United States, I strongly protest the article. Your consideration of correcting the false impression left in the minds of your readers will be appreciated.

It is inconceivable that you would indicate that the mail often travels no faster than it did on the Pony Express more than 99 years ago. I find it impossible to reconcile the delays indicated in the article with my personal experience. As president of the National Association of Postal Supervisors, I am in almost daily contact by mail with the officers of this association in every part of the country. Rarely have I received a letter that has been delayed. Airmail sent to me from our headquarters office in Washington, D.C., reaches me without fail on the following day and this is typical of airmail from every major city in the country. I happen to be a subscriber to a Washington, D.C., daily newspaper. Invariably this newspaper reaches me in San Francisco within 4 days. For example, the issue of July 20 reached me on July 23. The same excellent service is received by your subscribers in San Francisco. This is truthfully established through the paucity of complaints on file from *Newsweek* at this office. Recently on association matters I have had considerable correspondence with members in Honolulu. My airmail letter mailed today is received in Honolulu the following day, and their letter mailed today is received by me the following day. While I have cited airmail, ordinary mail invariably reaches me on schedule.

My correspondence is considerably heavier than the average individual. The fact that I rarely have experienced a delay in my mail makes me stop to wonder about the delays you cite. I do not say that delays never occur. With the human element involved, there will be mistakes. I would venture to say that they even occur in your business. No one or no business is exempt. On the other hand, with the tremendous volume of mail handled by the post office, the percentage of errors is infinitesimal.

Transportation in certain areas also contributes to delays. The discontinuance, as the article indicates, by the railroads of 7,800 of the 10,000 trains that carried mail is a significant item. Analysis of this phase would readily indicate supplemental service would be required. This challenge has been met and it is rare indeed that delays are now being experienced through transportation difficulties. In the large metropolitan areas 97 percent of the letters now receive next day delivery through the metropolitan plan.

You say that the post office methods are incredibly old-fashioned, and that Postmaster General Summerfield must operate the world's biggest business with hand tools and with labor, and yet you fail to mention that Congress has consistently refused to appropriate sufficient money for modernization. You say that residential deliveries were cut from two a day to one a day in April 1950 and later that business deliveries were also cut, yet you fail to indicate that the

action became necessary because of the failure or inability of Congress to grant sufficient appropriations.

You say that Postmaster General Summerfield tried to cut deficits by increasing revenues yet you fail to mention that there had been no increase in rates in 25 years while the cost of everything else, which undoubtedly includes your publication and the advertising contained therein, has increased tremendously.

You say that Congress says, "Never mind the deficit, give the people service." Nevertheless, the deficit is a contributing factor in every appropriation consideration and, no doubt as a result of it, Congress has not been able or seen fit to appropriate the money to provide for the mechanization of the postal service. It is true recently that certain sums have been allocated for this purpose but when you stop to consider the amount of money spent by big business in research, engineering, modernization, and mechanization the amount allocated to the postal service is inconsequential.

Despite this, under the able guidance of Postmaster General Summerfield, there has been progress in the field of mechanization and modernization. You outline the progress in this field, which has tremendous future possibilities in the modernization of the postal service, yet your writer could not resist closing the article with a human error which could and did distort an otherwise reasonable closing.

It would seem to me that your publication would contact a reputable source before releasing an article that contains so many misstatements and reflects in many instances against the good name of the postal service but particularly against loyal and efficient postal employees. We offer our services and will be happy to cooperate with your representatives concerning any future articles relative to the postal service.

In closing I might add that everybody in the world seems to think he knows how to run the post office better than those who are actually engaged in that practice. Countless thousands of honorable and decent citizens of this great Nation have actually devoted their entire lives to the furtherance and betterment of a postal service because they, like all other decent people who have a job to perform, do so to the best of their ability. I would hate to be guilty of trying to tell you how to run your publication. However, whatever value your article is to *Newsweek* escapes me. At best, it can only promote unwarranted dissatisfaction with millions of our patrons because of fancied failures in postal transactions. It must create a wonderful feeling of accomplishment to be the author of such unhappiness, trivial though it may be. If such was the intent, it certainly was successful with the National Association of Postal Supervisors. You have done us a great disservice and temporarily made us wonder whether our chosen livelihood is worth what we put into it.

Sincerely yours,

FRED J. O'DWYER,  
President.

NATIONAL ASSOCIATION OF  
POSTMASTERS OF THE UNITED STATES,  
Washington, D.C., July 17, 1959.  
The EDITOR, *NEWSWEEK*,  
New York, N.Y.

DEAR SIR: I think that, in view of the ill-belous insult to the 34,000 postmasters who are members of this association which you published in your July 13 issue, it is only fair that you print the attached letter in answer to your article.

It is unthinkable that the misstatements in your article should go unanswered and that the record should not be put straight.

Sincerely yours,

CHARLES E. PUSKAR,  
Executive Secretary-Treasurer.

NATIONAL ASSOCIATION OF  
POSTMASTERS OF THE UNITED STATES,  
Washington, D.C., July 17, 1959.

The EDITOR, NEWSWEEK,  
New York, N.Y.

DEAR SIR: In your issue of July 13, 1959, you have committed a gross mass libel on the more than 34,000 dedicated men and women who serve as the Nation's postmasters by accusing them of being involved in a nationwide conspiracy to commit Federal felonies on a wholesale scale. When you say, "postmasters are appointed not to deliver mail but to deliver votes," you are not only promulgating a vicious untruth, but you are ignoring the fact that Federal statutes make it a penal offense for a postmaster or any other career civil service employee to engage in partisan political activities.

The postmaster today is a Federal career executive dedicated to the task of attempting to move today's mail today in a business-like way. More than ever before postmasters are being appointed from the career postal service. The postmasters of such major U.S. cities as Pittsburgh, Cleveland, Denver, Buffalo, Houston, Dallas, and scores of others have come up through the ranks. Those postmasters who have been recruited from the business world have met the rigid civil service requirements and consider their life's work to be the post office, and they have no intention of endangering their careers by feloniously engaging in political activity.

And, as a postmaster who was appointed during the administration of President Franklin D. Roosevelt, I would like to go on record as saying that no Postmaster General has done more to take the post office out of politics, and to take politics out of the post office, than has Arthur E. Summerfield. He has given postmasters the feeling of job security they should and must have if they are to be efficient executives. As an official of the National Association of Postmasters, with 34,000 members, 1 in every city, village, and hamlet in the Nation, I want to say that the postmasters of the United States are grateful to General Summerfield not only for his nonpartisan fairness but also for his devotion to the postal service.

I might add that this egregious libel you have perpetrated on the postmasters of the United States is shoddy repayment for the hours of extra labor they have put in over the years expediting Newsweek through the mails despite the ridiculously low postage rates you pay. Almost at the very moment you were circulating this slanderous accusation that postmasters are scoundrels and political hacks, your circulation department was issuing a communication to postmasters requesting that we give you special service in handling your magazine.

This is not the only injurious and untrue statement you have made in your article. I know that it is fashionable to say the hard word about the postal service, but the picture you paint is an exaggeration. Nobody knows the present limitations of the service better than does Postmaster General Summerfield and the postmasters, and no one is more determined to improve and refine it to the ultimate degree. However, even today three out of every four letters mailed in the United States get next day delivery. Considering the number of letters which are mailed great distances, this is a commendable performance. In the so-called metropolitan areas developed by Assistant Postmaster General (Operations) Jack McKibbin, 95 percent of all letters posted before 5 p.m. are being delivered in that same metropolitan area the next morning. Since these metropolitan areas range from 6,000 square miles to 72,000 square miles in size, I think this record is also worthy of commendation. And, I might add, this improved service is being effected at scarcely

any additional cost. It is achieved by more scientific scheduling and improved methods.

Furthermore, it is very misleading to compare the service in certain European countries with that in the United States without mentioning: (1) The volume per capita in those countries is only fractional compared to ours (for instance, the U.S. Postal Service handles more than two-thirds of the entire mail volume in the world); (2) the distances involved are not even comparable to ours; (3) European postal salaries average from one-half to one-quarter of what U.S. postal workers are paid; (4) despite last year's rate increase, European rates are still generally higher than ours.

And, talking about rates, you are dead wrong when you say that, "Since the earliest days of the Republic, since 1789, in fact \* \* \* Congress, which holds the constitutional authority over the Post Office, has insisted that the Post Office is not primarily a business—but a public service." I call your attention to the act of February 20, 1792, the first after the adoption of the Constitution, fixing rates of postage on mail matter, which made it clear it was the will of Congress that the Post Office be self-sustaining. This was forcibly reiterated in 1849, 1851, 1859, and 1912. In 1951 the 82d Congress in Public Law 137 stated that all branches of Government dispensing specific services to identifiable users "shall be self-sustaining to the fullest extent possible." The House of Representatives in 1956 in H.R. 11380 stated in section 203(c)(4) that "the postal rates shall be adjusted from time to time so that the total amount of the adjusted revenues be approximately equivalent to the total amount of the expenses." You seem to have done quite a lot of unilateral scholarship on this subject.

And, incidentally, it borders on intellectual dishonesty to list certain recommendations of the Hoover Commission which, through no fault of its own, the Post Office has not been able to meet, and then to ignore the statement by the Commission in its report of February 21, 1949, that: "The Post Office is predominantly of a business nature; it is revenue producing and potentially self-sustaining."

If it were true, as you erroneously state, that "Congress consistently spelled out the same message: Never mind the deficit," then why do we charge postage rates at all? Why don't we let everyone send letters free of charge?

Actually, the Post Office is both a service and a business. It performs certain welfare functions which should be paid for out of general taxation and not by the users of the mails. These functions are spelled out in the Kelly law (39 U.S.C. 793). If their cost is eliminated from the postal budget, then it will be found that the Post Office had broken even from its inception until the end of World War II, but since that time skyrocketing costs and lagging postage rates have conspired to produce an overall multi-billion dollar deficit. The huge postal deficit of today is a wholly modern concept. To paint it as a wonderful old American tradition is to paint it in false colors and with improper perspective.

Sincerely yours,

CHARLES E. PUSKAR,  
Executive Secretary-Treasurer.

#### CHICAGO SEWAGE PROBLEMS AND POLLUTION OF LAKE MICHIGAN

Mr. DOUGLAS. Mr. President, the people of the city of Chicago are very fond of our neighbor to the north, the city of Milwaukee. We like that city. We appreciate its many fine qualities, and we have a very high opinion of the people of Wisconsin.

As Members of the Senate know, however, Milwaukee and the State of Wisconsin have been opposing the request of the city of Chicago that an experimental 3-year study be conducted on how the difficult problem of treating Chicago's sewage can be solved in the most satisfactory fashion, including a 1-year experimental test of the diversion of an added 1,000 cubic feet of water per second, in order to bring more oxygen into the Chicago ship channel and Des Plaines River and hence to determine its effect on the pollution of the waters.

I regret that during the course of this discussion, the representatives of Wisconsin and of Michigan have made some violent attacks upon the city of Chicago and upon its method of sewage disposal, which we believe to be either the best in the United States or perhaps the next to the best. But to date we have refused to respond in kind; we have believed we should turn the other cheek and should pass over delinquencies on the part of our beloved neighbor to the north.

However, the attacks have been so persistent and so ill-founded that last week, in the hearings on the bill, I placed in the record certain administrative rulings of the Committee on Water Pollution of the State Board of Health of Wisconsin, ordering numerous cities and communities in Milwaukee County to cease polluting Lake Michigan and to cease discharging raw sewage into Lake Michigan. These orders were also applied to a number of industrial companies inside the city of Milwaukee.

The orders were issued in 1955. Upon investigation, however, we have found that they have not been carried out even as yet, and that the situation is still bad.

I am very glad to see my good friend, the Senator from Wisconsin [Mr. WILEY], on the floor at this time. I have notified him that I was going to submit certain material for the RECORD. I, therefore, now ask unanimous consent to have printed at this point in the RECORD an article published in the Milwaukee Sentinel for August 7, 1959.

The ACTING PRESIDENT pro tempore. Is there objection?

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

#### POLLUTION CAUSES DECISION

Milwaukee's two south side beaches—South Shore and Bay View—will be closed to swimming permanently after this summer, City Health Commissioner E. R. Krumbiegel announced Thursday.

Pollution from human and animal refuse, which cannot be coped with economically, is the reason for the closing, Dr. Krumbiegel told a meeting of city department heads at city hall.

Dr. Krumbiegel said that last May he had told the county park commission, which operates all the beaches, of his intentions to close the two.

#### SUGGESTS POOL

This was done, he said, so the commission could be forewarned before budget time.

He said he suggested to the commission that the beaches be left open for sunbathers and that a swimming pool be constructed at South Shore, which already has a bathhouse. He intends soon to send the commission a detailed written report of his reasons for ordering the closing, he said.

The city's two north side beaches—McKinley and Bradford—have been closed frequently this summer, principally because of weeds.

"But these are a safety hazard rather than a health problem," he said, adding that there was no plan to close those beaches. "How long Bradford will continue open is anybody's guess," he added.

#### CRITICAL BEACHES

Dr. Krumbiegel pointed out that pollution is also a critical problem at beaches outside the city chiefly at Grant Park in South Milwaukee and Big Bay and Klode Parks in Whitefish Bay, according to pollution studies made by the Metropolitan Sewerage Commission.

On frequent occasions this summer, pollution at those beaches had been worse than that at South Shore, he pointed out. Those beaches are not under his jurisdiction, however.

The health commissioner said he was ordering the closings because it is economically infeasible to end pollution of the lake and impossible to detect pollution in time to close beaches on a day-to-day basis.

He estimated it would cost a half billion dollars to end the pollution problem, \$250 million in tax money and the other \$250 million from private property owners.

The solution would involve installing separate storm and sanitary sewers throughout the entire sewerage district and correcting those deficiencies in the combined sewer system which result in storm water being dumped into sanitary facilities.

Chlorination of water near the beaches would alleviate the problem, he said, but this would have to be done 7 days a week and would be expensive and impractical.

Dr. Krumbiegel listed the four main sources of the pollution as:

The 254 sewer outfalls which empty into the Milwaukee, Menomonee, and Kinnickinnic Rivers when sewers become surcharged due to rainfall.

Effluent from the sewage-disposal plant on Jones Island.

The sewer outfalls which lead directly into the lake from the foot of East Russell and East Oklahoma Avenues, near the two beaches.

Refuse from steamships entering the harbor and from cruisers docked at the South Shore Yacht Club.

The situation is especially critical at the South Side beaches, Dr. Krumbiegel explained, because much of the effluent pouring from the sewage plant and river mouth is carried south by the current and is kept from drifting out into the lake by the breakwater.

Summer winds, which are usually from the west or northeast, also push this refuse toward the beaches.

"This wouldn't be so bad if it was spread out over the whole year," he said, "but it comes in relatively short periods, during heavy rains."

Bacteriological tests enable the health department to know the degree of pollution at the beaches, but these take 48 hours to complete since they involve growing organisms taken from the lake in test tubes to determine the bacteria count.

"This only lets us know the water was polluted 2 days ago but it doesn't tell us how the water will be tomorrow," Dr. Krumbiegel said. The degree of pollution at any beach varies greatly from day to day, depending on the wind direction and sewer discharge.

Mr. DOUGLAS. Mr. President, the article is an account from this very eminent Milwaukee newspaper, giving

the rulings of the city health commissioner, E. R. Krumbiegel; and I now read salient passages from the article:

Milwaukee's two south side beaches—South Shore and Bay View—will be closed to swimming permanently after this summer, City Health Commissioner E. R. Krumbiegel announced Thursday.

Pollution from human and animal refuse, which cannot be coped with economically, is the reason for the closing, Dr. Krumbiegel told a meeting of city department heads at city hall.

The article also states that the city health commissioner had notified the county park commission, last May, of his intention to close these two beaches, so that the commission could be forewarned; and the article also points out that:

The city's two north side beaches—McKinley and Bradford—have been closed frequently this summer, principally because of weeds.

However, I may say that these weeds have grown in part because of the nitrogenous discharges from the adjacent plant.

He pointed out also that pollution is a critical problem outside the city, chiefly at Grant Park in South Milwaukee and Big Bay and Klode Parks in Whitefish Bay, according to pollution studies made by the metropolitan sewerage commission.

As the commissioner stated, on frequent occasions this summer, pollution at those beaches had been made worse than that at South Shore. Those beaches are not under his jurisdiction, however.

Our friends from Wisconsin have been urging that we should use chlorination, and I think a full study of that possibility should be made; but it is interesting that the health commissioner of Milwaukee said that he was ordering its closing because "it is economically unfeasible to end pollution of the lake and impossible to detect pollution in time to close beaches on a day-to-day basis."

He estimated it would cost a half billion dollars to end the Milwaukee pollution problem, \$250 million in tax money and the other \$250 million from private property owners.

He says further that chlorination of water near the beaches would alleviate the problem, but it would have to be done 7 days a week and would be expensive and impractical.

The health commissioner listed the four main sources of the pollution, namely:

First, the 254 sewer outfalls which empty into the Milwaukee, Menomonee and Kinnickinnic Rivers when sewers become surcharged due to rainfall.

Second, effluent from the sewage disposal plant on Jones Island—which, in the past, we in Chicago have paid tribute to as an efficient plant.

Third, the sewer outfalls which lead directly into the lake from the foot of East Russell and East Oklahoma Avenues, near the two beaches.

Fourth, refuse from steamships entering the harbor and from cruisers docked at the South Shore Yacht Club.

The article continues that the situation is especially critical at the south side beaches because much of the effluent pouring from the sewage plant and river mouth is carried south by the current and is kept from drifting out into the lake by the breakwater.

Now, Mr. President, we have known these facts for some time, but hitherto we have not wished to make them matters of public record. Since this information comes from a Milwaukee newspaper and deals with the problem with which Milwaukee has to cope, we think it is appropriate to introduce these matters into the RECORD. I think the information is of value in this respect: It indicates the very difficult problem which big cities have to face. The city of Chicago has a problem six times as great as that of Milwaukee. We believe we are coping with it efficiently, but the 10 percent that cannot be fully removed under present methods means that we have a pollution if we include industrial waste, equal to that of 800,000 or 850,000 people.

In view of the very caustic statements which my good friends from Wisconsin have made about Chicago, I hope this information may induce on their part a greater feeling that this is a common problem, and may cause them to look homeward and to lend their great talents to assisting the city of Milwaukee in satisfactorily dealing with their problem. I think I can assure the people of Milwaukee that we shall be very glad to send them our most experienced engineers to help them with their problem. For we want to be cooperative and we recognize that there has been a lot of pollution going on up in Milwaukee for a long time.

Mr. WILEY. Mr. President, I want to thank the Senator from Illinois for referring to the pollution problem south of Milwaukee. The lake is down 7 feet now. The mere fact that there is a pollution problem in Milwaukee is no justification for the pollution which exists around Chicago. It reminds me of the thief who was trying to justify his action by the thievery of another. There is only one issue we face, and it is before the committee. We should not try to solve it here. I cannot see any justification at this time for putting into the record the statement that because Milwaukee's sewage disposal is partially inadequate in times of low water, that is an excuse for Chicago's system to be entirely inadequate all the time.

There is another issue involved. It is whether or not taking a thousand additional feet is the cure, having already taken three rivers and 3,300 cubic feet per second out of the lake. The answer very clearly is that it is not a cure. Not only that, but we have about \$1 billion invested in the St. Lawrence Seaway and in electric power systems. The result is if that much additional water is taken out of the lake, the investment in the St. Lawrence Seaway

will be jeopardized. I cannot see the relevancy of this particular statement at this time.

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

Mr. WILEY. I yield.

Mr. DOUGLAS. The relevancy of my insertion is that the Senator from Wisconsin has constantly urged us in Chicago to be as efficient in sewage disposal as are the people of Milwaukee, and has represented Milwaukee as being a paragon and model of efficiency in dealing with sewage.

I wanted to introduce into the RECORD this information so as to indicate that Milwaukee has its problems, too, and to offer our cooperation in trying to solve them. Of course, the Senator knows that Milwaukee is dumping this sewage into Lake Michigan and polluting Lake Michigan, and that is exactly what Wisconsin is trying to force Chicago to do in a suit which it has before the Supreme Court. If we were to do that, we would pollute the entire southern portion of Lake Michigan.

Mr. WILEY. Let me answer that statement, please. I was present in the Senate last year when there was introduced into the RECORD information that in the plant at Milwaukee we purify sewage and put back into the lake 96 percent in liquid form and the solids are made into fertilizer. Chicago has brought the percentage of purification down into the eighties, and it does not send anything back into the lake. But if we are going to reduce the lake level, we are going to injure our investment of \$1 billion in the St. Lawrence Seaway. We are going to further reduce the lake level, and the Chicago district now takes 3,300 cubic feet per second from the lake. The answer to the problem is not in taking additional water from the lake. The answer is in using purification methods which the record shows can be used effectively.

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

Mr. WILEY. Mr. President, I ask unanimous consent that I may proceed for 1 additional minute.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. WILEY. I cannot understand why this matter is being placed into the RECORD at this time, before the committee has reached its decision. Is it to confuse the issues? I contend the issues are:

(a) Not what Milwaukee fails to do, but what Chicago is and has failed to do.

(b) If water is taken from our watershed for sewage flushing but not in aid of navigation is it legally justified?

(c) Can we violate, under the circumstances, our agreement with Canada?

(d) What about the damage to navigation, wharves, docks, and so forth, on Lake Michigan, resulting by such diversion?

Let us not forget that the problem Chicago has is caused by Chicago fail-

ing to do the necessary thing. She has enlarged her sewage area but not her sewage disposal plant.

Mr. PROXMIRE subsequently said: Mr. President, earlier today the senior Senator from Illinois attacked Milwaukee's sanitation system for allegedly polluting the waters of Lake Michigan.

Mr. DOUGLAS. I want to say I did not attack the system. I merely put into the RECORD a quotation from the Milwaukee Sentinel.

Mr. PROXMIRE. I did not get that. Mr. DOUGLAS. I merely put into the RECORD an article from the Milwaukee Sentinel.

Mr. PROXMIRE. I thank the Senator for his clarification about putting in that article. I have read the remarks of the Senator from Illinois, the context, and the implications of the article as it was put into the RECORD, and in view of the identity of the Senator who put it in the RECORD, there are implications which I would like to clarify.

The insertion in the RECORD obviously implied that this alleged pollution was comparable to the failure of the Chicago Sanitation District to act to solve its own problems without additional diversion from Lake Michigan.

As soon as I could get a copy of the remarks of the Senator from Illinois [Mr. DOUGLAS] I telephoned to the chief engineer of the Milwaukee Metropolitan Sewage Commission, Mr. Raymond J. Leary, and asked him to comment on the article that was inserted into the RECORD by the Senator from Illinois. He gave me his replies, and I ask unanimous consent that the comments of this competent and qualified expert be inserted into the RECORD following the remarks of the Senator from Illinois earlier today.

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

Senator DOUGLAS charged that an administrative order of the Wisconsin State Board of Health ordering Milwaukee and surrounding communities to cease polluting the lake has been ignored for several years.

Mr. Leary's comment: "This order was based on pollution situation caused by mixed raw sewage and storm water, not by discharge of raw sewage alone. After the order was made the city of Milwaukee immediately engaged the Chicago engineering firm of Alvord, Burdick, & Howson, 22 West Wacker Drive, Chicago, to make a study of the problem and submit recommendations. The study has been completed and the State Board of Health is now considering the recommendations based on this study. Hence, Milwaukee did not ignore the problem, but went to work right away to find a solution which was acceptable to the State board of health. If the Douglas revelations have any point at all in relation to the Chicago diversion they must be based on the assumption that Milwaukee completely ignored the order, which is emphatically and obviously not the case."

Senator DOUGLAS charged that closing of beaches in Milwaukee by city health officer Dr. Krumbeigel was the result of inefficient treatment of sewage by the city.

Mr. Leary's comment: "The fact is that the beaches were closed because of an increase in weed growth in beach areas due to low water level of the lake. Plant food is

thus more abundant due to the increased supply of nitrates, phosphorous and protein, but this in itself is not an indication of increased pollution due to inefficient sewage treatment.

"I might add that this closing of the beaches only points out the increased hazard to Milwaukee if the lake level is lowered still further by the diversion of additional water by the city of Chicago."

Senator DOUGLAS charged that the sewage problem is so bad in Milwaukee that it will take one-half billion dollars to end it.

Mr. Leary's comment: "The fact is that an expenditure of \$250 million would be required to eliminate combination storm and sewer systems still in existence at the present time in Milwaukee. This would result in a \$50 million business loss during the construction work, which is quite different from the \$250 million in tax money and an additional \$250 million from private property owners cited by Senator DOUGLAS.

"The Milwaukee sewage system at this time has only 40 to 45 percent combination of sewage and storm systems. This system carries both sewage and storm water, putting an extra burden on the sewage treatment plant, as both sewage and water go into the plant during heavy rainfall.

"On the other hand, Chicago has a 100 percent combination system, which puts a tremendous burden on its sewage treatment plant when it rains, as all the rain and all the sewage go into the disposal plants at one time. This certainly is an indication of the inefficiency of the Chicago sewage disposal system."

#### REMOVAL OF CENSORSHIP GAG ON ICA INDONESIA EMPLOYEES AID TO ACHIEVEMENT OF MORE EFFECTIVE FOREIGN AID PLAN

Mr. NEUBERGER. Mr. President, on May 13, 1959, the Director of the ICA mission to Indonesia, James C. Baird, Jr., issued a directive to ICA personnel in that country stating that all private correspondence dealing with public affairs written by direct hire and contract employees and members of their families to Members of Congress would henceforth be cleared by the mission Director or Deputy Director prior to dispatch. The directive declared that—

It is considered inadvisable for our employees and their families to write their Congressmen from countries in various parts of the world to express opinions on the mutual security program, even with the best of intentions. Private letters on public affairs are often sources of embarrassment to the writer, to the employee's agency and to the U.S. Government. Views may be in conflict with policies established by the Department of State and with plans of the ICA presented to Congress of each year.

#### ICA RESCINDS GAG DIRECTIVE

On June 4, 1959, I obtained a copy of this directive, and on June 9, 1959, I wrote to James W. Riddleberger, Director of the ICA program in Washington, requesting an explanation of the directive. On August 5, 1959, I received a letter from Mr. Riddleberger informing me that the directive had been rescinded and that ICA was in the process of rewording its personnel regulations to make it clear that censorship of ICA employee correspondence with Members of Congress is not in accordance with ICA policy.

This decision was made public by the agency yesterday.

Mr. President, our foreign aid program has many critics who seek its curtailment or abandonment. I am not one of these. But those of us who support the principle of foreign aid carry with our advocacy the responsibility to subject its administration to stern and steady scrutiny. The result can only strengthen our position of support.

Such a result has been achieved by the decision of James W. Riddleberger to rescind the censorship gag on ICA employees in Indonesia imposed by the head of our mission to that country.

#### DIRECTIVE CONTRARY TO PUBLIC INTEREST

The Indonesia directive was contrary to law, and ICA policy.

It represented an improper and obnoxious restriction of the right of free speech of ICA employees in that country.

It lowered morale and hence decreased the efficiency of men and women assigned to implement the ICA program in Indonesia.

It was an attempt to prevent dissemination of information which might be adverse to ICA operations and officials in that country.

Its total effect was contrary to the best interests of this country in terms of personal liberty, public confidence in public officials, allocation of Federal funds, and our relations with other nations.

Mr. President, efforts to silence criticism of the ICA program by individuals with the most intimate knowledge of its operational imperfections—the men and women who are attempting to bring to fruition its goals through day-to-day supervision of individual projects—work only to the detriment of the United States.

#### CENSORSHIP HURTS ICA PROGRAM

Such action reinforces the charges, valid or not, of those who seek termination of the program. Persons who initiate, foster, or support censorship help to cripple the very endeavor they assert they are protecting.

Mr. President, I do not believe that increased efficiency and effectiveness in our foreign aid program will be realized through indiscriminate slashes in the amount of funds made available for its implementation. If such were the case, then the work of ICA would best be carried out with no funds at all.

Greater efficacy in the foreign aid program will result from continual clarification of policy goals and constant examination of administrative procedures. The Indonesia directive represented a block to achievement of both these aims. Rescinding of the directive is a gain in our attempts to insure the most for our money in our foreign aid program.

Mr. President, I ask unanimous consent that there be printed in the *RECORD* at the conclusion of my remarks an article from the *Washington Daily News* of August 11, 1959, by Marshall McNeil, entitled "Aftermath of Complaints: ICA Boss Rescinds Censorship Gag on Indonesia Employees," together with an editorial of the same date from that newspaper commenting on the rescission decision, the text of Mr. Riddleberger's letter

of August 3 to me, and the text of the directive issued by the head of the ICA mission in Indonesia.

There being no objection, the article, editorial, letter, and directive were ordered to be printed in the *RECORD*, as follows:

[From the *Washington Daily News*, Aug. 11, 1959]

#### AFTERMATH OF COMPLAINTS: ICA BOSS RESCINDS CENSORSHIP GAG ON INDONESIA EMPLOYEES

(By Marshall McNeil)

James W. Riddleberger, director of foreign aid operations, has instructed the U.S. mission in Indonesia to rescind its order of May 13 imposing a censorship gag on American employees there.

The gag affected not only foreign aid employees in Indonesia, but their families, numbering altogether several hundred. They were forbidden by the U.S. Operations Mission from writing to Congressmen or others about "public affairs of the United States or of any foreign government," unless their letters were first "cleared" by top officials of the agency.

#### EX-ENVOY

Mr. Riddleberger, former Ambassador to Greece, took office here May 29 as director of the International Cooperation Administration, the agency that manages foreign aid spending. This was 13 days after the censorship was issued in Djakarta by James C. Baird, Jr., head of the U.S. mission.

The new ICA Director heard complaints about the censorship gag in a letter from Senator RICHARD NEUBERGER, Democrat, of Oregon, dated June 9. Another complaint was made to Under Secretary of State Douglas Dillon by Senator J. W. FULBRIGHT, Democrat, of Arkansas, chairman of the Foreign Relations Committee.

A third complaint is en route to ICA from the American Civil Liberties Union, signed by Patrick Murphy Malin, its executive director. Mr. Malin said he was "shocked" to hear of the "unadulterated censorship."

Mr. Riddleberger told Senator NEUBERGER in a letter dated August 3 that the censorship order was "not in accord with ICA policy or instructions" and that "we have therefore directed the mission to rescind it."

Mr. Baird, incidentally, is being replaced as foreign aid director in Indonesia, according to Alphonso Smith, special information assistant to Mr. Riddleberger. He has been there 4 years. Mr. Smith said he knew of no connection between the censorship order now rescinded and the shift. Mr. Baird will be replaced, Mr. Smith said, by Raymond Allen, chancellor of the University of California.

Mr. Riddleberger pointed out to Senator NEUBERGER that the Federal law says:

"The right of persons employed in the civil service of the United States, either individually or collectively to petition Congress, or any Member thereof, or to furnish information to either House of Congress, or to any committee or member thereof, shall not be denied or interfered with."

He quoted State Department regulations: "An officer or employee of the (Foreign) Service shall not correspond in regard to the public affairs of any foreign government except with the proper officers of the United States, except as authorized by the Secretary."

He said ICA regulations were being reworded so that they would be identical with corresponding State Department rules.

[From the *Washington Daily News*, Aug. 11, 1959]

#### FOREIGN-AID CENSORSHIP

Sometimes, when Members of Congress try hard enough and wait long enough for

results, they can persuade the foreign-aid spenders to correct mistakes.

An incident has just come to light. On May 13 the chief of our International Cooperation Administration mission in Indonesia issued an order to all Americans under his supervision—including families—not to write letters on public affairs to Members of Congress without clearing them with him or his deputy chief. The reason for this obviously improper censorship order was that such letters might "embarrass" the agency or the U.S. Government.

On June 9, Senator NEUBERGER of Oregon complained about the gag rule to James Riddleberger, Chief of the ICA here in Washington.

Last week, on August 3, Mr. Riddleberger notified Senator NEUBERGER that the Indonesian directive had been rescinded, because it was contrary to law and policy.

Although it required nearly 3 months to get results, we congratulate Mr. Riddleberger on the correction of this mistake. For we agree with the American Civil Liberties Union, which observed that although "an employee's opinion can embarrass the mission and the U.S. position abroad \* \* \* both are strong enough to withstand criticism without collapsing. It is also conceivable that such comment could help our position by pointing up necessary improvements in the mission's operation."

There is ample evidence of the need for such improvements. Senator MIKE MANSFIELD's Foreign Relations Subcommittee has undertaken an inquiry on some aspects of our foreign-aid program in Vietnam, which should get results if pursued vigorously.

That will involve far more than listening to the blanket denials of self-satisfied foreign-aid officials. It should include on-the-scene appraisals by the subcommittee's own investigators, in Vietnam as well as other countries where billions of U.S. tax dollars are being spent.

#### INTERNATIONAL COOPERATION ADMINISTRATION, OFFICE OF THE DIRECTOR, Washington, D. C., August 3, 1959.

HON. RICHARD L. NEUBERGER,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR NEUBERGER: This is in further response to your letter of June 9, 1959, relating to a directive issued on May 13, 1959, by the ICA mission to Indonesia establishing a clearance procedure for correspondence from members of the mission staff and their families to Members of Congress dealing with public affairs.

The directive issued by our Indonesia mission is not in accord with ICA policy or instructions. We have therefore directed the mission to rescind it.

With regard to the general question of correspondence by agency employees with Members of Congress, there are two provisions of law which are directly pertinent. One is section 652(d) of title V of the United States Code, which reads as follows:

"The right of persons employed in the civil service of the United States, either individually or collectively to petition Congress, or any Member thereof, or to furnish information to either House of Congress, or to any committee or member thereof, shall not be denied or interfered with."

The other is section 1004(a) of the Foreign Service Act of 1946, as amended (22 U.S.C. 806), which reads as follows:

"An officer or employee of the Service shall not correspond in regard to the public affairs of any foreign government except with the proper officers of the United States, except as authorized by the Secretary."

The general ICA instruction on this subject is found in section IV C of ICA Manual Order 451.1, a copy of which is attached hereto. This manual order section is in-

tended to prescribe for ICA personnel instructions which correspond in substance to those which the Department of State has established on this subject for its overseas personnel (see attached extracts from the State Department Foreign Service Manual). To make this intention entirely clear, we are now rewording the ICA manual provision so that it will be identical with the corresponding State Department regulation. I might add that ICA and the Department apply these instructions liberally, in order to give maximum opportunity for employees to communicate with Members of Congress and in keeping with our desire to furnish to Congress and the public full information regarding the mutual security program.

With every good wish.

Sincerely yours,

JAMES W. RIDDLEBERGER.

(Enclosures: ICA Manual Order 451.1; portions of the Foreign Service Manual relating to authorized correspondence (1 FSM II, secs. 111, 113, and 263); portions of the Foreign Service Manual relating to conditions of service (1 FSM IV, sec. 600).)

UNITED STATES OF AMERICA,  
OPERATIONS MISSION TO INDONESIA,  
INTERNATIONAL COOPERATION ADMINISTRATION,  
Djakarta, May 13, 1959.

Subject: Clearances on correspondence by USOM staff and members of their families to Members of Congress concerning matters of public affairs.

#### I. PURPOSE

To establish mission policy, regulations and procedures with respect to correspondence by USOM staff and their families to Members of Congress concerning matters of public affairs.

#### II. AUTHORITY

MO 451.1 (formerly 461.0), personal conduct, dated May 10, 1955.

#### III. POLICY

A. All correspondence by USOM direct hire and contract employees and members of their families, concerning public affairs of the United States or of any foreign government, must be considered official. It is considered inadvisable for our employees and their families to write their Congressmen from countries in various parts of the world to express opinions on the mutual security program, even with the best of intentions. Private letters on public affairs are often sources of embarrassment to the writer, to the employee's agency and to the U.S. Government. Views may be in conflict with policies established by the Department of State and with plans of the ICA presented to Congress of each year.

B. In view of the above, all private letters and other types of correspondence dealing with public affairs must be cleared with the mission Director or Deputy Director prior to dispatch.

C. All other provisions set out in Mo 451.1 with respect to clearances of speeches and interviews, writing for publication, etc., will be complied with in the manner prescribed therein.

#### IV. PENALTIES FOR VIOLATION

MO 451.1 indicates that personnel violating above-mentioned regulations are subject to disciplinary action including possible dismissal from the service.

JAMES C. BAIR, Jr., Director.

### PROPOSED WEST POINT FOR DIPLOMATS

Mr. SYMINGTON. Mr. President, I thank the distinguished junior Senator from Tennessee [Mr. GORE] for the kind remarks he made for the RECORD yesterday about an article I wrote recently

entitled, "Let's Have a West Point for Diplomats."

As usual the remarks of the able Senator carried clarity and wisdom. I would hope that, working with him and others, this badly needed academy could become a reality in the near future.

Mr. President—

The ACTING PRESIDENT pro tempore. The Senator from Missouri has the floor.

### TESTIMONY OF SECRETARY OF AGRICULTURE BENSON BEFORE THE COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. SYMINGTON. Mr. President, during a colloquy yesterday on the Senate floor with the distinguished junior Senator from Arizona [Mr. GOLDWATER], I referred to certain changes which had been made in Secretary Benson's testimony before the Agriculture and Forestry Committee.

These changes were significant. They were made when the original transcript was edited in the Department of Agriculture.

I assured the junior Senator from Arizona that duplicates of the original testimony and of the testimony as edited would be shown to him. Arrangements in that respect have already been made.

Other Senators have also expressed interest in this edited testimony. Consequently, any Senators who wish to examine it can do so by checking at the desk.

### HONEYMOONING IN WYOMING

Mr. MCGEE. Mr. President, I indulged a few days ago in a discussion of a very interesting topic on the floor in the morning hour in an informal way, on the subject of women. This morning I should like to take the next step in this little series of 3-minute indulgences, and talk about young love.

I noted in last evening's paper the headline of an article "Couple To Honeymoon in Hills of Wyoming."

Mr. President, this suggests what is evident in many other ways in this country; that is, the westward movement of this modern day. In the older times Niagara Falls was the epitome of every honeymooner's dream. It is not without significance that now young love thinks of the West as the ideal for the honeymooning spot.

I think it is significant that Steven Rockefeller and Anne Marie Rasmussen have chosen Wyoming to launch their new career. As a resident of Wyoming, I want to be the first to welcome them to this wonderful area.

As the Senator from Idaho [Mr. CHURCH], the present Presiding Officer of the Senate fully recognizes, the topography of the area in which these young people will be spending their honeymoon is outstanding. The area lies just over the Teton Range and over the border from the Senator's State of Idaho. Indeed, there could be no finer area for a honeymoon.

I suggest, however, that young Rockefeller and his chosen mate will discover

what all of us have discovered in the West; that is, that a honeymoon is not a short-time thing, but it becomes perpetual in the Rocky Mountains. For that reason, we may fully expect this young couple ultimately to settle either in Idaho or in Wyoming, in that same area.

I conclude by suggesting, Mr. President, perhaps this is even a more meaningful summit conference, that these two persons have projected out there at the top of America, in the Tetons of Wyoming, than some others which have been discussed from time to time.

Mr. President, I ask unanimous consent that the newspaper account of the honeymoon planned to be spent in Wyoming by Steven Rockefeller and Anne Marie Rasmussen be printed in the RECORD.

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

#### COUPLE TO HONEYMOON IN HILLS OF WYOMING

KRISTIANSAND, NORWAY, August 11.—Steven Rockefeller and Anne Marie Rasmussen plan an extended honeymoon in the hills of Wyoming after their wedding August 22, friends here said today.

After their return to New York, Anne Marie will enroll at Columbia University to continue art studies she began at New York's Metropolitan Museum during the months Steven was courting her.

#### TO ENTER FAMILY BUSINESS

Steven has said he would go into "family business," training to play a role in the administration of one of the greatest fortunes in the world.

For the present the son of New York Gov. Nelson Rockefeller and the onetime maid in the Rockefeller home kept their whereabouts a secret from the world.

Steven, "Mia" and her parents motored out of the Rasmussen's home village of Sogne, near here for a week of privacy.

#### WELL-KEPT SECRET

The wedding was in the cards for a year and a half, said Andreas Hoelaas, 27-year-old architect who once studied at Columbia in New York. His father bought the old Rasmussen home, a 200-year-old beauty spot, and the two families have been close friends.

"We knew about the romance long before it hit the headlines," he said in an interview.

"Anne Marie told us she was secretly engaged but she asked us never to tell anyone of her ties to the Rockefeller family as she did not want any sensationalism to spoil it. Steven came here later. He wore blue jeans and rubber shoes and he climbed the steep cliff on our island like a goat. He has a direct, straightforward manner that is very charming and he never hid his joy at seeing Anne Marie in the beauty of her homeland."

#### THE VERMONT VACATIONLAND

Mr. PROUTY. Mr. President, on Friday, Saturday, and Sunday of this week, 200 years after the original event, some of my neighbors in the northeast kingdom of Vermont will reenact in pageant and song the stirring story of Maj. Robert Rogers and his Rangers. This pageant will be repeated on August 21, 22, and 23 in Waterford, Vt., on the shores of the Connecticut River.

For many years Indians had been using the Quebec village of St. Francis as a takeoff point for raids on New England settlements—raids in which they killed the men, carried off women

and children, stole portable property and burned the homesteads. Gen. Jeffrey Amherst ordered Major Rogers to destroy the Indian village and to end the reign of terror.

On September 13, 1759, Major Rogers and 200 rangers and friendly Indians set off in whaleboats to sail up Lake Champlain and reach their objective. This they did 22 days later. Their retaliatory attack destroyed the village and made New England safe from terror in the night.

The men and women of northeastern Vermont are staging this pageant to tie this significant bit of history into the Champlain-Hudson Festival Year of History as proclaimed by the President. The President's proclamation was issued in response to Senate Joint Resolution 59, of which I am proud to have been a co-sponsor. This requested the President to issue a proclamation designating 1959 for the observance of the 350th anniversary of the historic voyages of Henry Hudson and Samuel de Champlain.

In the spirit of that proclamation the people of Vermont and New York State have already produced, and for the remainder of the year have scheduled, many outstanding events of various kinds, all of great and pleasurable interest.

If this session of this Congress should adjourn in the near future—and I truly believe it must adjourn sometime—my friends and colleagues will be in need of rest and recreation so that they may be in physical and mental condition to perform the important tasks which will face them in the second session. To them I recommend the healing and invigorating properties of Vermont's green mountains, verdant valleys, shining lakes, free-flowing rivers and streams and its clean, fresh air.

The healthful, delightful, and refreshing properties to be found in Vermont are not, of course, restricted to Members of Congress. They are God's gift to everyone who will do himself the favor of traveling through them or living, for however long or short a time, among them.

Whether traveling, or staying, the visitor will not benefit fully unless he utilizes every opportunity to meet and become acquainted with the people of Vermont. With their historical background of self-reliance, independence of thought and action and fierce love of liberty, today's Vermonters can contribute to the inquiring visitor an independent, commonsense point of view grounded in the oldtime virtues but as up to date as today.

I can think of no better way for a visitor to meet the people than to attend some of the many interesting events which, as I noted earlier, have been scheduled for the remainder of the year in this year of history. Of course, I can only call attention to a very few of the many. In addition to the Rogers Rangers Pageant the visitor can attend such functions as the reenactment of the Battle of Bennington on August 16 at Bennington; the Lumberjack Roundup at Lake Dunmore on August 14 and 15; the watershow and regatta at St. Al-

bans on August 15 and 16 and the reenactment of the Confederate raid on St. Albans on the 17th.

During September those traveling through or visiting in Vermont will be able to meet and learn to appreciate Vermonters at the Craft Mart in Rutland from the 24th to the 26th; at the Green Mountain Horse Association Trail-Ride at South Woodstock from the 26th to the 29th; at the Champlain Valley Exposition at Essex Junction from August 31 through September 5; at the Rutland Fair from September 7 through September 12 and at the justly famed "World's Fair" at Tunbridge on September 17, 18, and 19.

And in October Vermont offers nature's most beautiful art show, the fall foliage. The reds, yellows, greens, and browns of the turning maple and other leaves are then ablaze throughout the State. Annually the towns of Danville, Peacham, Barnet, Passumpsic, Groton, and Ryegate stage a Fall Foliage Festival with many old-fashioned hometown events where the visitor can meet Vermonters at their best.

After the fall foliage come the winter snows and Vermont's more than half-a-hundred winter sports centers are famous for their skiing, skating, snowshoeing, tobogganing, and fishing through the ice.

Should a visit to Vermont be on Mr. Khrushchev's itinerary he might well learn some things that could do him some good. He would learn what it means to live among free and independent men. For, in the words of President Calvin Coolidge:

If the spirit of liberty should vanish in the United States and our institutions should languish, it could all be restored by the generous store held by the people in this brave little State of Vermont.

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

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

The Chief Clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. MCGEE in the chair). Without objection, it is so ordered.

MAJ. GEN. JOHN H. MICHAELIS,  
CHIEF OF LEGISLATIVE LIAISON,  
DEPARTMENT OF THE ARMY

Mr. BARTLETT. Mr. President, on August 11, 1959, the Secretary of the Army Wilber M. Brucker, at an impressive ceremony in his office in the Pentagon, awarded the Legion of Merit—third Oak Leaf Cluster—to Maj. Gen. John H. Michaelis who, after 3 years as Chief of Legislative Liaison, Department of the Army, is leaving Washington for a new assignment in Alaska.

General Michaelis has been closely associated with Members of both Houses of Congress since November 1956, and has been most eloquent in his representation of the U.S. Army. The outstanding services rendered by General Michaelis have been most helpful, not

only in giving Congress a clearer understanding of the roles, missions, and requirements of the Army, but in also providing answers to questions raised by congressional constituents regarding Army policies, procedures, and operations.

I am sorry to see General Michaelis leave Washington, but I am pleased that he is assigned as commanding general, U.S. Army, Alaska, where our association will continue.

The citation that accompanied the award of the Legion of Merit—third Oak Leaf Cluster—to General Michaelis bears repeating, since it clearly expresses the professional competence and accomplishments of this fine officer, who has served his Nation so devotedly and bravely in wartime as well as peacetime.

The citation follows:

The President of the United States of America authorized by act of Congress July 20, 1942, has awarded the Legion of Merit (third Oak Leaf Cluster) to Maj. Gen. John H. Michaelis, U.S. Army, for exceptionally meritorious conduct in the performance of outstanding services:

General Michaelis distinguished himself by exceptionally meritorious service in a duty of great responsibility during the period October 15, 1956, to August 19, 1959. As Chief of Legislative Liaison, Office of the Secretary of the Army, Department of the Army, Washington, D.C., General Michaelis served as the direct representative of the Secretary of the Army and the Chief of Staff with the U.S. Congress in the interpretation and presentation of Department of the Army philosophy and policy of critical consequence to the Nation. Of equal importance, General Michaelis served as the principal adviser to the Secretary of the Army and the Chief of Staff in their relationships with the Congress and in the formulation of decisions of far-reaching and fundamental significance to the U.S. Army and to the country. His unerring acumen, perception, and brilliant grasp of the complexities of the National Legislative requirements and the intertwined relationship of military, international, and domestic affairs were of inestimable value to the Department of the Army and to the U.S. Congress. The exceptional confidence and trust reposed in him by the Members of Congress served directly to enhance the prestige and understanding of the U.S. Army with the Congress. General Michaelis' service has been of the highest order, true to the most cherished military traditions, and reflects great credit upon himself, the military service, and the Government.

Mr. MARTIN. Mr. President, the Congress has been particularly fortunate in recent years, in its day-to-day dealings with the Army, because of the identity of the Army's Chief of Legislative Liaison. That officer, since November of 1956, has been one of the outstanding combat leaders of this mid-20th century era—Maj. Gen. John H. Michaelis, famed for battlefield exploits in both World War II and the Korean war. But after nearly 3 years in this liaison assignment, General Michaelis now is returning to the fieldwork which he enjoys the most, as commander of U.S. Army Forces in Alaska.

General Michaelis truly is a storybook fighting leader. Born on August 21, 1912, he enlisted in the Army at the age of 19 and after 2 years of service in the ranks was admitted to the U.S. Military Academy at West Point.

Tabbed early in his officer career as a potential top leader of troops, he sprang to public attention in Europe in September of 1944 by his heroic leadership of the 502d Parachute Infantry Regiment in its historic airborne invasion of Holland. Again in Korea, then Colonel Michaelis' daring leadership of the 27th Infantry Regiment won for that Regiment the nickname "Fire Brigade" and for himself the title of "Fire Chief."

I know that all of my colleagues in the Senate will join in wishing this much-decorated fighting hero the greatest of success in his new assignment. The Nation's fighting forces in Alaska will gain from our loss, in Congress, of our capable and effective liaison officer.

#### ANNIVERSARY OF WEIMAR CONSTITUTION IN GERMANY—RESOLUTION

Mr. DIRKSEN. Mr. President, yesterday marked the 40th anniversary of the adoption of what is known as the Weimar Constitution, by the Constitutional Assembly in Weimar, Germany.

The event was significant, and is significant. The anniversary date becomes something of a point in the life of the Steuben Society of America, which has always dedicated itself to constitutional government.

In honor of that anniversary, it has adopted a resolution memorializing the Congress in the interest of continuing constitutional government, and emphasizing the importance of standing on guard against encroachments against freedom and constitutional government.

In connection with my remarks, I ask unanimous consent to have printed in the RECORD at this point the resolution adopted by the National Council of the Steuben Society of America.

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

#### STEBUEN SOCIETY OF AMERICA RESOLUTION

Whereas August 11, 1919, marks the 40th anniversary of the adoption of the German Constitution by the Constitutional Assembly in Weimar; and

Whereas the Weimar Constitution, in spirit as well as in language is patterned after the U.S. Constitution and therefore is truly a child of our own basic law; and

Whereas the Weimar Constitution, like our own, in its preamble states the immovable and immutable truth that "all power originates from the people", thereby sounding anew the rallying cry that has moved the hearts and minds of human beings yearning for freedom, throughout the ages; and

Whereas it behooves all of us, in the face of the many political and economic stresses filling the world of today, to be forever vigilant in the defense of our basic law and to learn from the decline and demise of other nations such as the Weimar Republic where the noblest sentiments and the highest ideals pronounced in the Weimar Constitution could not prevail against the powerful pressures from without and from within, finally bringing dictatorship and ruin to a great people: Therefore be it

Resolved, That the national council of the Steuben Society of America, a nationwide organization of American citizens of Germanic extraction, assembled for its annual meeting in the city of Chicago, do urge its own members as well as all other citizens of our

Nation, to pay tribute in proper ceremonies to the men and women who gave form and content to the Constitution of the German Republic, four decades ago; and be it also

Resolved, That the Steuben Society of America do memorialize the U.S. Congress to do likewise on this, the 40th anniversary date of the Weimar Constitution, so that all of us may be alerted anew to guard against usurpations and encroachments upon constitutional government, which were to bring such total disaster to the German Republic and to many other once free nations now living in darkness.

OTTO HEERLEIN,  
National Chairman.  
J. H. MEYER,  
National Secretary.

#### HOUSING VETO AND THE INTEREST RATE—FEWER HOMES AT HIGHER PRICES

Mr. YOUNG of Ohio. Mr. President, President Eisenhower's veto of the housing bill, S. 57, again clearly demonstrates that the present administration is standing fast in its refusal to allow America to move full force into the 20th century.

It is an administration dedicated to the proposition of not doing today what can be put off until tomorrow. This is a mark-time administration.

At present, about two-thirds of America's population lives in urban areas, and this proportion is expected to rise to 80 percent by 1980.

With this rapid increase in the number of city dwellers, the problem of slums will become an ever-pressing one. Today there are 5 million people living under substandard conditions. Action is needed not only to improve present conditions, but to prevent their spread.

We need college dormitories and college classrooms for the expected increase in our college population. The future of America is in our educated youth. Every time a dormitory or a classroom is dropped from the appropriation, America's future is diminished to some extent.

We need adequate housing for our elderly citizens whose numbers are constantly increasing. They deserve a place to live in dignity and comfort.

The United States is the most prosperous Nation in the world and has come far along the road to industrial prosperity. Still, there are many families who have not been able to share in this high standard of living and who cannot meet one of the most basic needs—adequate housing.

In Moscow today, our \$14,000 model house is proving one of the main attractions at our exhibition. The average Russian is amazed at what many of us have come to take for granted.

Yet, a glance at the tragic slum conditions in any of our cities or a drive through any of a thousand rural areas, would easily convince us this is a problem for all Americans and, as such, requires and deserves Federal assistance.

A Nation with millions of its citizens ill-housed and ill-fed cannot long remain free and strong. We must rise to meet this challenge with all resources at our command.

The Housing Act of 1959 was in no sense an extreme one, but represented a

compromise. In its final form, it called for the very least we should do under existing circumstances.

Therefore, it was a blow to men, women, and children living in slums and hovels, and to millions of forward-looking Americans when the President vetoed S. 57.

The President stated in his veto message that 100,000 of the housing units already authorized had not been built. But he neglected to state that each of these 100,000 units is already under commitment and that there are over 50,000 additional applications on file at this very moment.

The veto message has exposed the essential ineptness of the antispending and anti-inflation policies of this administration.

It comes following the President's request for lifting the interest rate ceiling on long-term Government bonds from the present 4¼-percent limitation which has been in effect for 41 years. Only this morning, in his news conference, he stated that such an increase was vital.

This move would increase the interest rate throughout the entire economy. In fact, within the past 10 days two short-term bond issues have been offered at 4¾-percent interest. This policy will cost our taxpayers billions of dollars for years to come—many more times what an adequate housing bill will cost.

This is shocking at a time when many of our corporations and businessmen can borrow money at less than this rate. I note in the latest issue of Financial World, an extremely conservative magazine, that of 11 selected bond issues of corporations, 8 are selling at interest rates below what the Federal Government is now paying.

Is their credit more sound than that of the United States? Has 7 years of a Republican administration brought the credit standing of the Government to this low ebb where it must pay as much, or more, to borrow money as many of our ordinary citizens?

I hope to speak of this particular matter at greater length in the near future. However, it is interesting and astonishing that the price of money and its effect on general price stability apparently does not concern the President.

Still, the President feels that the slight cost of providing decent housing for Americans is inflationary. The net effect of this veto and the proposed lifting of the interest rate ceiling is to build fewer houses at higher prices.

If we allow this philosophy to carry over into other areas of our economic life, it will spell economic stagnation for America.

The President's failure, or refusal, to understand the problems concerned with our economic growth and well-being, and his obsession with inflation and spending, will mean an end to reasonable social welfare legislation.

It will cause our dynamic economy to slacken.

If we allow this veto to stand, it will be to the detriment of the Nation and the entire free world.

### KOWALSKI WINS A MAJOR BATTLE FOR GI AND TAXPAYER

Mr. PROXMIRE. Mr. President, Representative FRANK KOWALSKI, whom I have never met, has been carrying on a fighting crusade to save the GI from serving as a nursemaid and baby sitter instead of as a fighting man serving his country.

A small, inconspicuous announcement in the papers this morning indicates that KOWALSKI has won a signal victory for the long-suffering GI and the overburdened taxpayer who has to pay the high cost of each enlisted American soldier. KOWALSKI has convincingly shown that literally thousands of our American soldiers and sailors are used for menial servant jobs, and his fight has gotten results. This morning the Associated Press reported as follows:

The Army moved to meet criticism in Congress of the use of enlisted men as household servants for generals.

A new regulation distributed today allows one orderly to each general officer. This ended a provision permitting one orderly for each commanding officer of a battalion, regiment, or group.

This is an excellent first step. But it is only the first step. There is no more reason for a general officer to have an orderly than for a captain to have an orderly. Generals are retired at an age when they are still physically vigorous. They are required to keep in strong physical condition. They should certainly be able to handle the husbandly chores in a modern household without a houseboy. Senators do it. Congressmen and college presidents do it. Why should generals enjoy servants at taxpayers' expense?

### NEW CHANCE IN LITTLE ROCK

Mr. JAVITS. Mr. President, the whole world will be watching Little Rock today, where the high schools are reopening and they are to some extent seeking to comply with the Supreme Court's mandate on desegregation of the public schools.

Mr. President, the whole world will be watching Little Rock today, and then the whole world will be watching the U.S. Senate tomorrow on the issue of civil rights. While I am confining my remarks to Little Rock today, I hope to speak on the floor tomorrow at some length about civil rights and where we stand and what we have to do, because I think our duty is very clear.

Mr. President, Little Rock has become a symbol to the whole world as to whether or not the United States means what it says in respect to equality of opportunity for its peoples, whatever may be their color. We can express the hope today that Little Rock will be deeply conscious of the representative capacity which it occupies for all lands and the people of the world.

Let us never forget that with a billion people in the free world, in two-thirds of the free world are peoples whose skins are yellow or black. They are the people who will decide whether freedom or communism will be the rule of the world. Their decision will be heavily influenced by our good faith in terms of

world leadership and whether we will give all people an even break whatever may be their color.

Mr. President, I think it is very auspicious that the school board of Little Rock should already have made a statement that it will deal with troublemakers firmly, fairly, and effectively. This is a determination which the New York Times this morning says can only be applauded.

I repeat, Mr. President, the whole world will watch with bated breath what takes place in Little Rock today, and I hope very much that the citizens of Little Rock will be conscious of their responsibility for us all.

On the morrow I shall speak as to the fact that the whole world will then be watching the U.S. Senate to see what it will do.

Mr. President, I ask unanimous consent that there may be made a part of my remarks an editorial from the New York Times of today entitled "New Chance in Little Rock."

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

#### NEW CHANCE IN LITTLE ROCK

The world will be watching Little Rock today. The unhappy history of that city's high schools in these past 2 years has brought Little Rock notoriety and provided ammunition for Communists and other critics of this Nation. Today, when Little Rock's public high schools are scheduled to reopen with token integration in two of them, a new chance presents itself to those who live in Arkansas's capital. It is a chance to make up for the mistakes of the past, and a chance to meet Little Rock's obligation to its high-school-age youngsters who have been the chief victims this past year while the public high schools have been closed.

Many no doubt will criticize the Little Rock school board for the almost infinitesimal amount of integration it has consented to for the schools opening today. But at least the board has made a beginning. And its excellent statement that troublemakers will be dealt with firmly, fairly, and effectively shows a determination that can only be applauded. That determination will be needed is suggested by the threats of segregationist fanatics, their talk of boycotts, demonstrations and worse.

Five years ago, when the Supreme Court issued its historic decision outlawing school segregation, it was clear that the adjustment would not be an easy one in the South. With that in mind the Court gave its ruling that the change be made with "all deliberate speed," language which allowed scope for men of goodwill who respect the law to move slowly if need be, but yet to move toward the goal of full equality for all our children.

The present Little Rock school board, the evidence suggests, represents that moderate section of Southern opinion that understands both the law and the needs of the times. Would that the same could be said of the Governor of Alabama. His statement that any integration in his State will be over my body raises the question whether he thinks the law of the land is different for his State than it is for the other 48.

#### WORLD REFUGEE YEAR: HOPE FOR THE HOPELESS

Mr. JAVITS. Mr. President, I have presented for the RECORD two of a series of articles by Kitty Hanson in the New York Daily News on the European refugee problem. I am presenting the third

and final one of the series for the body of the RECORD today.

The Subcommittee on Immigration of the Committee on the Judiciary afforded hearings for the various proposals for the relief of escapees, but no action has as yet come out of that subcommittee or out of the Judiciary Committee.

Mr. President, while civil rights legislation is to the fore, let us not forget the critical importance of the fact that we are in the World Refugee Year, and that we are expected as one of the leaders of the free world to give a new impetus to the resettlement of refugee-escapees, especially those from behind the Iron Curtain.

A good deal has been said here about the captive nations resolution which we passed and which the President proclaimed. Great satisfaction has been derived from the fact that this proved to be a real bur under Premier Khrushchev's saddle of complacency.

Mr. President, one of the essential elements in our action with respect to the captive nations is that we are trying to help in every way open to us. One of the great ways open to us is to encourage their most productive young people to escape from behind the Iron Curtain, behind which they are presently immured, so as to enable them to devote their best talents and best genius to the hope that the free world may use its great influence ultimately to bring about a self-determination by the captive nations, to which the free world's prayers were directed in the resolution to which I have referred.

This is an assurance of our interest; it is a sanction of our concern with what happens to the captive nations, which again represents practicing what we preach.

I express the expectation that the necessary legislation may be before us before sine die adjournment so that we may again, as we did in the Refugee Relief Act a few years ago, and as we did in the Displaced Persons Act, consider the whole problem of refugees and escapees now in free Europe and those who may come out by taking our fair share, which has always been the way in which the task of resettlement, to finally settle the problem, has been begun.

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

#### REFUGEE YEAR: NEW HOPE FOR THE LOST ONES (By Kitty Hanson)

Escapees from Yugoslavia, who constitute nearly 90 percent of the refugees now fleeing Communist tyranny, are creating the world's newest and toughest refugee problem. In Western Europe today, more than half of them are being forcibly repatriated.

They are the hapless victims of a new "double standard," which is clamping down an Iron Curtain of the West along the Yugoslavia border.

To explain this strange "double standard," a new term has been coined by the "asylum" countries. It is "economic migrant." It is used to differentiate from "political refugee" and it covers a multitude of reasons for refusing fugitives asylum. Without political refugee status an escapee faces forcible repatriation.

Returnees have found varying receptions, depending on the mood of the Yugoslav Government at the moment. Sometimes they

are imprisoned for only a brief period. Other times they go to prison for months. Some are exiled. And some find that they are permitted to live and work as though they had never gone away, until the 90th day after their return. Then they disappear.

#### A WAY OUT: SUICIDE

It is hardly surprising that a number have chosen to commit suicide rather than be sent back to their homeland.

The most frightening aspect of the general discrimination against Yugoslav refugees is the fact that it is "catching." The asylum countries are beginning to tighten up against all escapees, serving notice on the rest of the world that they want more help—or else.

World Refugee Year, which began July 1, may or may not turn out to be the "crash program" that opens a new era for the world's homeless.

Voted by the United Nations over the opposition of the Communist nations, World Refugee Year (WRY) is a sort of desperation play by which the free countries of the West hope to focus a bored and indifferent world's attention on the plight of Iron Curtain refugees.

#### IF IT FAILS, THEN WHAT?

So many hopes have, in fact, been pinned on World Refugee Year, that leaders in the field of refugee work are gravely worried about the consequences if it should fail.

This concern was bluntly stated by Marcus Daly, a former New Jersey businessman who is the present Director of the Intergovernmental Committee for European Migration (ICEM).

"It will be disastrous," he remarked in his office at ICEM's headquarters in Geneva, "if people get the idea that the refugee problem is something that can be solved in a year. We've got to make people feel that refugees are their personal responsibility, not just a problem for governments. If people don't respond, their governments won't."

Once the governments of the free world accept the fact that the refugee problem cannot be wished away, perhaps some international, coordinated, and continuing program can be set up.

Meantime, the problem will still continue to be tackled piecemeal by the various international and national agencies, coordinating their efforts as best they can.

Chief among these are the office of the United Nations High Commissioner for Refugees (UNHCR), the U.S. escapee program (USEP), and ICEM.

The United Nations, in appointing a high commissioner for refugees, stipulated that his work be social and humanitarian. His office assists the neediest of the refugees who come under his mandate (about 175,000, although no one really knows how many refugees there are in Western Europe). The UNHCR tries to get refugees assimilated in their countries of asylum, or resettled in a country outside Europe.

But the U.N. does not provide the high commissioner with any funds. Therefore, he must first decide on a program, then act as a one-man fundraising campaign to implement it, and then scale down the program to fit the funds he was able to raise.

The U.S. escapee program, which has assisted more than 150,000 refugees since it was started in 1952, gives a wide range of assistance. At Camp Lavrion, in Greece, I saw such items as surplus cheese, dried milk, sheets, blankets, mattresses, and amenity kits containing soap, razor, shaving cream, and toothbrush.

The ICEM is the only organization having both the machinery and the know-how for moving large numbers of people. Although it was originally set up primarily to organize the transport of European migrants and refugees, ICEM has branched out into programs that make these people movable.

At Latina, near Rome, and Helbrunn, at Salzburg, Austria, ICEM operates cheerful,

modern processing centers where refugees are interviewed, receive medical examinations and treatment, and are helped with the reams of paper work that are needed to move them across the world. In these two centers, ICEM has reduced almost every refugee in the country to an IBM card on which his vital statistics are punched holes. With these, they can fill orders from receiving countries.

Hours and hours of human effort, millions of dollars, mountains of paper work and an eternity of waiting are being poured into the refugee problem—and still it constitutes only a finger in the dike, because it is always done piecemeal. The free countries of the world are bored with the whole thing. They are tired of doling out money. They'd like to pretend the problem isn't there. But as World Refugee Year moves into high gear, there are still these problems to be faced:

Refugees in camps. The U.N. High Commissioner's "clear the camps" drive is well on the way toward its goal, although it may not make the 1960 deadline. But in Italy, it hasn't even started.

Refugees living out of camps. Frequently these people who have moved their families out of the demoralizing influence of camp life are living in worse conditions than camp residents, but their independence has made them ineligible for many kinds of assistance. There are about two and a half out-of-camp refugees for every one in camp.

The difficult cases—the refugees who would have to be taken out of pure humanitarianism. These are the aged, the ill, the mentally disturbed, the unwed mothers, the widows with children—the people nobody wants.

The ordinary refugees. These people just miss being eligible for resettlement—either there are too many children in the family, or one of the youngsters is ill or retarded, or the father is too old (in some countries, 40 is too old.)

#### NOBODY WANTS THEM ANYWAY

There is a subway car card urging support of the Voice of America as a means for getting truth to the people behind the Iron Curtain. "And the truth shall make them free," says the message. But the old man and woman shown listening to that truth would be foolish to make the fight to freedom. Nobody in the West would want them.

The countries with "mass migration" schemes—those who will agree to take so many thousand a year—probably err most in the muscle-squeezing selection of only the young and the strong.

The United States, with an "individual" migration system which demands that each immigrant have someone to sponsor him, has such difficult criteria that refugees talk about coming to the United States as though they were talking about winning the Irish Sweepstakes: It would be wonderful, but how many people do?

#### CRASH PROGRAM ONLY SOLUTION

The cost of maintaining one refugee in or out of camps in misery and disillusionment for years runs into five figures. If only a fraction of that amount had been spent to rehabilitate him and give him a stake and a break in the free world, he could, by now, be a productive, taxpaying citizen of some society.

A crash program, experts feel, is what is needed; one that will continue until every camp is cleared, every unofficial camp has been razed and the refugee problem is on a current basis. Perhaps then the free world can give communism's escapees some better samples of democracy than a rotting barracks, a rat-infested slum, and years of gradual demoralization. Until then, the refugee problems will remain an international scandal.

## PROPOSED DEPARTMENT OF URBICULTURE

Mr. KEATING. Mr. President, several weeks ago, I introduced a bill to establish a Department of Urbiculture, which would be responsible for coordinating and directing all of the activities of the Federal Government with regard to cities and city life. I have been gratified at the enthusiastic response from all over the country endorsing this proposal.

Over two-thirds of all Americans now live in urban areas. The problems of our cities are perhaps the greatest domestic problems which we face. Unfortunately, they have been given all too little attention on the national level. Let me name just a few of the problems: the existence of huge blighted areas, congested highways and outmoded public transportation systems, the spread of smoke and smog and consequently of disease. Each of these and many more confront two-thirds of our citizens every day of their lives.

Mr. President, the American Planning and Civic Association is an excellent example of a group of Americans who are actively interested in solving the Nation's pressing urban problem. At their recent conference in Memphis, the president of the Downtown Association of Memphis, Mr. Bernard Pincus, presented a thoughtful and cogent analysis of our Nation's urban complex. In his address, Mr. Pincus specifically urged the establishment of a department to coordinate and direct Federal activities relating to urban affairs. This recommendation by Mr. Pincus is one which I hope Congress will endorse in the near future.

Mr. President, I ask unanimous consent that the address be printed in the RECORD.

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

**A BOLD NEW LOOK AT A BRAVE NEW WORLD**  
(Address by Bernard Pincus, president, Downtown Association of Memphis, at national citizen's planning conference, Memphis, Tenn., June 19, 1959)

This exciting—and, we hope—history-making conference nears its end. Your Memphis hosts and your Washington hosts of the American Planning and Civic Association, sincerely trust that you have found these 3 intensive—and comprehensive—days truly memorable and valuable.

It is my pleasant privilege to preside at this final get-together. Permit me then to seize this rare opportunity to discuss my favorite subject, the future of America's cities, especially their priceless downtown or core areas. At this time, in this instance, let us attempt together to peer behind the veil of the future, to focus our attention on 1980, when more than 200 million people will inhabit our Nation. What can we citizens of today do to make it genuinely America the beautiful for this vast population, this brave new world?

It is almost impossible to say something either original or earth shaking in the closing stages of a 3-day meeting. As a matter of fact, as I listened to the gifted, well-informed speakers and panelists on our program, my heart sank lower and lower. Practically every point I had prepared to make was vigorously propounded by one expert or another.

I confided my perturbation to one of my good friends on your board of trustees. His answer was to the point, "Go ahead and say it anyhow; you can't give people too much of a good thing." For better or worse, I will go ahead and give you more and more of what I hope will prove a good thing to take home.

All of us here assembled are familiar with the tremendous problems facing metropolitan areas today and tomorrow. Most of our deliberations at this conference have been directed toward immediate solutions for these problems. We in Memphis and Shelby County take particular pride in our own accomplishments and forward planning—we now look forward to rapid and definitive implementation of the unfinished business encompassed by these superb plans.

In discussing the long-range future, I do not wish to imply that all immediate problems are close to solution. For a sound, clear perspective on the gravity of the immediate problems facing Downtown, U.S.A., I recommend that you read the speech recently made by Mayor deLesseps Morrison of New Orleans to our Memphis Downtown Association. Our executive secretary, Cliff Penland, will be glad to provide copies upon request through our office.

Many great cities throughout the Nation have already undertaken the massive projects needed to bring downtown out of the shadows of blight, congestion, and obsolescence. Pittsburgh, Newark, Kansas City, San Francisco, and New Orleans (among others), have led the way. Other cities, equally beleaguered, are fighting rearguard actions to maintain minimum standards for traffic conditions, parking, slum clearance. Such attempts, while wholly meritorious, serve only to alleviate temporarily bad conditions but will not even begin to make full provision for the explosive future we are scrutinizing today.

Let us examine briefly the almost incredible statistical projections of the U.S. Census Bureau. The conservative estimate for 1975 is 207 million population—up from the current population of 175 million—up 32 million in less than 16 years. And where will all these additional people live? In cities—or metropolitan areas, if you prefer. I quote from a speech at the recent Newark Conference on the Future of the American City, sponsored by ACTION:

"The movement of people into urban centers is part of a long evolution that has accelerated enormously in the last 10 years. Eighty-five percent of our population growth between 1950 and 1956 occurred in the 180 urban clusters defined by the Bureau of the Census as 'metropolitan areas.' At least one expert on this field has forecast that all of the population growth from 1956 to 1975 will be concentrated in these metropolitan complexes."

This point is so vital to planners and builders of the future that it must be stressed over and over again. Slow evolution has become explosive revolution, which must in turn cause a thoroughgoing revision of all—I repeat, all—our planning for the future. In our generation's hands lies the responsibility. We must not stand accused by our own children and grandchildren of doing too little, too late.

This amazing transformation of our population pattern is not a matter of guesswork or prophecy. It has been going on for the last decade and is now speeding up. For example, between the years of 1953 and 1956, our urban population increased from 89 million to 104 million—almost 17 percent; our farm population decreased in the same 3-year period from 23 million to 21,500,000—about 7 percent.

Here are some more startling facts about this same 3-year revolution. The budget of the Department of Agriculture, which is devoted to the welfare of this diminishing—less than 14 percent—segment of our popu-

lation rose from \$2.8 billion to \$4.9 billion—I said billions—an increase of 76 percent. The 63 percent of our population classed as urban is still at the low end of the totem pole.

There is a bill now before our Congress to create a Federal Department for Urban Affairs, with full Cabinet status. The enactment of such recognition of the crying needs of our cities demands the concentrated support of all State and local officials, all professional planners, all newspapers and periodicals, and all public-spirited citizens.

In urging that the Federal Government give this belated recognition to the demanding and growing needs of the two-thirds of its citizens who dwell in urban areas, I am fully aware of the conventional objections: First, the burdensome cost involved and second, the excuse that urban redevelopment is a purely local matter. I categorically reject both these outworn clichés.

The expense need not be great, as I shall explain in a moment. Moreover, it can be easily handled by a moderate reduction in the cost of our incredibly wasteful—not to say disgraceful—farm program. The welfare of two-thirds of our citizens should be a matter of at least as much national concern as the welfare of a diminishing and quite well-heeled one-seventh.

Farm property, which was valued at \$107 billion in 1950 is now worth \$146 billion—up almost 40 percent; while the number of farms has decreased from 5,648,000 to 4,964,000—down more than 12 percent; in other words, much more wealth in the hands of many less owners.

As for the plaintive cry that State and local governments must assume the whole burden of this great enterprise—to make our cities of the future better places to live in—permit me to point out that in this same short period (1953-56) the Federal debt decreased—yes, I say decreased—\$2,700 million (despite the extravagant farm program) while State and local debt increased \$14,100 million. (Incidentally, all my statistics are taken from the current Economic Almanac prepared by the impeccably conservative National Industrial Conference Board.) The problems of financing State and local governments are even more burdensome when we realize—as Mayor Morrison states—that the Federal Government sops up 94 percent of tax money, leaving only 6 percent for States and municipalities which must grapple with the inescapable needs for schools, streets, sewers, and all the other costly appurtenances of urban living for millions more people than our present outmoded metropolitan patterns and facilities can even begin to handle.

A Department of Urban Affairs, properly conceived and intelligently planned, need not be a costly Federal investment toward safeguarding our glorious future. Its prime and continuing functions should be research and development. For example, it could work with the engineering and architectural schools in our great universities, to train an adequate number of qualified experts to plan and execute the dynamic cities of the future. Again, it could serve as a vital center of information, collecting data from successful undertakings for the guidance of embryo projects and developments elsewhere. Its financial support for urban rehabilitation could be set up wholly or partly on a self-liquidating basis. Our history is studded with successful examples: the FHA, the RFC, the Federal land banks, etc.

Another important research function that our national Department of Urban Affairs could fulfill could be the guidance of various metropolitan areas toward more efficient, less expensive per capita self-government; the elimination of overlapping functions among municipalities and counties; the reduction of the high and wasteful cost of multiple elected and appointed officials. I need not elaborate on this thorny problem—

it has been touched upon many times during this conference's deliberations. But I must stress two points: First, that because of tax revenue difficulties, the efficient reorganization of metropolitan governments is a matter of national, as well as local concern; second, that proper corrective measures demand the services of experts who can survey nationwide all successful as well as failing attempts at solution in order to prescribe scientific methods of attaining maximum efficiency and service to our citizens.

And—speaking of governmental multiplacities—we might mention that the relatively few urban redevelopment functions that are now undertaken by Washington are scattered among a number of unrelated agencies. Certainly, the effective coordination of these increasing and intensely valuable services is to the best interest of our Government and our citizens.

Let us now go a step further in this look at tomorrow's brave new world. As our national supervision of urban affairs becomes streamlined, a second imperative will emerge; namely, that State and local governments give maximum recognition to their own responsibilities toward efficient urban redevelopment. The creation and growth of so-called planning commissions has been haphazard. Many such commissions are bogged down in politics, or time-wasting wrangles over zoning problems, or conflicts in authority with other appointed or elected commissions.

The tough problems of today and the even greater complexities of the future demand a thoroughgoing reappraisal of the functions and powers of our present planning groups.

The fulfillment of our unquestionable requirements for the planned growth of cities involves:

1. The scientific determination of the duties and obligations of those in charge of planning.
2. The creation of adequately manned, adequately financed organizations to carry out these assigned tasks.
3. The enactment of enabling legislation to assure the rapid, effective implementation of adopted programs.

Parenthetically, I suggest that the very name "Planning Commission" be dropped as quickly as possible. We have witnessed in recent years what has been termed "A plethora of planning and a paucity of action." Urban renewal itself has been called scheduling the inevitable. Perhaps we should name the groups of experts who shall direct the scientific growth of our cities "commissions for urban development."

And—as the final step in rallying the manpower and the brainpower without which it will be impossible to achieve a finer America for all—I venture to predict the emergence of a new, elite professional group, to take equal rank with the architects and engineers of tomorrow. Indeed, our new expert in urban affairs will be part architect, part engineer, part scientific researcher, and most of all an organizer. He must be a mobilizer of all the myriad projects and people involved in long-range planning, short-range planning, highway and street patterns, traffic flow and parking, mass transportation, housing, zoning, parks and even financing—all of which and many more are integral parts of better living for our citizens.

Just to give this new vital profession a name, let us call it urban science. Governor Meyer advanced the convincing suggestion that our State universities undertake such a program. I would like to add a plea that our private universities have an equal obligation to the citizenry of tomorrow. These great institutions, which have poured out a profusion of doctors, lawyers, architects, engineers, scientists, and other professional men of magnificent talents and matchless accomplishments, can meet this challenge. The law of supply and demand

requires that the present limited courses in city planning be expanded to greater academic stature. As citizens eager to build for the future of our Nation, we must support—morally and financially—the development of collegiate faculties and facilities for urban science. We must supply this support with as much enthusiasm as we have given our superb new Air Academy, for example. Surely, in the American tradition, the pursuits of peace are at least as worthy as the profession of war.

To sum up the steps I have outlined in my temporary role as prophet of the brave new world of 210 million American people:

1. The immediate creation of a Federal Department of Urban Affairs to coordinate all present functions and activities; then to set up a streamlined program for massive redevelopment of metropolitan areas and for the guidance of their patterns of growth.

2. The creation of competent, authoritative State and local boards to supervise and implement all governmental urban development activities right down to the level of final accomplishment.

3. The education and training of a new, superior corps of professional directors for urban growth.

I have left the role of the private citizen in creating a greater tomorrow until last, because it is perhaps the most vital, never-ending, and dynamic role of all. Public-spirited citizens are the only means of making all these projects, these prophecies, these dreams if you will, come true. Only by urging officials to act, by supporting for public office men with progressive ideas, and the ability to carry out these ideas, by teaching the next generation its responsibilities to our explosively growing Nation, by complete dedication to our own share in the disciplined development of our own cities can we assure these United States the unchallenged leadership of a brave new world.

I pay tribute to all civic leaders everywhere who have labored so strenuously for better planning, better cities in which to live. I offer special tribute to my fellow citizens of Memphis who have been essential and dynamic factors in achieving the progress which you have witnessed at this conference.

Let each and every one of us dedicate ourselves to the rapid completion of the projects already set forth, and even more to the almost inconceivably greater accomplishments of tomorrow.

#### PROPOSED NEW YORK WORLD'S FAIR IN 1964

Mr. KEATING. Mr. President, yesterday I submitted for the RECORD two editorials applauding the proposed 1964 world's fair. Support among New Yorkers is nearly unanimous in favor of another New York World's Fair in 1964. Today I should like to call attention to another example of this wide support.

Mr. President, I ask unanimous consent that an editorial published in the New York Daily News of August 11, 1959, be printed at this point in the RECORD.

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

##### WORLD'S FAIR—NEW YORK CITY—1964

A committee of 25 distinguished New Yorkers, headed by Thomas J. Deegan, Jr., is working on plans for a monster world's fair here in 1964, and Mayor Robert F. Wagner and Gov. Nelson A. Rockefeller give enthusiastic endorsement to the proposal.

##### BIGGER, BETTER THAN 1939-40 FAIR

Estimated cost would be \$500 million, and it is hoped the fair would bring around \$6 billion worth of assorted business to the city.

CV—984

The 1939-40 fair cost \$155 million, and was worth about \$1 billion to the city, despite the beginning of World War II on September 1, 1939.

These plans look fine on the face of them, and we hope they may jell, with the necessary assistance from Congress and the President. Aside from the business advantages, the 1939-40 fair was one grand and glamorous jamboree and the sooner the city repeats the performance on a bigger scale, we think, the better.

#### CONSERVATION RESERVE PLAN HAS NOT HELPED SURPLUSES

Mr. HUMPHREY. Mr. President, one of the features of the current agricultural policy of our Government is known as the conservation reserve plan. The conservation reserve provides for long-term contracts designed to take productive soil out of production, and thereby reduce acreage and afford an improved program of conservation upon the idle acres.

A number of articles relating to farmers' views on certain agricultural policies have been written recently by Samuel Lubell. One of the articles relates to the conservation reserve plan. I ask unanimous consent that an article entitled "The Farmers Speak: Conservation Reserve Plan Hasn't Helped Surpluses," which was published in the Washington Daily News on August 6, be printed at this point in the RECORD, in connection with my remarks.

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

##### THE FARMERS SPEAK: CONSERVATION RESERVE PLAN HASN'T HELPED SURPLUSES (By Samuel Lubell)

Topsy-turvy results show up wherever one looks at the farm problem.

Take the innovation of having the Government rent whole farms for 5 to 10 years.

This program, which will cost \$375 million next year, has been sold to Congress as a painless way of retiring excess farm acreage and cutting surpluses, without bothersome acreage controls or price supports.

But how has this conservation reserve worked out?

##### SURVEY

An intensive survey in Iowa and several nearby States indicates that so far the plan has had only a small effect in reducing surplus production. But it has had the surprising results of opening an investors' paradise and a new form of rural old-age relief.

Older people on poorer land stand out as the largest single group who have put their farms into the reserve. In Iowa my sampling showed nearly 60 percent of the signers were over 55 years old.

"The land was tired and so were we," was one elderly farm wife's reason for going into the program. Others were in feeble health; few had sons to take over the land; many had been the victims of bad economic luck.

The second largest group of sign-ups seems to consist of widows, managers of estates and investment-minded owners of farm property.

##### INVESTMENT

In its practical effect the conservation reserve turns the land into the equivalent of a gilt-edged, coupon-clipping investment. The farm owner doesn't have to worry about any of the normal risks of farming, such as drought or crop failure. All he or she does is seed down the land, mow the weeds and clip the coupons.

In at least three counties which I checked local bankers had put in farms they owned.

I was also told of two instances where farms were bought as investments after they had been put into the reserve.

Another attraction of the plan to investment-minded farm owners is "you don't have to bother with renters." As the conservation reserve grows bigger—23 million acres already have been signed up with 5 million more acres to be added this year—it is bound to cut down on the opportunities for renting farms.

##### LAW

The law forbids farm owners from pushing renters off farms so they can be put into the reserve. But in three counties I ran into instances where this has happened.

Still other farmers have used the conservation reserve to purchase a farm at the Government's expense. In Union County, Iowa, one young farmer told me he had bought a farm and put it into the reserve, while he continued farming another place which he was renting.

The Government pays him \$2,889.90 a year. In 5 years, he estimated, the farm will be half paid for through conservation reserve rentals alone.

##### RESULT

What will happen to the land after the conservation contract period is up? The replies I got do not bear out the belief expressed by Secretary of Agriculture Ezra Benson that much of this land will stay out of production permanently.

Generally the farmers in the reserve talk of building up the land so it can be worked in the future.

#### COMMISSION TO STUDY THE TRENDS OF RURAL LIFE

Mr. HUMPHREY. Mr. President, I call to the attention of the Senate an editorial entitled "Ghost Towns," which relates in part to the subject matter of the conservation reserve plan. The article was published in the Willmar Daily Tribune, of Willmar, Minn. It is one of the finest daily newspapers in Minnesota, and the publisher of that newspaper is one of Minnesota's most distinguished citizens. The editorial comments in particular upon the proposal, which I introduced some time ago, for a Rural Life Commission or a Country Life Commission to study the trends of rural life and what is happening to rural America.

I believe such a study is long overdue. In America there are tremendous technological changes, great economic changes, changes in the pattern of production and distribution, all of which are having their impact upon rural living.

I ask unanimous consent that the editorial, which was published on June 8, 1959, be printed at this point in the RECORD, in connection with my remarks.

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

[From the Willmar Daily Tribune of June 8, 1959]

##### GHOST TOWNS

Senator HUBERT HUMPHREY has introduced legislation providing for a commission which will study the trends of rural life and what is happening to it. A good idea.

Perhaps then the public will get some official facts of some regrettable changes that are going on in rural America, changes which are not for the better. At a time when the problem of metropolitan cities is causing some to look to Washington for help, the change in rural America just feeds that problem and makes it worse. For when you move

people from the land they are apt to land in our big cities and aggravate the over-populous conditions there.

Is that what we want, the Nation wants? Roger Babson, the noted economist, for years has advocated a back-to-the-land movement, but the politicians, bent on creating bigger and bigger farms, have turned a deaf ear.

If the Humphrey proposal is adopted that survey committee may find some ghost towns in some States—and other States, if the farm liquidation continues, will show severe trends in the same direction of some day becoming scenes of more ghost towns. The handwriting is on the wall.

For you cannot see the small farmer go without sounding the death knell of the rural village and a hurt also to the rural city—both will suffer, but the rural village will face obliteration. We understand that is true in North Dakota where once thriving, prosperous, sober, sensible, and sound rural villages have been wiped off the map. As one clergyman from that area told us, "You could almost weep to see what has happened." Yes, one could, knowing that such was not necessary and also weep if something similar happens around here.

You cannot have 800,000 fewer farms in 1959 than you had in 1952 without that situation having a major impact on rural States and every rural community. And Minnesota has taken its share of this huge loss, a loss to every rural businessman.

Whether the survey suggested will do any good or not to those who will not see or do not care or those who will let conditions take their course in the worship of bigness in this country, it is hard to tell. We doubt whether we can look to private interests to do anything. They seem to want to have ghost towns. The only recourse is to change the administration at Washington, from the White House and down.

#### THE FAMILY FARM DEVELOPMENT ACT

Mr. HUMPHREY. Mr. President, of late I have noticed that certain comments have been made in regard to the failure of the administration to present to the Congress an agricultural program.

Last week, the senior Senator from Minnesota introduced a comprehensive overall agricultural program, the Family Farm Development Act. One of the requirements of that measure, if enacted by Congress, would be for the Secretary of Agriculture to present to Congress a comprehensive agricultural policy upon which Congress could base long-term agricultural legislation.

I am hopeful that the Secretary of Agriculture will study this particular piece of proposed legislation, and will give us the benefit of his advice and counsel; and I hope that the Department's report will not be adverse. We have been cursed with adverse reports on every proposal which has been made in regard to agricultural policy.

Mr. President—

The PRESIDING OFFICER. The Senator from Minnesota.

#### THE CIVIL AIR PATROL INTERNATIONAL AIR CADET EXCHANGE

Mr. HUMPHREY. Mr. President, on August 5 I had the privilege of addressing a gathering of young men who are participants in the Civil Air Patrol International Air Cadet Exchange. These young men, from 19 countries besides our

own, had just returned from an extensive visit to various host States, from New Hampshire to California. Meeting again in Washington on August 4, as the guests of the national headquarters of the Civil Air Patrol, these fine young men—all from free and friendly nations—had a unique opportunity to exchange views and to meet with their opposite numbers in the 20 other countries involved. This was the 11th consecutive year of the International Air Cadet Exchange—an exchange created to foster an international brotherhood of airminded youth of the free world.

The first exchange held by the United States was with Canada and Great Britain in 1948. In participating this year with the Civil Air Patrol, 19 foreign nations were represented: Belgium, Brazil, Canada, Chile, Denmark, France, Great Britain, Greece, Israel, Italy, Mexico, The Netherlands, Norway, Peru, Portugal, Spain, Sweden, Switzerland, and Turkey.

A total of 280 American and foreign air cadets are taking part in the program. The exchange was made on a 5 for 5 basis, except in the cases of Canada and Great Britain. Twenty-five cadets were exchanged with each of these countries. One Civil Air Patrol officer and one U.S. Air Force officer accompanied each U.S. group going abroad. Two adult escorts accompanied each group visiting the United States.

Civil Air Patrol cadets participating in the exchange are selected from each State in the Union, as well as from Puerto Rico and the District of Columbia. Selections are based on character, service, leadership, and other honor traits. American cadets are between the ages of 17 and 19.

The cost of the exchange in the United States is financed by the Civil Air Patrol with donations from industry and public-spirited individuals. The expense of the American International Air Cadet Exchange activities overseas is borne by the sponsoring foreign aeronautical agencies. The U.S. Air Force provides the necessary overseas airlift for both the American and the foreign participants.

The PRESIDING OFFICER. The time available to the Senator from Minnesota, under the 3-minute rule, has expired.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that at this time I may proceed for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the visiting exchange participants from overseas arrived in New York on July 20, and departed for 18 States, where they were the guests of local Civil Air Patrol organizations.

The Civil Air Patrol host wings for the 1959 foreign exchanges were: New York, Belgium; Michigan, Brazil; Virginia, Canada; New Mexico, Chile; Florida, Denmark; West Virginia, France; Minnesota, Great Britain; Alabama, Greece; New Jersey, Israel; Delaware, Italy; Tennessee, Mexico; Oklahoma, Netherlands; Connecticut, Norway; Iowa, Peru; New

Hampshire, Portugal; Illinois, Spain; Montana, Sweden; California, Switzerland; Nebraska, Turkey.

It was a real pleasure to address these splendid young men when they were luncheon guests of Pan American Airways, as well as of a number of civic organizations. It was a further pleasure to be introduced by Col. Barnee Breeskin, of the Civil Air Patrol—a vigorous and active supporter of the CAP movement—and to share the platform with my good friend, Representative JOHN FOLEY, Gen. Stephen McElroy, national commander of the CAP, and other distinguished guests.

At the luncheon, Mr. President, I felt it would be an interesting experiment to solicit from these young men, who have just visited our country for the first time, their candid opinions on what they have experienced. I asked them to write me on this subject, and also to indicate to me what they felt that very high-ranking visitor, the Chairman of the Council of Ministers of the Union of Soviet Socialist Republics, Mr. Khrushchev should see, above all else, in the United States.

I have already received a number of letters from these fine young men who visited our country, and I intend to make the letters public, because they represent an interesting analysis of American life, as seen through the eyes of these young visitors from other countries to the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD excerpts from my remarks at the luncheon on August 5, 1959.

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

The air cadet exchange program is one of the finest demonstrations of my thesis; that one of the secrets of building good international relations is to turn loose the young people.

I truly hope that you have found a warm welcome here as guests of our country. Of course, I am pleased that my own State of Minnesota has been among the 19 host States for a group of you young men.

I am interested in your impressions of our country. You have been here for a month, a long time. You have had a chance to see us pretty much as we are, with our faults and our virtues.

Now let me put some questions to each of you. You know that our own President Eisenhower has just invited the Soviet Premier to visit the United States. As a recent visitor to the United States, what would you suggest that Mr. Khrushchev ought to see here? In other words, what part of our American life, what part of our American society, do you think would be most illuminating and informative for Mr. Khrushchev to see?

I believe that you will find at your places a pen and paper.

If you will take the time before you leave the country this week, or when you have returned to your own homes, to jot down some ideas on this subject, I will guarantee you that they will be given intensive study. Your ideas would be valuable to us.

Let me put to you a second question: What did you think of us—quite candidly? What are your principal impressions of your visit here to America? I would truly like to know.

If you will write me—Senator HUBERT H. HUMPHREY, at the Senate Office Building in Washington, D.C.—I will be most grateful.

I seriously feel that consideration should be given to inviting over some other teenagers. I think that it would be well for the United States and the free world allies together, to extend a broad invitation to visit us, not only to the Russian Premier but also to a large number of high school students from the Soviet bloc of nations.

An exchange program—whether between White House and Kremlin or between schoolhouse and schoolhouse—offers at least the opportunity to destroy mistrust and misunderstanding.

The free world should welcome the chance to exchange young people with the Soviets. Personally, I think it almost as important to have several thousand youngsters from the Communist nations visit us as to have Mr. Khrushchev come over. For vital as it is that the present Communist leadership come to understand us, it is equally vital that the next generation, the leaders of tomorrow, should understand us.

Let them see us, warts and all, just as you have seen us; let them see us with our faults as well as our virtues, in short, see the truth about America and Americans.

It is perhaps time, too, that the free nations undertake the sponsorship of a youth festival in which the free and unimpeded exchange of ideas among students of all nations will be permitted, rather than the kind of festival in which the rules are rigged to block any meaningful exchange.

It is as important for the youngsters from the Communist bloc to visit our nations as to come to the United States. We of the free world should open our doors wide to these young people, and issue a friendly challenge to the leaders of the Soviet bloc to let their high school students come to our countries on extended visits.

We, in turn, should be prepared to send the best of our young people over to the nations of the Communist bloc on reciprocal visits.

I want to emphasize most strongly that the West must continue to maintain its shield of military strength and to solidify Western economic and political ties. But it is not only our physical strength that is being tried. We are being severely tested not simply by the Communist military and economic challenge, but, more fundamentally, our courage is being measured, our good sense, our patience, and our steadiness.

It is not enough to be stronger militarily and economically, when the task of genuine leadership also demands qualities of spiritual greatness. We must be willing to rise above the arms race and the rubble war, to seek some common ground with the peoples now behind the Iron Curtain, and to have the courage to permit our institutions and our political economic system to meet the test of sharp and even hostile critics.

We in the West seem to have survived the occasional problems rising from our own intra-Western student exchange programs, and our increased participation in cultural and athletic events abroad and in international trade fairs since the Humphrey-Thompson Act of 1956 has also been a notable success. These exchange programs do work.

The baby must learn to crawl before it can walk, and before we can hope to see any genuine cooperation between East and West, there are whole mountain ranges of hostility and distrust and sheer misunderstanding to surmount. A grassroots exchange program among students could be the beginning of an eventual era of increased cooperation.

Is it not within reason to at least hope for the day when East and West will turn from the dreary works of war to an exhilarating competition in the works of peace. Let us at least now take these small steps to establish communication, in the hope that out of the emerging leadership of the Communist bloc there may come leaders who

will be willing to join us in the only war worth fighting, the war against man's ancient enemies of poverty, disease, hunger, and ignorance.

#### TVA SELF-FINANCING BILL SETS PRECEDENT FOR COLUMBIA RIVER DEVELOPMENT CORPORATION LEGISLATION

Mr. NEUBERGER. Mr. President, now that the TVA self-financing bill has been signed by President Eisenhower, I believe the Senate should note the parallels between this legislation and our Bonneville power regional corporation bill presently before the Senate, S. 1927.

These similarities are ably and clearly set forth in an editorial published in the Portland Oregonian of August 10, 1959, and I ask unanimous consent that this editorial be printed in the body of the RECORD.

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

##### TVA BONDING PRECEDENT

The Tennessee Valley Authority self-financing bill signed into law last week by President Eisenhower establishes another firm precedent for converting the Bonneville Power Administration into a Federal corporation and providing the machinery for sale of revenue bonds for Columbia Basin power projects authorized by Congress.

TVA has had no congressional appropriations for power expansion since 1953, while the President repeatedly has asked for self-financing legislation. The Authority, however, has built some steam plants by using its revenues. Now it will be able to sell revenue bonds on the open market. If the bonds cannot be sold at a reasonable price, the U.S. Treasury will buy them, and resell them when the market is right.

The President refused to sign the bill until leaders of both Senate and House agreed to adopt separate legislation restoring executive authority in recommending TVA projects to Congress. The bill as it stands virtually bypassed the White House. But the Senate already has adopted the amendment and the House should act promptly.

TVA directors, appointed by the President, were apprehensive of a power shortage within 3 years had Congress continued to delay the revenue bond proposal and also to deny appropriations. The third generator of TVA's Gallatin steam plant was placed in operation recently. This brought TVA's total capacity to 10,847,210 kilowatts. Steam generation now is almost double hydroelectric generation, 7,119,750 kilowatts to 3,727,460 kilowatts.

Senator RICHARD L. NEUBERGER's bill to transform the Bonneville Power Administration into a self-financing Federal corporation may not be reported out of the Senate Public Works Committee until early in the next session of Congress. Bond revenues would be used to finance hydroelectric dams to be built by the Army Engineers or Bureau of Reclamation and thermal plants, including atomic plants when feasible, to be built by the Bonneville Power Corporation itself.

Congress would continue to appropriate funds for the costs of hydroelectric projects allocated to flood control and navigation. Congress also would establish the contributing share of power revenues to assist irrigation. Under the Neuberger bill, some BPC power revenues also could be used to help sustain the fishery.

Revenue bond financing for the St. Lawrence Seaway and now the Tennessee Valley Authority establishes firm administration and congressional precedents for removal of

self-liquidating Federal activities from the appropriative process and permitting them to stand on their own feet.

TVA now will begin repaying \$1 billion of the \$1,200 million appropriated by Congress since 1934 for that corporation, plus interest of 3 percent on the unpaid balance. TVA's surplus revenues last year amounted to \$99 million, and the surplus will be larger this year.

The Bonneville Administration is ahead of its 50-year payouts schedule in returning to the Treasury the money voted by Congress for power facilities of Columbia Basin hydroelectric projects and also has been paying interest. It would have no difficulty in changing to a self-financing status which would encourage long-range planning, uninterrupted construction and a sufficiency of power for all utilities and industries, public and private, which will need power.

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

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had further insisted upon its disagreement to the amendment of the Senate numbered 1 to the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes; agreed to the further conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. THOMAS, Mr. YATES, Mr. CANNON, Mr. OSTERTAG, and Mr. TABER were appointed managers on the part of the House at the further conference.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 4120) for the relief of certain officers of the Public Health Service, and it was signed by the Acting President pro tempore.

#### HOUSING ACT OF 1959—VETO MESSAGE

Mr. JOHNSON of Texas. Mr. President, I ask that the Chair lay before the Senate the veto message from the President and the accompanying housing bill.

The PRESIDING OFFICER. The Chair lays before the Senate the veto message from the President of the United States, which, without objection, will be printed in the RECORD without reading. The message is as follows:

*To the Senate of the United States:*

I am returning herewith, without my approval, S. 57, "An act to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes."

For many months I have been looking forward to approving a sound and constructive housing bill. New homes are now being built at near record rates. I have hoped to receive from the Congress legislation that would further advance

the cause of better housing for Americans within the limits of fiscal responsibility.

To my disappointment, the Congress has instead presented me with a bill so excessive in the spending it proposes, and so defective in other respects, that it would do far more damage than good.

First, the bill is extravagant and much of the spending it authorizes is unnecessary. Its spending authorizations total a minimum of \$2.2 billion—all of which would be available for commitment without further congressional or Presidential action. The comparable budget recommendations of the administration totaled \$810 million.

Its authorizations of \$900 million for urban renewal—telescoped into 2 years—are excessive.

Even though we have over 100,000 previously authorized public housing units as yet unbuilt, the bill would authorize 190,000 more.

A new program of direct Federal lending is authorized for housing for elderly persons when needs in this area can be adequately met by private funds invested under the protection of Federal insurance. The college housing loan program would be continued with increased authorizations at interest rates below the cost of money to the Treasury and a new program for college classrooms and related academic facilities at the same subsidy interest rates would be started. Although the amounts initially authorized for the latter program would be relatively small, the eventual demand for these loans would reach staggering proportions. To the extent that these and other programs merely displace private financing they lead to Federal spending that is entirely unnecessary.

Second, the bill is inflationary. The spending authorizations of S. 57, taken together with other seriously objectionable provisions would be inflationary and therefore an obstacle to constructive progress toward better housing for Americans. One of the most damaging effects of inflation is that it dries up the sources of long-term credit. There is perhaps no industry in the Nation more heavily dependent for its operations on long-term funds borrowed at reasonable rates of interest than the housing industry. We have made good progress in the fight against inflation but we cannot win that fight if we add one spending program to another, without thought of how they are going to be paid for, and invite deficits in times of general prosperity. No one can gain from a fiscal policy of this inflationary type—least of all, the housing industry.

Third, the bill would tend to substitute Federal spending for private investment. Many provisions of the bill, instead of stimulating private investment, would drive private credit from areas where it is urgently needed.

The requirement that the Federal National Mortgage Association buy mortgages at par under its special assistance program, regardless of the price that these mortgages command in the open market, would have this effect.

So also would the provision of the bill limiting the fees that FNMA may charge when purchasing mortgages.

The provisions authorizing college housing and college classroom loans at subsidized interest rates, additional Federal purchases of cooperative housing mortgages and a new program of short-term loans by the Federal Government on the security of mortgages would similarly substitute public for private financing.

Fourth, the bill places needless limitations on the FHA program and contains provisions that would impair FHA's soundness. Instead of removing the wholly unnecessary limit on the amount of the mortgage insurance authority of the Federal Housing Administration, the bill would continue these important programs on an uncertain, hand-to-mouth basis.

Through lower downpayments and longer maturities the bill would introduce underwriting provisions of questionable soundness into a number of FHA's loan insurance programs.

Fifth, the bill contains provisions which are discriminatory and unfair. The way the bill is written a few large cities, by making early application, could tie up all the funds available under the urban renewal program. The Administration would be specifically prohibited from preventing this discrimination against our smaller cities which have not yet entered the program or which do not have large planning staffs.

Under present law cities can count streets and other local improvements, which they had already intended to construct, as a part of their share of the costs of an urban renewal project. S. 57 would extend these credits retroactively to include such improvements made by cities up to 5 years before commencement of the project. As it is, the local cash contribution has averaged only about 14 percent of the cost of acquiring and preparing a project site for development. S. 57 would reduce such contributions even further.

In view of these defects, I have withheld my approval from this bill.

There remains, however, a need for the enactment in this session of the Congress of legislation, such as I recommended last January, which will carry forward our important housing programs on a sound basis:

1. The insurance authority of the Federal Housing Administration, which does not involve the lending of Federal funds and does not cost the taxpayer a cent, is nearly exhausted. Additional mortgage insurance authority should be granted by eliminating the ceiling on this authority.

2. The Federal Housing Administration program for insurance of property improvement loans, which expires September 30, 1959, should be extended at least through this fiscal year.

3. The Federal Housing Administration program for insurance of Capehart military housing loans expired on June 30, 1959, and should be extended for 1 year.

4. The voluntary home mortgage credit program, which expires July 31, 1959, should also be continued.

5. Authorizations for urban renewal grants should be replenished, the local share of the costs should be increased,

and the college housing program proposed in the budget message should be enacted.

6. The statutory interest rate ceilings governing mortgages insured under the Federal Housing Administration's regular rental housing and cooperative housing programs should be raised.

Legislation along these lines will help make private housing funds available for investment in housing and related construction, will promote the effective use of the resources and energies of State and local governments in housing and urban renewal activities, and will allow the Federal Government to play its part in a truly constructive and noninflationary manner. This is the way to provide more and better housing for the American people.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, July 7, 1959.

The PRESIDING OFFICER. The Senate will now proceed to reconsider the bill.

The Senate proceeded to reconsider the bill (S. 57) to extend and amend laws relating to the provision and improvement of housing and the renewal of urban communities, and for other purposes.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on this question, 3½ hours be allowed for debate, to be divided equally between the majority leader and the minority leader, and to be subject to the usual terms of unanimous-consent agreements in the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The unanimous-consent agreement was subsequently reduced to writing as follows:

*Ordered*, That during the reconsideration of the bill S. 57, the Housing Act of 1959, returned by the President to the Senate without his approval, debate be limited to 3½ hours, to be equally divided and controlled by the majority and the minority leaders.

Mr. JOHNSON of Texas. Mr. President, under the agreement which has just been entered, the indications are that the vote will be taken sometime between 3 and 4 p.m. There will be a quorum call before the vote is taken. I hope all Members will be on notice that we anticipate that at about that time the Senate will vote on the question presented by the veto message, and also that later this evening the Senate may vote on the two treaties which are on the Executive Calendar.

The PRESIDING OFFICER. The provisions of the unanimous-consent agreement which just now has been entered into are now in effect.

Mr. JOHNSON of Texas. Mr. President, I ask the Senator from Alabama [Mr. SPARKMAN], to control the time allotted to me, in my absence.

Mr. SPARKMAN. I shall be very glad to do so.

Mr. JOHNSON of Texas. Mr. President, under the agreement which has been entered into, 3½ hours are available for debate on this question, to be divided equally. I have assured the Senator from Pennsylvania that he will have at least 45 minutes.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that certain members of the staff of the Banking and Currency Committee and of its Housing Subcommittee may have the privilege of the floor during the course of this debate.

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

Mr. SPARKMAN. Mr. President, at this time I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 15 minutes.

Mr. SPARKMAN. Mr. President, I speak in behalf of the majority of the Committee on Banking and Currency and recommend that the Senate vote to pass S. 57, the objections of the President to the contrary notwithstanding.

The committee believes that the President's veto of S. 57 was unwarranted. The hearings held by the Subcommittee on Housing demonstrate conclusively that S. 57 was not "extravagant," "unnecessary," "inflationary," "discriminatory," nor "unfair"—all those terms being used in the President's veto message. Furthermore, the veto message contained intemperate, misleading, and incorrect statements.

The veto message states:

First, the bill is extravagant and much of the spending it authorizes is unnecessary. Its spending authorizations total a minimum of \$2.2 billion—all of which would be available for commitment without further congressional or Presidential action.

These two sentences contain several misleading or incorrect ideas. Among them are the following:

First, "Spending" authorizations do not total \$2.2 billion—they total \$.925 billion. The \$2.2 billion is apparently composed of \$925 million in grants, \$450 million in loans, and \$825 million representing an estimated cost of 45,000 units of public housing for the next 40 years. The "spending" estimated to occur in fiscal year 1960 is only \$2.7 million above the President's program.

Second. All of the authorizations would not be available for commitment without further congressional or Presidential action. The \$50 million loan fund to provide housing for the elderly must be appropriated by the Congress and approved by the President before any loan commitment may be made. The same is true of funds for urban planning, graduate scholarships in city planning, defense hospital construction, and farm housing research—totaling \$25.4 million. Furthermore, all other authorizations must be made available to executive agencies by the President himself before any loan or grant commitments can be made.

Third. The authorizations are not extravagant or unnecessary. Programs cited to illustrate extravagance or lack of necessity were loans to build housing for elderly persons, loans to build college dormitories and classrooms, and

grants for urban renewal and public housing. The committee received ample evidence that these programs are necessary; and the overwhelming preponderance of the evidence showed that the amounts proposed were at minimum levels and were certainly not extravagant.

Under the heading quoted above, the veto message states that "Even though we have over 100,000 previously authorized public housing units as yet unbuild, the bill would authorize 190,000 more."

This statement is misleading in the following respects:

First. The message implies that the 100,000 units are available to communities whose needs are not being met. This is a false implication. The message fails to state that these 100,000 units are already under contract; that applications for over 57,000 units—an effective demand of over 35,000—are now on file with the Public Housing Administration; and that many communities cannot proceed with urban renewal programs because authorization for public housing units is exhausted.

Second. The message states that "the bill would authorize 190,000 more" units of public housing. This statement is misleading. The message fails to state that only 45,000 units are authorized directly; that any units above this number may be used only upon the direct action of the President himself, and then only at a rate of 35,000 units a year beginning in fiscal year 1961; and that, depending upon costs of construction, costs of financing, and operating expenses of the projects, the total number of units—including those subject to Presidential discretion—may amount to only 145,000.

The veto message states:

The bill is inflationary. The spending authorizations of S. 57, taken together with other seriously objectionable provisions, would be inflationary and therefore an obstacle to constructive progress toward better housing for Americans.

These two sentences make a bold and damaging assertion that cannot be substantiated. Several witnesses categorically denied the validity of the veto message on this subject, among whom were representatives of the AFL-CIO, the National Association of Home Builders, and Dr. Seymour Harris, of Harvard University.

The only witness testifying on this subject who gave any support to the veto message was Mr. William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System. The only features of the bill which impressed Mr. Martin as inflationary are not in the public sector—or "spending" authorization. They are in the private sector and relate to downpayments and maturities of FHA-insured or VA-guaranteed loans. Ironically, administration witnesses stated that the downpayment features were acceptable to them.

Even more ironic is the fact that the primary agency of Government charged with maintaining price stability in our economy—the Federal Reserve—was not even consulted on the question of infla-

tion or upon any other feature of the veto message.

Estimating the inflationary effects of any piece of legislation is a difficult exercise in economics. I do not believe that S. 57 would be inflationary and no one has been able to demonstrate to me that it would be inflationary.

The veto message states:

Third, the bill would tend to substitute Federal spending for private investment. Many provisions of the bill, instead of stimulating private investment, would drive private credit from areas where it is urgently needed.

These sentences are an excellent illustration of the misleading and half-true character of the veto message. I call particular attention to the use of the word "spending"—Federal "spending" as a substitute for private "investment." Even if the charge were true, the message should be candid and refer to Federal "investment."

The provisions of S. 57 mentioned to justify this "substitution" charge relate to the Federal National Mortgage Association, and loans for college classrooms and dormitories. Before one "investor" can drive a second "investor" from a market, both investors must be active in the market. The facts of the matter are—and this was demonstrated in the hearings—that private investors are not sufficiently active in the markets here involved.

On the other hand, data submitted during the hearings by Dr. John A. Hannah, president of Michigan State University, clearly indicates that the Federal program has not decreased private financing of dormitories, but has substantially increased the total amount of financing available.

It would have been much more candid and forthright if the veto message had said:

The Congress proposes programs which recognize that many necessary and worthy purposes cannot be served during periods of investment shortages unless the Federal Government attempts to channel some investment resources toward meeting such needs. I disagree with this policy and believe that investment resources should be channeled to the highest bidder—regardless of the purposes to be served.

Such a statement would reveal the true differences between the Congress and the President regarding many features of S. 57.

The veto message states:

Fourth, the bill places needless limitations on the FHA program and contains provisions that would impair FHA's soundness.

This sentence refers to provisions in S. 57 which continue the limitation on FHA insurance authorization—which limitation has existed and has been raised from time to time since the Agency was established in 1934—and provisions giving administrative discretion to reduce downpayments and increase maturities of loans insured by the FHA.

The President has been in office since 1953 and during that period he has made six requests to the Congress for increases in the limitation on FHA insurance authorization. The Congress has always responded to such requests.

Quite aside from the fact that the Congress should retain its ability to periodically review the scope of FHA insurance activities, it is difficult to believe that the President seriously objects to a process which has worked so well for over 25 years.

Although the veto message states that provisions giving discretionary power to reduce downpayments and increase maturities "would introduce underwriting provisions of questionable soundness into a number of FHA's loan insurance programs," neither the veto message nor the testimony of administration witnesses offer any justification for this statement. In fact, administration witnesses testified that all of the provisions of S. 57 discussed in the fourth objection, except that relating to longer maturities, would be acceptable to the administration.

The veto message states:

Fifth, the bill contains provisions which are discriminatory and unfair.

Under the above quoted heading, the veto message charges that "a few large cities could tie up all the funds available under the urban renewal program." This is an incorrect statement. The law, as it would have been amended by S. 57, would provide that urban renewal loans and grants would be made first to those cities which have already filed acceptable applications. Testimony revealed that such applications are now on file from 134 localities in the approximate total amount of \$272 million. These localities cannot possibly be characterized as large cities, and it would, therefore, be impossible for large cities to tie up all the funds. These facts were admitted by administration witnesses.

Under the same heading quoted above, the veto message implies that local governments contribute only about 14 percent of the cost of acquiring and preparing a project site for development under the urban renewal program. It is true that the veto message uses the words "cash contribution" to preface the 14-percent figure, but it is also true that local taxpayers contribute an additional 22 percent in the form of local public works projects recognized by the Federal Government as being contributory to, and directly related to, the urban renewal projects. Thus, the total contribution by local taxpayers is approximately 36 percent of the cost of an urban renewal project; and there is no provision in S. 57 which would cause a reduction in the share being contributed by local taxpayers.

There are other statements in the veto message which would not bear close scrutiny. Perhaps it is sufficient to say that having taken a posture of opposition to housing legislation being considered in the Congress, it was necessary for the President's advisers to recommend a veto even though the differences between the President's program and S. 57 were slight and even though it would be necessary to recommend a message unbecoming to the place it will take in official documents of the United States of America.

Mr. President, I urge Members of the Senate to join with me in voting for the

passage of S. 57, the President's objections to the contrary notwithstanding.

Mr. BENNETT. Mr. President, who has control of the time in support of the President's veto?

The PRESIDING OFFICER. The minority leader.

Mr. JAVITS. Mr. President, I can yield time to the Senator. How much time does the Senator from Utah desire?

Mr. BENNETT. I should like to have 15 minutes, with the understanding that I may need a little more time.

Mr. JAVITS. Mr. President, I yield 15 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah may proceed.

Mr. BENNETT. Mr. President, since the President's veto of S. 57, there has been much discussion on the other side of the aisle of the President's veto message on the housing bill. The discussion was largely directed at discrediting the facts and conclusions in the President's message. It has been contended on the floor of the Senate that statements in the veto message were misleading. Rather than this being true, much that was said in attacking the message seems to me to be misleading, the errors no doubt arising from a failure to understand the very real importance to our national economy of reducing Federal expenditures and also how the building and mortgage lending industries really work.

For example, the President was criticized for claiming that the vetoed bill would be inflationary. Of course the bill would be inflationary. It is easy to take each separate item of the bill and belittle the impact which it would have in encouraging inflation. However, this approach would prevent us from ever making a beginning in protecting the savings and earnings of our people. We must draw a reasonable line with respect to each of the many provisions of housing legislation, as well as with respect to all the spending legislation that comes before us. The floods of inflation are fed by many streams and we must control those we can at their source.

I, for one, was happy to see the President make such a strong statement as to the inflationary effects of this bill. In a sense the bill is contradictory of itself. It proposes to aid the housing industry. Yet, at the same time, together with other budget-busting proposals of Congress, it adds to the fires of inflation. Inflation, in turn, damages the sources of long-term credit, an essential ingredient to the housing industry.

This contradiction is emphasized when we examine the current healthy status of the construction industry, and particularly the housing industry. The annual home building rate since last October is 1.3 to 1.4 million starts. The number of housing starts for the first 5 months of 1959 totalled 572,500 units, a new record for this period. Barring a new pinch on mortgage money, which could be adversely affected by inflation, 1959 will exceed 1955 and 1950, the previous alltime record years for housebuilding. The seasonally adjusted annual rate of spending for private nonfarm residential construction is in excess of \$21 billion, the biggest ever. Why

should Congress trot out the most expensive housing bill in history at the same time home building is setting all-time records? As the President aptly put it in his veto message:

"No one can gain from a fiscal policy of this inflationary type—least of all, the housing industry."

Further demands upon the labor and materials resources of the construction industry which is already operating at this record level would be encouraged by the additional dollar authorizations contained in S. 57. An inflationary increase in housing demand would also be encouraged by the provisions, which are not now timely, to extend the maximum maturities for FHA-insured and VA-guaranteed mortgage loans from 30 to 35 years. Still other seriously inflationary aspects of S. 57 concern the provisions which would open the flood gates of credit expansion through FNMA. First, FNMA would be authorized by S. 57 to make 1-year loans, under its secondary market operations, to be secured by FHA-insured or VA-guaranteed mortgages. This new loan program would enable lenders to raise cash by borrowing from FNMA during a tight money period when they could invest the funds in short-term nonhousing loans yielding a higher return than the mortgage interest rate. Such operations could lead to rapid short-term credit expansion and counteract the efforts of monetary authorities to restrict credit expansion during an inflationary period. The requirement that FNMA buy mortgages at par in its Special Assistance program is likewise inflationary.

It is certainly true that the vetoed bill would have resulted in expenditures almost three times as great as those proposed by the President. It is also clear that the vetoed bill would have needlessly pumped Federal money into activities which can best be financed by the normal operations of our private enterprise economy. My friends across the aisle deny that the vetoed bill would cost almost three times as much as the administration's proposals. However, it is clear from the comparison which the very able chairman of the Housing Subcommittee placed in the July 15 CONGRESSIONAL RECORD at page 13459 that the President's message stated some simple unrefutable facts. The able chairman complains of an \$874 million figure in the table attributed to the cost of 45,000 units of public housing.

It seems to me that he has completely missed the point which is simply this—within a year or two, firm commitments could be entered into under the bill under which this money would be required to be spent. The President called it a spending authorization, and I know of no better way to characterize it. It is immaterial for this purpose that the Federal funds will be spent over a period of about 40 years. Nobody ever contended otherwise. It is also immaterial that the funds do not become, for technical bookkeeping purposes, "new obligational authority" upon the enactment of the bill. Rather, it is an immediate spending authorization which technically becomes new obligational authority when the inevitable appropriations are made.

Once the contracts are entered into as contemplated by the bill within the next year or two, the appropriations must follow, as the night the day, because the failure to appropriate would then be called a breach of contract by the Federal Government.

I was also happy that the President saw through the urban renewal section

of the bill in his veto. The sponsors of the bill put in a \$900 million urban renewal authorization accompanied by great ballyhoo to the effect that it was less than the \$1.35 billion originally asked for by the administration.

Actually for the 2-year period involved, the administration proposed a \$600 million authorization. This represents a 50 percent increase, and is one of many examples of the true difference of approach between the President and his critics. It is a difference of degree, but a significant one. Much was made on the floor of the Senate with respect to the large number of applications already made and expected to be made which could well utilize the \$900 million proposed by S. 57. No one ever contended differently. Indeed, if we would attempt all at once to clear all the blighted areas of our cities, all our tax money would be insufficient. The true measure of statesmanship is to balance all the worthwhile claims upon the Federal budget, and indeed upon the economic resources of our Nation, against each other. The capital grant authorization proposed by the President represents a balanced judgment of what it takes to keep this program moving forward at a reasonable rate of speed. It must be remembered that there are not only financial limitations on our budget, but also limitations on the ability of local real estate markets to absorb cleared land for rebuilding. On page 13459 of the July 15 CONGRESSIONAL RECORD there appears a list of cities and the amount of their outstanding requests for capital grant funds. No indication is given of the funds which these cities have already obtained and how far along they are in using them in connection with existing projects already authorized.

For example, New York City has outstanding requests of about \$23.5 million. It has already obtained \$156 million, of which \$41 million is still in the planning stage. Of the remainder, \$60.5 million represents projects where the land acquisition is not completed. Philadelphia has requests of about \$10 million. Its existing reservations total \$59 million, but of these, \$14 million are still in the planning stage and \$11 million represents projects still in the land acquisition stage. Newark, N.J., has outstanding requests for \$8 million. It has already obtained \$21 million, of which \$15.5 million represents projects still only in the planning stage. Buffalo, N.Y. has requests totaling \$11 million. Of its existing reservations totaling \$12.5 million all represent projects which are still either in the planning or in the land acquisition stage. St. Louis is requesting \$41.5 million. Of the \$31 million which has already been reserved for that city, \$29.5 million represents projects where land acquisition is not yet complete.

It is well to recognize that the urban renewal program is intended to build up our cities, not merely to tear them down. When land acquisition has been completed, the building task still lies ahead. It is always easier to tear something down than to build it up, and I think we can afford to be somewhat less precipitous about the extent of the in-

crease in the program while we get on with our land disposal and rebuilding jobs. The program will move forward more smoothly and at less cost to both the Federal and local taxpayers if the localities space the availability of expensive cleared land so that it does not get ahead of the effective economic demand.

S. 57 failed to provide limits on the proportion of urban renewal funds that could go to any one State. Under that bill funds would be committed on a "first come" basis. Thus, the big cities with already-developed plans for huge projects would simply drain the pipeline before the small cities could even get projects on the planning boards.

During the same discussion on the floor of the Senate my friends on the majority side attacked the President because he referred to the 101,000 units of low-rent public housing for which Federal aid contracts have been entered into, but which have not yet been started. They say that these units are in a pipeline; they imply that these units are ready to come out of the pipeline; and that then the pipeline will be dry. They have not placed the facts in proper perspective. These 101,000 units are not all flowing through a pipeline; many of them are available in a rather deep and adequate well.

The low-rent public housing program was authorized by the U.S. Housing Act of 1937. The total number of units completed and started under that act, together with defense housing units converted to low-rent use, is less than 500,000. This is the amount of federally aided public housing that was produced over a 22-year period. Surely, then, the 101,000 units which are under contract, but not yet started, are sufficient to keep this program moving are more than its normal rate.

It is true that the program is moving slowly. It is wrong to blame the Federal Government. The Federal Government has already obligated itself to assist projects which were proposed by local communities, and now it is the turn of the local communities to find the land and start construction. I know that there are difficulties which the localities face in obtaining sites and in wrestling with many of the other local problems which have unfortunately bedeviled this program. However, these difficulties cannot be laid at the door of Washington officials, notwithstanding the insistent efforts of many to place blame where none exists. I have been unable to find anything done or left undone by Federal officials which prevents the great cities of New York, Chicago, Philadelphia, and many others from proceeding with the low-rent public housing projects with respect to which the Federal Government has already entered into aid contracts.

On page 13460 of the July 15 CONGRESSIONAL RECORD, there appears a list of public housing applications which are pending. These applications involve 57,500 units never placed under Federal contributions contracts. The truth of the matter is that these units include a very high proportion which have been on the books for many years, simply because the local community was not ready

to proceed and may never be ready to proceed. Thus, 21,700 of these units are represented by requests received prior to the enactment of the Housing Act of 1956 and have had 3 or more years in which to be placed under contract.

In view of these facts it is easy to see why the supporters of the vetoed bill play down or ignore the potential costs of public housing in S. 57. If a President exercised all the statutory authority granted in S. 57, particularly with respect to 190,000 new housing units, the total cost of the bill would have been over \$5 billion. This includes \$3.7 billion for the public housing section—computed at the rate of \$13,600 per unit for 190,000 units, plus financing charges—and \$1.375 billion for the other features of the bill. It is this latter figure of \$1.375 billion which went out via the press services to the public, and which was most misleading to the public. Without the inclusion of the other potential costs the net effect was misleading.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. BENNETT. Mr. President, I ask for 3 more minutes.

Mr. BUSH. Mr. President, I yield 3 additional minutes to the Senator from Utah.

Mr. BENNETT. The President is also criticized for objecting to new direct loan programs. It is contended that we must have new direct loan programs because our private-enterprise system has failed to provide the housing needed. Housing for the elderly is given as an example. Far from failing, our private enterprise system has, with mortgage insurance aid, begun to provide a substantial and increasing number of housing projects for the elderly. The administration recommendations, and also S. 57, contain provisions which would have materially improved FHA mortgage-insurance aids for this purpose. Both bills would have for the first time encouraged profit-motivated enterprise to provide FHA-aided rental housing especially for the elderly. To start making direct Government loans at subsidized interest rates would drive out private funds at the very time when they are needed, and can be expected to flow, in increasing amounts.

Similarly, some very important statements by the President in his veto message have been dismissed with the utterly misleading comment that they constituted mere "filler." For example, one of these was the President's sincere and serious objection to the S. 57 requirement that the Federal National Mortgage Association must pay par for the many millions of dollars of mortgages it purchases in its special assistance program. The par purchase requirement would have the direct effect of driving private funds away from mortgages most needed for special purpose housing, such as housing for the elderly, for military personnel, and for families displaced by urban renewal. This FNMA program is now working very satisfactorily and mortgages are purchased at a price which is somewhat above the current market price because the mortgages are not yet fully acceptable by investors. However, the price is fixed from time to

time at an amount which will accomplish special housing purposes without needlessly discouraging private investment where that is feasible. This balancing of considerations would be made impossible by the flat, par-purchase requirement in the vetoed bill. Far from being "filler," this item in the veto message reflects the President's longstanding concern that Federal-aid programs to segments of our economy should supplement, and not supplant, private enterprise.

In place of the extravagant provisions of S. 57, which the President has so wisely vetoed, Congress should concentrate on legislation which will bolster and expand the nonsubsidized productive programs which serve as an aid to free enterprise which is already doing a magnificent home building job, and not as a replacement for it. These are the FHA mortgage insurance program; the property improvement loan program; and the voluntary home mortgage credit program, which aids home buyers in finding private mortgage lenders, and other such constructive and necessary programs. All of these programs are in keeping with a private enterprise economy.

When the President vetoed the omnibus housing bill, S. 57, cries immediately went up that this would be a blow to the housing industry. I think just the opposite; I think it was a blessing to the housing industry. It was a veto in favor of free private enterprise and against the needless expansion of the Federal Government's activities in the housing field.

We need a housing bill, but we do not need the extravagant provisions of S. 57.

I hope the Senate will vote promptly to sustain the President's veto, so that the Committee on Banking and Currency can get back to the job of writing a more satisfactory and acceptable housing bill.

Mr. SPARKMAN. Mr. President, I yield 5 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, over 6 months ago, when this bill was first taken up on the floor of the Senate, I made my last speech as chairman of the Senate Committee on Banking and Currency.

I reminded the Senate at that time of the old sayings that politics is the art of the possible and that the legislative process is the art of compromise. I predicted that the bill then under discussion would be attacked from the right and the left—that it would be described as inflationary on the one hand and repressive on the other.

I said that I was more concerned with accomplishing work and meeting the needs of the people in the light of practicalities than with creating issues.

What has happened to the bill since that time, I believe, demonstrates that my predictions were correct.

Senators will recall that further compromises in consideration of the administration's view were made on the floor of

the Senate and still further compromises were made in the conference committee, most of them in an effort to accommodate the desires of the majority of the Congress to the wishes of the President.

We have heard a great deal lately to the effect that the President participates in the legislative process. There is no doubt about that. He has the right of veto. And as I warned the Senate on February 4, there was then and there is now every indication that the President is aware of his veto power and is not averse to using it.

But, as the President participates in the legislative process, he should also consider that the legislative process is the art of compromise. He certainly has a duty to take into account the views of a majority of the Congress equal to the duty which the leadership of the Congress and the individual Members have to taking into account his views. Otherwise the inevitable result is stalemate and stagnation, not only in this housing program, but in the entire legislative process. Stalemate and stagnation we can little afford at this time.

The leadership of this Congress and those of us who share the view that our objective is solid accomplishment rather than political propaganda have been abused unduly. On the one hand, because we have believed and acted with the knowledge that the President participates in the legislative process, we have been accused of forming an unholy alliance which has some remote relationship to our State of origin. On the other hand, we are not spared from the administration propaganda about wild spenders and inflationists.

Personally, there is no political mileage so far as I am concerned, in those parts of the housing bill which primarily benefit the great population centers. I have consistently supported them, however, on the theory that there is a national benefit and an indirect one to the people of my State. I may also say that my support of them goes back for a good many years before some of their present most ardent advocates came to the Congress. However, my support becomes more and more difficult from a personal as well as a political standpoint when the result is criticism from all sides.

In the face of these difficulties, the President of the United States sent to the Congress a veto message on S. 57 which was unworthy of his great office and beneath the dignity of the Congress to which it was sent. It is not factual. It is intemperate. It was obviously designed to catch newspaper headlines and radio and television news blurbs.

It demonstrates no appreciation of the Presidential duty, particularly in times of divided political control, to take into account the wishes of the Congress and to attempt to meet them on a reasonable basis. The veto ought to be overridden for these reasons alone even though some Members may have some objections to some provisions of the bill. Those who believe that responsible relations between the Congress and the President demand mutual respect and consideration should vote to override the veto.

#### THE NEED FOR HOUSING LEGISLATION

Mr. CASE of New Jersey. Mr. President, yesterday afternoon the Senator from Colorado [Mr. ALLOTT], the Senator from Kentucky [Mr. COOPER], the Senator from New York [Mr. KEATING], and the Senator from Maine [Mrs. SMITH] joined with me in the issuance of a statement concerning our position in the attempt to override the President's veto of the housing bill. I ask unanimous consent that our statement be printed in the RECORD at an appropriate place in the debate on the question of overriding the veto of the President.

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

We believe in and are supporters of a balanced housing program, including federally assisted urban renewal and public housing programs.

We supported the housing bill, S. 57, which passed the Senate on February 5, 1959, and the conference report which was adopted by the Senate on June 22, 1959.

The President vetoed S. 57 as embodied in the conference report. It was apparent that the bill could not be passed over the President's veto. Apart from whatever the Senate might do, substantially less than two-thirds of the House membership had voted for the conference report.

Accordingly, we were in agreement with the apparent decision not to attempt to override the veto but rather to reach agreement on the best possible bill which could actually be enacted into law. Despite the progress which had been made in this direction, a sudden change in plans took place and it was decided Tuesday by the majority leadership to attempt to pass S. 57 over the President's veto.

As we have already noted, this attempt cannot succeed. It cannot, therefore, be regarded as a serious effort to achieve sound housing legislation at this session of the Congress. In the circumstances, a vote by us to override the President's veto would in no way help to secure housing legislation at this session. Its significance would be purely symbolic—symbolic of two things: (1) Repudiation of the President in general, and (2) rejection of the President's leadership in the fight against inflation.

That this would in nowise be our intention would make no difference. This is what our vote to override would be taken to mean.

Accordingly, we shall vote to sustain the President's veto of the housing bill. We shall continue to work for housing legislation which meets both public and private needs and which can be enacted into law at this session.

Mr. BUSH. Mr. President, I allow myself 15 minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 15 minutes.

Mr. BUSH. Mr. President, I rise in support of the President's veto of S. 57, the omnibus housing bill, and to urge the Senate to reject the recommendation, made by a bare majority of the Committee on Banking and Currency, that the bill be passed notwithstanding the President's objections.

President Eisenhower based his veto on these five grounds:

First, the bill is extravagant and much of the spending it authorizes is unnecessary.

Second, the bill is inflationary.

Third, the bill would tend to substitute Federal spending for private investment.

Fourth, the bill places needless limitations on the FHA program and contains provisions that would impair FHA's soundness.

Fifth, the bill contains provisions which are discriminatory and unfair.

A bare majority of the Committee on Banking and Currency, which has recommended, by a vote of 8 to 7, that S. 57 be passed notwithstanding the President's action, has criticized the veto message as misleading, unwarranted, and intemperate, echoing attacks upon it made by some members of the Subcommittee on Housing during the recent hearings.

During those hearings, the language of the message was scrutinized in minute detail, and was subjected to a great deal of what might be termed "nit-picking" and criticism because it did not expand at length upon highly technical provisions of the housing laws.

Mountains were sought to be built from molehills in a concerted effort to show that isolated passages in the language of the message were not factual in a strictly technical sense.

In the final analysis, one's views of S. 57 and the President's veto message must rest on individual opinions and judgment.

After considering testimony presented to the subcommittee, by witnesses hostile to the administration as well as those speaking for it, my own conclusion was and is that President Eisenhower's message, when considered as a whole and without strained distortions of the plain meaning of words, accurately described the vetoed bill.

In my view, S. 57 was extravagant and authorized much unnecessary spending; some provisions were inflationary, as the President said; the bill as a whole would add fuel to the inflationary psychology which is so strong and so dangerous in the economy at the present time; it would tend to substitute Federal spending for private investment; it would adversely affect the FHA program; and it did contain provisions which were discriminatory and unfair.

THE SUBCOMMITTEE RECOGNIZED THE JUSTIFICATION FOR THE PRESIDENT'S CRITICISM OF THE BILL

The Subcommittee on Housing recognized that many of the President's criticisms were justified when it accepted modifications and amendments proposed by the administration as it proceeded to write a new bill—a bill which I deeply regret is not now before the Senate.

I ask unanimous consent that a portion of the proposed report on the Housing Act of 1959, recommended to the full Committee on Banking and Currency by a majority of its subcommittee on housing, may be printed at this point in the RECORD.

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

DIFFERENCES BETWEEN S. 57 AND S. —

S. — is basically the same as S. 57, which was passed by the Congress on June 23, 1959. After reconsideration of S. 57 and consideration of S. 612, S. 65, S. 2378, and other pro-

posals presented to the committee, 30 changes were made in the text of S. 57. These changes represent 7 deletions, 15 modifications, and 8 additions.

DELETIONS

Maximum maturity: S. 57 would have authorized the Federal Housing Commissioner and the Administrator of Veterans' Affairs to increase to 35 years the maximum maturity of mortgages insured or guaranteed. The veto message expressed opposition to this discretionary authority and these provisions are not contained in S. —.

FNMA par purchase: S. 57 contained a provision which would have required the Federal National Mortgage Association to pay 100 percent of par for mortgages purchased under its special assistance functions. The veto message expressed opposition to this provision, and it does not appear in S. —. The committee bill contains another provision designed to minimize the depressing effect of FNMA discounts and fees, which provision is discussed subsequently.

FNMA short-term loans: S. 57 would have authorized the Federal National Mortgage Association, under its secondary market operations, to make short-term (12-month) loans to be secured by FHA-insured or VA-guaranteed mortgage loans. The veto message expressed opposition to this provision, and it is not contained in S. —.

Crediting the cost of local public works: S. 57 contained a provision which would have permitted credit toward satisfying a locality's share of the cost of an urban renewal project, as a noncash grant-in-aid, of eligible local public works started within 5 years prior to execution of the loan-and-grant contract for the urban renewal project. Since, under existing law, such projects can be credited if started after approval of a preliminary plan for the project, which approval can occur as much as 3 years prior to the signing of the loan-and-grant contract, and because the veto message expressed opposition to the provision, the committee decided to make no change in existing law. Therefore, this provision does not appear in S. —.

Payment of user charges by public housing authorities: S. 57 contained a provision which would have permitted a local public housing authority to pay user charges for governmental services, if such charges are levied against private persons generally. After reconsideration of this subject, and in view of administration opposition, the committee decided that this provision is not necessary. It is not contained in S. —.

Amendment of public housing contracts: S. 57 contained a provision directing the Public Housing Administration to amend existing contracts upon the request of a local public housing authority, if such amendments would bring the contracts into conformity with changes made in law subsequent to execution of the contracts. Since existing law permits the Public Housing Administration to extend the provisions of any new laws to outstanding contracts, and in view of administration opposition, this provision appeared to be unnecessary. It is not contained in S. —.

Study of housing needs of migratory farm workers: S. 57 contained a provision directing the Administrator of the Housing and Home Finance Agency to study the housing needs of migratory farmworkers. Since this is a problem primarily related to Federal activities in the field of agriculture, the committee decided to delete this provision and it is not contained in S. —.

MODIFICATIONS

Extension of programs: S. 57 contained provisions extending the FHA property improvement program until September 30, 1960, extending the FHA military housing program until September 30, 1960, and extending the voluntary home mortgage credit program until July 31, 1961. The committee reconsidered these matters and determined to ex-

tend all three programs until October 1, 1961 (secs. 101, 701(a), and 807).

FHA insurance authorization: S. 57 contained provisions which would have increased the general mortgage insurance authorization of the Federal Housing Administration by \$5 billion upon enactment, and by \$5 billion on July 1, 1959. Under these provisions, any portion of the first \$5 billion increment which was unused on June 30, 1959, would not have been added to the revolving fund. Since S. 57 was not enacted by July 1, 1959, these provisions are not appropriate. S. — increases the general insurance authorization by \$12 billion upon enactment. Any portion of this \$12 billion which is unused by October 1, 1961, will lapse.

S. — also contains a provision which prohibits the Federal Housing Commissioner from exceeding the general mortgage insurance authorization by the use of any procedures which would extend the contingent liability of the Federal Government beyond the amount specified in law. Thus, the legal ceiling on FHA insurance activity will be strictly limited as provided in law, and insurance contracts and bona fide commitments to insure will be the only acceptable procedures for operating under this limitation (sec. 107).

Maximum insurable loans for relocation housing: S. 57 contained provisions increasing the maximum insurable loans under section 21 of the National Housing Act from \$9,000 to \$10,000, and from \$10,000 to \$12,000 in high-cost areas. During hearings on the veto message, administration witnesses pointed out that by retaining the basic limit of \$9,000 and by raising the high-cost area limit from \$10,000 to \$12,000, it would be possible to maintain the low-cost characteristics of the relocation housing program and still permit higher amounts in areas where higher amounts are necessary. Consequently, S. — retains the basic limitation of \$9,000 and increases the high-cost area ceiling from \$10,000 to \$12,000. Thus, the maximum amount permitted could vary between \$9,000 and \$12,000 depending upon cost factors in a particular area (sec. 110).

Fees and charges under FNMA special assistance functions: S. 57 contained a provision limiting fees and charges under its special assistance programs to a maximum of 1 percent of the principal amount of the mortgage, and providing further that the amount collected at the time of commitment could not exceed one-quarter of 1 percent. Upon reconsideration of this subject the committee accepted an administration proposal which gives the Association discretion in fixing fees and charges under its special assistance functions (sec. 303).

FNMA special assistance for cooperative housing mortgages: S. 57 contained a provision increasing by \$37.5 million the Federal National Mortgage Association fund for purchasing, on a special assistance basis, mortgages insured under section 213 of the National Housing Act. This increased amount would have provided \$25 million for consumer cooperatives and \$12.5 million for builder-sponsor cooperatives. Because of opposition expressed in the veto message and in spite of needs testified to in the hearings, the committee reconsidered this provision, and S. — increases this special assistance fund by only \$25 million, equally divided between consumer cooperatives and builder-sponsor cooperatives (sec. 304).

Early acquisition of property in urban renewal areas: S. 57 contained a provision which would have permitted a local public agency to acquire and clear property prior to the signing of a loan and grant contract with the Federal Government. This action would have been permitted only if sanctioned by local law and in the understanding that the land could not be disposed of until the urban renewal plan was finally approved. S. — contains a modified version of this provision, which modifications

were made to clarify local responsibility for repaying loans made to finance such early acquisition and to clarify language relating to disposition of the property so acquired (sec. 403).

Urban renewal capital grant authorization: S. 57 contained a provision increasing the urban renewal capital grant authorization by \$500 million on July 1, 1959, and by \$400 million on July 1, 1960—a total of \$900 million. The veto message characterized this amount as "excessive." Hearings on the veto message revealed that applications totaling \$320 million were on hand at the end of July and that another \$230 million in applications are ready for submission. This \$550 million in applications has developed in spite of discouraging circumstances since funds were exhausted last fall.

In view of objections raised in the veto message and in recognition of the current backlog of applications, S. — provides that the urban renewal authorization shall be increased by \$650 million upon enactment. Of this \$650 million, \$100 million is to be used at the discretion of the President to satisfy the needs of cities with a population of 100,000 or less, if such needs would not be served otherwise. The additional amount for allocation to cities with a population of 100,000 or less is provided in response to the unwarranted charge in the veto message that smaller cities would be harmed by provisions of the bill (sec. 405(1)).

Priority for approval of urban renewal applications: S. 57 contained a provision directing the Urban Renewal Commissioner to process applications on a first-come, first-served basis. S. — modifies this provision to give discretion to the Administrator to consider relative need and feasibility in approving such applications in the order of their receipt.

The committee intends that the general rule for approving applications will be on a first-come, first-served basis. The committee does not intend the language in S. — to be construed to authorize "fragmentation" of well-planned projects in an attempt to "ration" available authorization. Furthermore, since urban renewal projects have been significantly delayed by a shortage of Federal funds beginning in the fall of 1958, the committee intends that this new authorization shall be made available as rapidly as contracts can be executed—quarterly allotment procedures of the Bureau of the Budget notwithstanding (sec. 405(3)).

Public housing projects in urban renewal areas: S. 57 contained a provision to facilitate the construction of low-rent public housing in urban renewal areas. S. — modifies this provision to provide that the Public Housing Administration when purchasing land for development of a low-rent housing project shall pay a price equal to the fair value of the site for the most likely alternative use (sec. 411).

Public housing rent ceilings for displaced families: S. 57 would have eliminated application, to displaced families, of a provision of existing law which requires a 20-percent gap between the upper rental limits for admission to low-rent housing and the lowest rents at which private enterprise is providing a substantial supply of decent, safe, and sanitary housing. The purpose of this provision was to give preferential treatment to families displaced from their homes by governmental action. Under existing law, requiring a 20-percent gap, some of the displaced families whose incomes would call for rents within the gap would not be eligible for public housing and, at the same time, could not afford to pay the rents being charged for decent private housing. Upon reconsideration the committee decided that reduction of the gap requirement from 20 percent to 5 percent, for displaced families, would be preferable to complete elimination of the 20-percent requirement. S. — so provides (sec. 503).

Public housing authorization: S. 57 contained a provision specifically granting contract authority for approximately 10,000 units to be available until July 1, 1961, and 35,000 units to be available until June 30, 1963. S. 57 also granted the President discretion to authorize additional units up to the limit contained in the Housing Act of 1949, which discretion could not be exercised until July 1, 1960, and which discretion could not be used to contract for more than 35,000 units in any one year.

Although the veto message objected to this provision of S. 57, testimony by administration witnesses developed information that applications for approximately 57,000 units are now on hand and that attrition will reduce this number by about 19,000 units. Thus, applications now on hand represent an effective demand for approximately 38,000 units.

In view of opposition in the veto message, in recognition of applications now on hand, and in spite of needs which would not be served, S. — rewrites this provision and grants contract authority for only 37,000 units of public housing to be available upon enactment and until used. The bill also provides that any units, under contract from prior authorizations, which are recaptured by the Public Housing Administration, may be reallocated to satisfy applicants. In this event any units so reallocated will be charged against the 37,000-unit authorization aforementioned (sec. 505).

College housing loan authorization: S. 57 contained a provision increasing the college housing loan fund by \$300 million, which included \$37.5 million for "other educational facilities" and \$37.5 million for student-nurse and intern housing. The veto message objected to this provision under a heading which characterized S. 57 as "extravagant" and "unnecessary." The representative of the overwhelming majority of all colleges and universities in the country testified that this \$300 million authorization "is an absolute minimum."

In view of the veto message and in spite of the need for a larger authorization, S. — reduces these amounts to \$250 million, \$25 million, and \$25 million, respectively (sec. 601).

College classrooms and educational buildings: S. 57 provided for a new loan program to assist colleges and universities in constructing or rehabilitating classrooms, laboratories, and related facilities, including equipment and utilities. As originally passed by the Senate, the new loan fund would have been \$125 million. In an effort to meet administration opposition, the fund was reduced to \$62.5 million by the conference committee. In view of opposition in the veto message, and in spite of testimony that the "\$62.5 million finally approved by the Congress \* \* \* is clearly an absolute minimum," S. — reduces the fund to \$50 million (sec. 602).

Sale of housing project: S. 57 contained general language authorizing the Commissioner of the Public Housing Administration to modify the terms of any contract under which he had sold a housing project to a cooperative. S. — modifies this provision to restrict its application to the contract by which the Southmore Mutual Housing Corp. purchased a housing project from the Public Housing Administration (sec. 809).

Planning scholarships and fellowships: S. 57 contained a provision authorizing appropriation of \$300,000 for a 3-year period, which funds were to be used by the Housing and Home Finance Agency to provide scholarships and fellowships for the graduate training of professional city planners and housing technicians and specialists. S. — retains this provision but reduces the authorization to \$250,000 (sec. 810).

Mr. BUSH. Mr. President, I refer to the sections of the committee print of the proposed report which appear on pages 3 through 7, under the heading "Differences Between S. 57 and S. —", the new draft, with subheading entitled "Deletions," and "Modifications."

The subcommittee made these changes in the bill after the administration had made substantial concessions to the viewpoint of the majority. In the new bill, S. 2378, which I offered, with the co-sponsorship of the distinguished Senator from Utah [Mr. BENNETT] and the minority leader, the distinguished Senator from Illinois [Mr. DIRKSEN], many provisions represented concessions to the majority's positions.

For example, the President has felt strongly—and I share his views—that States and local communities should share equally with the Federal Government in the net cost of urban renewal projects. Yet, in a spirit of honest compromise, my bill, S. 2378, omitted the President's proposal that the Federal Government's share of the cost be gradually reduced from the present two-thirds to one-half, with corresponding increases in the State or local share.

State participation is an important principle because I am convinced that urban renewal faces an uncertain, and, indeed, a bleak future if States do not take a greater interest in the welfare of their communities. However, I reluctantly compromised on this point because of my desire that this session of Congress enact a sound, adequate housing bill.

On the other side, the Subcommittee on Housing has recognized the validity of the President's criticism of the first-come, first-served provisions of the urban renewal title of the bill. The President criticized these provisions as discriminatory and unfair because a few large cities, by making early applications, could gobble up a lion's share of the funds made available for urban renewal.

I must frankly admit that the language of the veto message was unfortunate in that it referred to all the funds made available under the urban renewal program when, in fact, existing applications for Federal capital grants would not be affected by the rigid, first-come, first-served provisions of the bill to which the President objected.

What the President had in mind, I believe, was the undisputable fact that after these applications, made by 134 cities and totaling \$272 million, had been filled, all the remaining urban renewal funds authorized in S. 57—some \$628 million—would have been subject to capture by a few large cities.

The validity of the President's criticism, when interpreted in this light, was acknowledged by the subcommittee.

It modified the language of the first-come, first-served provisions in accordance with the amendments proposed in my bill, S. 2378, which was endorsed by the administration in that respect, so that the Urban Renewal Administrator, in acting upon applications, could consider questions of need and feasibility of projects as well as the order in which applications are filed.

The subcommittee went further: In recommending \$650 million for urban renewal, it proposed that \$100 million be reserved to the President so that he could protect the smaller cities against the danger that the large cities could monopolize all the remaining available funds.

I shall not burden the RECORD, or detain the Senate, with an elaborate defense of the veto message.

In my view, the President was entitled to his opinions on S. 57; he expressed his opinions clearly and forcefully in his message. In so doing he fulfilled his plain duty to inform the American people of his reasons for withholding his signature from the bill; and he was right to have done so.

To those who may feel resentful because of the language of the veto message, and to those who may be moved by partisan feelings arising from a Republican President's disagreements with a Democratic majority in control of both Houses of Congress, I make this appeal:

Do not in emotion, or in anger, or for sake of fancied partisan gain endanger the enactment of any meaningful housing legislation in the present session by voting to override the veto.

For we are fighting time at this stage of the session. A housing bill already has been too long delayed. Each additional day of delay further imperils the chances for a good, sound, reasonable housing program which will represent a reconciliation of the opposing viewpoints which have been expressed.

#### THE PRESIDENT WANTS A GOOD HOUSING PROGRAM

President Eisenhower has been represented as threatening a veto of the bill as modified by the Subcommittee on Housing.

I know of no basis for such representations. The President sponsors a good housing program. He has demanded one.

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

Mr. BUSH. I yield.

Mr. JAVITS. Does the Senator know of any basis for the statement that the President will sign such a compromise bill as is now before the subcommittee? In other words, if the Senator does not have any basis for saying that the President will veto such a bill, does the Senator have any basis for saying that the President will sign it?

Mr. BUSH. I do not.

Mr. JAVITS. I thank the Senator from Connecticut.

Mr. BUSH. It is true that the administration has objections to certain provisions of the subcommittee's proposed bill. I believe those objections should have been considered by the full Committee on Banking and Currency, in discussion of amendments which I and others in the minority were prepared to offer.

Instead, the President has been confronted with a take-it-or-leave-it demand on the part of a bare majority of the full committee.

Because of rumors that the bill would be vetoed by the President if it remained in the form recommended by the subcommittee—rumors which, to my knowl-

edge, have no basis in fact—a bare majority of the full committee has recommended that S. 57 be readopted by the Senate in spite of the grave danger this would create for enactment of any reasonably adequate housing bill in the present session. This is no way to legislate.

I submit that President Eisenhower and the Republican Party are affirmatively for a good housing program—a program which will provide adequate funds for slum clearance and urban renewal; a program which will continue the present program for housing for the elderly, which is beginning to move into high gear, and which would be improved by amendments the President has proposed; a program which would continue the present college housing program until new ways of aid to higher education, now stalled in the Committee on Labor and Public Welfare, can be tried; and a program which would provide adequate authorizations for the Federal Housing Administration to continue the mortgage insurance program, which has been of such great help to the homebuilders of America and to the millions of American families who want to own their own homes.

The administration, as I have said, does object to certain provisions of the bill recommended by the Subcommittee on Housing.

The President objects to financing housing programs by the so-called backdoor method of authorizing direct borrowings from the Treasury, instead of the normal process of authorizing appropriations.

He objects to the inclusion in the bill of two completely new programs—one for direct loans for housing for the elderly; and one for direct loans for college classrooms, laboratories, and other nonhousing facilities.

He objects to provisions which would give a relatively few cities substantial windfalls, by permitting land purchases by colleges for campus expansion to be credited as part of the local contribution to an urban renewal project, even if such purchases were made 5 years before the project was approved.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The 15 minutes the Senator from Connecticut has allotted to himself have expired.

Mr. BUSH. Mr. President, I yield myself an additional 3 minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for an additional 3 minutes.

Mr. BUSH. Mr. President, there are other objections of a more technical nature. I shall not burden the Senate by going into detail in regard to them; but the foregoing items are those which I regard as of the most serious concern from the standpoint of essential principles at stake.

The main point I wish to make is that the President's objections to the subcommittee's proposed bill are not frivolous, nor are they submitted in any spirit of obstruction. They do raise valid points of basic policy which deserve serious consideration by the full Committee on Banking and Currency and by the Senate.

Instead, a bare majority of the committee has recommended to the Senate that President Eisenhower be forced to submit at the point of a gun; that we present him with a threat of legislative blackmail; that we say to him, "take Senate bill 57—or nothing."

I submit that President Eisenhower does not deserve such cavalier treatment. The President of the United States, whether he be a Republican or a Democrat, is a part of the legislative process.

The Constitution imposes upon him the duty to withhold his signature from bills which he considers unwise from the standpoint of the general welfare. He and the Vice President are the only Federal officers elected to represent the people of all the United States, not merely the people of a single State or a congressional district. Thus, he speaks for all the people.

The Constitution gives us, the Senate, and the House of Representatives the power to override a Presidential veto by a two-thirds vote of both Houses.

This power should not be exercised lightly, or irresponsibly, or in a spirit of anger.

Instead, a decision to override a veto should be made only after a President's objections to proposed legislation have been given full and careful consideration, in an atmosphere of calm and sober judgment, with political partisanship kept at a minimum.

This, I submit, was not the case in yesterday's decision by a bare majority of the Committee on Banking and Currency. No opportunity was given to explain the President's reservations concerning certain provisions of the bill proposed by the Subcommittee on Housing. In an emotion-charged atmosphere, an ill-considered recommendation to override the veto was made by 8 members of the 15-man committee.

For all these reasons, I urge the Senate to reject the majority's recommendations, and, by its vote, to instruct the Committee on Banking and Currency to report to the floor a bill which will provide for the Nation's essential housing needs—a bill which will incorporate the many concessions to the majority's viewpoint which already have been made by the administration, and a bill which will represent a reasonable accommodation to the opinions expressed by the President of the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a memorandum entitled "Points in the Housing Veto Message Challenged in Hearings of the Senate Subcommittee on Housing, Thursday, July 23, 1959." The memorandum includes criticisms by Members of the Senate, on the one hand, and facts stated in answer to those criticisms, on the other.

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

POINTS IN THE HOUSING VETO MESSAGE CHALLENGED IN HEARINGS OF THE SENATE SUBCOMMITTEE ON HOUSING, THURSDAY, JULY 23, 1959

Criticism by the committee: (1) Amounts spent for public housing annual contributions should not have been included in the \$2.2 billion estimate of spending authorized by S. 57.

Facts: The veto message sought to give a full statement of costs. The contributions in question are paid to cities over a 40-year period and can only be estimated at this time, but they were conservatively estimated on the basis of 10 years' experience. Although appropriations would have to be made for these contributions, the Federal Government would have had no alternative but to appropriate the money in accordance with the commitments authorized in S. 57.

Criticism by the committee: (2) The veto message compares the full 2-year (\$900 million) urban renewal program of S. 57 with 2 years (\$600 million) of the administration's 6-year program. It was maintained that the message should have included the full 6-year program proposed by the administration.

Facts: Only 2 years of the administration's program was included in order to make it comparable with the 2-year program provided for by S. 57.

Criticism by the committee: Lending authorizations should not have been counted as spending authorizations in estimating the cost of S. 57.

Facts: Lending operations involve budgetary expenditures, like any other disbursement, and are properly included to give a full account of cost.

Criticism by the committee: The veto message was incorrect in stating that "much of the spending it (S. 57) authorizes is unnecessary."

Facts: The message stated that, to the extent that spending authorized by S. 57 would merely displace private financing, it was unnecessary. This would be true particularly in the case of the direct loan program for housing for elderly persons. The FNMA par purchase requirement of S. 57 would also invite public financing where private funds would otherwise suffice.

Criticism by the committee: (5) The veto message was wrong in characterizing the \$900 million authorization of urban renewal grants in S. 57 as "excessive."

Facts: The Housing and Home Finance Agency believes it would be difficult to make prudent use of \$900 million in a 2-year period. Approximately \$1.3 billion of urban renewal grant funds has been reserved for specific cities since the program started in 1949, but almost \$500 million of this sum is for projects still in the planning stage.

In any case, additional authorizations of \$900 million are excessive in view of all other demands on the Federal budget at this time.

Criticism by the committee: (6) The veto message did not correctly represent the status of the public housing programs in stating: "Even though we have over 100,000 previously authorized public housing units as yet unbuilt, the bill would authorize 190,000 more."

Facts: 242,000 units have been built under the Housing Act of 1949. Commitments for annual contributions contracts have been entered into for another 101,000. These have not as yet been built. At present, there are applications for about 57,000 units on hand, though only 30,000 to 35,000 of these are regarded as active.

S. 57 would have authorized 10,000 units of carry-over and an additional 35,000 units. Beyond that, it would have authorized the President, at his discretion, to make commitments for an estimated 145,000 additional units. No account was taken of the "discretionary" units in estimating the cost of S. 57. If these had been included, the cost of the bill would have been raised to more than \$5 billion.

Criticism by the committee: (7) The veto message was wrong in stating that "the way the bill is written a few large cities, by making early application, could tie up all the funds available under the urban renewal program."

Facts: Although it is true, as pointed out in the hearings, that not more than 12½ percent of the funds could go to cities in

any one State, the fact remains that a few large cities could tie up the bulk, if not all, of the funds. Even though this provision of S. 57 would require the processing of the present backlog of applications first, this only means that the full effect of the discriminatory features would not be felt at once.

No attempt was made in the hearings by the committee members to defend this provision of S. 57.

Criticism by the committee: (8) It was maintained that the veto message was misleading in its reference to the fact that cash contributions by local authorities have met only 14 percent of project costs.

Facts: The reference to 14 percent is a correct factual statement and was not challenged as such. The administration called attention to this point to show that the 5-year retroactive feature of S. 57 would reduce cash contributions which are already low.

Criticism by the committee: (9) In a prepared statement read at the start of the hearing, Senator PROXMIER maintained that there was an urgent need for the proposed new program of direct loans for housing for elderly persons. The veto message questioned the need for this program. No opportunity was given at the time to answer Senator PROXMIER's statement.

Facts: The Housing and Home Finance Agency finds that the largest part of the need for elderly housing lies in the field covered by the proposed new nursing home program. Surveys indicate that 88 percent of the elderly are satisfied with their present quarters.

Criticism by the committee: (10) An effort was made in the hearings to establish that the administration was willing to accept "back door financing" in its housing programs, and that this was inconsistent with its opposition to such financing in other connections.

Facts: Although it is true that the administration's recommendations of last spring would have continued certain existing programs on a back door financing basis, it did not recommend any new programs on this basis and now opposes such financing even for existing programs in view of the increasing need for tighter budgetary controls.

The new housing bill introduced by Senator BUSH (S. 2378) contains no back door financing provisions.

Mr. BUSH. Mr. President, I yield back the remainder of the time available to me.

At this time I yield 15 minutes to the distinguished Senator from New York [Mr. JAVITS].

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JAVITS. Mr. President, I rise to state my views in regard to the veto message.

I am not especially happy about what I have to state, Mr. President, but it must be stated. The people of the country sent the Members of the Senate here to do their duty, not just to do the easy things.

Mr. President, after deep thought, I have decided that I must vote to override the President's veto of the housing bill. That is a serious decision for a Republican Senator to make, and therefore I owe both to the Senate and to my constituents an explanation of the reasons why I shall vote to override the veto.

I do not believe I need to express here my loyalty and my affection and my admiration for the President of the United States, Dwight D. Eisenhower. I was one

of those who advocated his candidacy and his election many years before he, himself, took that position; and I hope to have the opportunity again to express my loyalty to him and my affection and my admiration for him.

Incidentally, Mr. President, I did my utmost to avoid the need to meet this challenge. I voted yesterday, as a member of the committee, against reporting the bill back to the Senate, with a recommendation that the bill pass, the objections of the President of the United States to the contrary notwithstanding, inasmuch as I felt that we should get on with the business of writing another housing bill.

I hope that if the present attempt to override the President's veto fails, we shall proceed immediately, tomorrow morning, to write another housing bill.

But, Mr. President, the issue now before the Senate must be faced by all Members of the Senate. Senators cannot now take a vacation; they must vote either yea or nay on the question of whether the bill shall pass over the President's veto. On that question, I shall vote to override the veto.

Mr. President, the fundamental reason for my decision to vote that the bill shall pass, the objections of the President to the contrary notwithstanding, is that I do not see in the President's message a promise of his approval of a bill which I believe is the kind of bill which is essential to meeting the housing needs of the people of the Nation. Therefore, if by my vote—whatever may be the outcome of the vote in the Senate on this issue—I can indicate my deep conviction that it is essential that a reasonable provision, even a modest provision, but at least some provision, for public housing be included in the bill, and that the Congress must do something real in regard to urban renewal, housing for the elderly, and all the other housing problems which assail the American people, but which the President does not cover in his message, then I must cast my vote in favor of the passage of the bill, to override the President's veto, because I owe that to my State and to the almost 17 million people whom I represent.

The President has told us exactly what he thought should be included in a housing bill. In his veto message he made six specifications.

He said legislation along these lines is what is needed for housing. Those specifications are:

First. Increasing the insurance authority of the Federal Housing Administration. Everybody agrees to that.

Second. Extending the program for insurance of property improvement loans. Everybody agrees to that.

Third. Extending the program for insurance of Capehart military housing. Everybody agrees to that.

Fourth. Extending the voluntary home mortgage credit program—essentially a farm program. Everybody agrees to that.

Fifth. Authorizations for urban renewal grants should be replenished, but the local share of the costs should be increased—and I do not believe they

should be—and the college housing program in the budget message should be enacted. That is \$200 million. I do not think that is adequate.

Sixth. The statutory interest rate ceilings governing mortgages insured under the Federal Housing Administration's regular rental housing and cooperative housing programs should be raised.

Mr. President, I am very unhappy about that, but I will go along with it if I have to.

Public housing is not mentioned at all and a number of other items included in the bill are not mentioned.

Mr. President, I would much rather vote to sustain the President's veto. It would be much happier for me to do so.

I have sought some assurance that there would be some expansion of these specifications. I have been unable to get them. Therefore, I must indicate by my vote that I want a better housing bill than that which is indicated in the message, and that is the reason for how my vote will be cast.

Mr. President, the needs of my State for housing legislation are very great. They are probably the greatest of those of any State. It is the common supposition that urban renewal is the need only of great cities like New York, Chicago, and Philadelphia. In my State there are 28 cities engaged in urban renewal programs. They range in population from less than 10,000 to that of 8 million, which is the population of New York City. The program in Buffalo, for example, is absolutely critical to a continuance of the effective urban development of that city.

Mr. President, I ask unanimous consent that a list of those communities may be printed in the RECORD at this point as a part of my remarks.

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

NEW YORK STATE COMMUNITIES IN URBAN RENEWAL PROGRAM

Albany, Binghamton, Buffalo, Catskill, Glen Cove, Greenburgh, Hastings-on-Hudson, Huntington, Ithaca, Long Beach, Middletown, Newburgh, New Rochelle, New York, Niagara Falls, North Tarrytown, Nyack, Peekskill, Port Chester, Poughkeepsie, Rochester, Rockville Centre, Rome, Schenectady, Syracuse, Tarrytown, Utica, and Yonkers. Total, 28.

Mr. JAVITS. Mr. President, in any housing bill, a provision for public housing represents a modest measure of social justice. This administration has always been for some modest amount of public housing. As a matter of fact, in New York City public housing represents roughly 10 percent of new construction. When there is taken into consideration construction that gets any kind of public aid, such as title I or State loans and tax exemptions, it represents about 10 percent of all existing housing.

I would say that public housing is indispensable to a balanced housing program. We have figures which show that one-third of the families of New York City cannot afford to pay the upper bracket for even public housing, which is \$17 a room. So, as an essential measure

of social justice, a housing bill should contain a modicum of public housing.

We are asking for the tremendous number of 45,000 units. That figure must be compared with 35,000 per year, which has become a sort of pattern for some years past. I do not see any reason why, when we can afford \$40 billion for defense, we cannot afford a modest amount for public housing.

Mr. President, it is not inapposite to state that one of the most dramatic and revealing statements made before the Committee on Banking and Currency was a recorded speech of Robert Taft, one of the fathers of public housing in this body, expressing his belief that whatever might be the given circumstances at a given time, we owe it to ourselves and the people of the United States to have some modicum of public housing in any housing program we have, if it is to be really balanced.

Mr. President, urban renewal exercises a tremendous influence in private investment and private development, as well as in public investment and public development. It fructifies at the rate of 5 to 1. For example, the Federal, State, and city governments have put about \$143 million into the first 13 urban renewal projects in New York—of this \$95 million was in Federal funds—and private enterprise has put \$457 million into the same projects. When we consider the projects as they are now, in execution, planning, and construction, we find over \$1 billion in urban renewal projects invested in New York by private enterprise.

Mr. President, many persons argue that housing legislation is inflationary, and therefore we should not have a bill except of the most minimum character at this time. It seems to me if that assertion were logical, they should say what my colleague the Senator from Utah [Mr. BENNETT] has said—that there should not be any bill at all; that there should not be any inflationary impact at all. Obviously, such a stand flies in the face of the realities and the humanities, and thus they do not say that, but they say it is inflationary.

Mr. President, I am a businessman. I have been in business all my life, as well as having been in the profession of law. I have spent less than all my life in the legislature. I cannot understand how we ever determine that something is inflationary, when it adds one of the most tangible, effective, producing assets to the total wealth of the country. Is it less inflationary to have those bricks and clay in the ground, and the labor power in the backs of men who are not using it, than to have it in the homes which have to be furnished, lived in, and which give satisfaction to human beings?

Mr. President, when Vice President Nixon came back to this country from the Soviet Union, what did he see there as one of the major defects in the system of the Soviet Union? He pointed to the lack of adequate housing, and the fact that the Government did not do much about it. The leaders preferred to have guns to that kind of necessities for their people. I do not want us to make the same kind of mistake. We have to beat

them, and beat them decisively. One of the ways to beat the Soviets is to show that we have more solicitude for our people than they do.

Mr. President, I know that a great many people argue—and I can understand their argument—that this is a kind of Democratic Party proposal, a bit of emotional excitement. They say that the Democrats have decided they cannot get any assurance as to what kind of bill the President will sign, so they are going to bring up this veto message and at least be able to cast their votes of resentment on the record; and, if they lose, as they probably will, they will go back to writing a bill.

Mr. President, I cannot indulge in these flights of fancy or emotion, nor can the American people, in my opinion. I cannot engage in all the permutations of mind and flights of imagination which will tell me what the House of Representatives will do, what the Senate will do, what the Banking and Currency Committee will do, or what the President will do. I would probably be a much better politician if I could do so. The fact is, I cannot. I have to face every issue as it arises before me. I think S. 57 was a reasonable effort—at a time when we must face the fact that inflation is a threat—to try to cut a housing bill to the cloth of economic facts. I think, too, it was eminently reasonable in that regard. Believing it to be eminently reasonable, whatever the reasons for bringing the matter up at this time, whether emotions, politics, or anything else, I feel it is my duty to vote my convictions. That is why my constituents sent me here. That is why, so long as I remain here, I shall seek to render them the service to which they are entitled.

Mr. President, let the people who talk about the housing bill being inflationary, and who assert that it is essentially a bill for the benefit of people in urban communities, examine the farm program, which costs billions and billions of dollars in subsidies, which get us nothing more but more surpluses and frustrations, before they talk about the housing program being inflationary. We do not see those people saying that the billions which go into price supports for agricultural crops are inflationary. Yet housing costs but a fraction, a tittle, of the cost for price supports.

It is said that \$40 billion for war and the preparation for war is absolutely necessary; but, still, we are living, and if we can do it, and I believe we can, we should do something about living, too.

The big pork barrel bill for rivers and harbors and a great many other public works provides for expenditures of over \$1 billion for only 1 year—facilities which many communities could build themselves. Yet those who benefit from such expenditures are not telling us how inflationary they are.

Mr. President, I believe in simple and common justice to the American people. They deserve a housing bill. I do not know whether they will get one. All I know is that I have the opportunity to cast my vote to give them one today, and I intend to do so.

Mr. President, I yield back the balance of my time.

Mr. DOUGLAS. Mr. President, I yield myself 20 minutes.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). The Senator from Illinois is recognized for 20 minutes.

Mr. DOUGLAS. Mr. President, I support the recommendation of the Committee on Banking and Currency to approve S. 57 over the President's veto.

I believe the Senate should override the veto for two compelling reasons. First, S. 57 is a compromise bill which cannot logically or conscientiously be compromised any further. Second, this veto message misrepresents the facts about existing and proposed housing programs to the point where it tends to corrupt the legislative process which brings them into being. In support of these two propositions, I shall discuss the three titles of S. 57 which are the prime targets of the veto message: "Title IV—Urban renewal; title V—Low-rent housing; and title II—Housing for the elderly."

#### URBAN RENEWAL

The slum clearance and urban renewal program was started a decade ago by the Housing Act of 1949 with an initial authorization of \$500 million, to which was added another \$500 million in 1955, and \$350 million in 1957—a total of \$1.35 billion over the 10-year period. The entire authorization is now reserved for eventual disbursement to some 650 projects in nearly 400 localities in more than 40 States. S. 57 provides for an additional \$900 million to become available by July 1, 1960, to meet a need of more than \$1 billion for new projects ready to go, according to the testimony of the American Municipal Association, the U.S. Conference of Mayors, and the professional experts who work in the program.

The original Senate bill provided for \$2.1 billion over a 6-year period in recognition of the fact that slum clearance and urban renewal require considerable lead-time to insure sound planning and orderly administration. The original House bill provided for \$1.5 billion over a 3-year period. As a conferee on these two bills, I felt that the \$1.5 billion figure was a reasonable minimum to deal with the steady year-to-year growth of urban blight. I think it is obvious that the \$900 million urban renewal authorization in S. 57 is a bare minimum if we are to even keep up with the added blight over the next 2 years. The HHFA Administrator was aware of this need when he said at the hearings on the veto message—and I quote from page 139:

The need, the demand, the wish for urban renewal far exceeds, as we all know, any immediate figure that even S. 57 or any of the programs has set.

Yet the veto message speaks not of the need, the demand, the wish for urban renewal. It categorically labels the authorization as "excessive." Now, it may be that the authors of the message felt they had chosen the correct label, in view of the fact that the policy of the administration apparently is to shift the burden to the localities—which they cannot bear—as many years of hearings and hundreds of witnesses have proved beyond any reasonable doubt.

But the message does not stop there. It goes on to indulge in a shockingly irresponsible distortion of fact and reality. It asserts that a few large cities—the Housing Administrator at the hearing said eight large cities—could tie up all the funds available under the urban renewal program. This is simply not a true statement, as pointed out so forthrightly at the hearings by the ranking minority member of the committee, the distinguished senior Senator from Indiana [Mr. CAPEHART].

I wish to pay tribute to the Senator from Indiana [Mr. CAPEHART] for the integrity which he has shown in the discussion of this whole affair.

Mr. President, what are the facts? The facts are that under the existing law, on the books since 1949 and not changed by S. 57, the principle of setting a State limitation high enough to take care of the more populous States has not been detrimental to smaller cities. The reality—which is misrepresented and distorted by the veto message—is that, of the 386 localities in the program as of December 31, 1958, nearly half had populations of under 25,000; 103 projects were located in 91 towns of under 10,000 population; 119 projects were in 96 localities in the 10,000 to 25,000 class, and so on.

This distortion of fact and reality in the veto message is, I regret to say, an unconscionable attempt to provoke the smaller cities. The veto message raised for the first time this specter of the large cities grabbing the entire authorization. The message is simply not accurate in terms of the experience since 1949, in terms of the distribution of cities, with applications currently on file classified by size, nor is there any likelihood that there will be any different size pattern in the future.

The veto message contains other distortions of the facts and realities of urban renewal. These were exposed in the hearings and are reviewed in the excellent statement by the chairman of the Housing Subcommittee, the distinguished and able junior Senator from Alabama [Mr. SPARKMAN].

#### PUBLIC HOUSING

Title V of the bill authorizes an addition 45,000 units of public housing upon enactment and gives the President the discretionary power to complete the 1949 act authorization—which involves another 100,000 units—at a rate of not more than 35,000 units in any one year. As a conferee on the original Senate and House bills, I was opposed to giving the administration this discretionary power on the ground that the administration has stifled the program and appears intent of killing it off entirely. I do not believe in putting foxes in charge of the protection and care of chisellers. The Housing Administrator did say at the hearings that he needs "a year's breather" to study the program. Another witness characterized this position as follows:

In essence, the Administrator has proposed that the fire hoses be turned off while the house is burning so that the fireman can retire to a study room to find out whether there really is a fire.

The veto message contains an especially misleading assertion when it implies that "over 100,000 previously authorized public housing units as yet unbuild" are somehow available to meet existing needs when the Housing Administration knows perfectly well that the contracts have been let, the construction is underway, and these units are not available for new applications. These needs currently amount to applications for 58,000 units, for which there is no authorization. In addition to this immediate measurable need, there is a growing need resulting from urban renewal and highway construction which are displacing an increasing number of families—at least half of whom have incomes so low that they can qualify for admission to public housing units. We need at least 50,000 housing units a year for this purpose alone.

Mr. President, we have had a public housing program for 22 years. It has been an indispensable part of our housing policy and programing. Despite intense controversy about the program, it is time, I believe, that we should candidly admit that neither private enterprise nor government has come up with a workable alternative to the existing method of providing decent shelter for our low-income families. And we should also meet squarely our moral obligation to continue this 22-year-old program until there is such an alternative and as long as there is a demonstrable need for it, as there is right now.

#### HOUSING FOR THE ELDERLY

Mr. President, possibly the most baldly inaccurate sentence in the veto message is this:

A new program of direct Federal lending is authorized for housing for elderly persons when needs in this area can be adequately met by private funds invested under the protection of Federal insurance.

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

Mr. DOUGLAS. I am glad to yield.

Mr. PROXMIRE. Does the Senator from Illinois recall, in hearings at which Mr. Mason and his assistants testified before the committee, that I asked Mr. Mason about this particular question?

Mr. DOUGLAS. I do.

Mr. PROXMIRE. I asked him whether or not it was proved that the elderly people in this country needed additional housing.

Mr. DOUGLAS. I remember that question very well.

Mr. PROXMIRE. Is it not true that when I asked the question he referred to a study which had been made in Battle Creek, Mich., his own study? Did he not say that as a result of that study it was found that 12 percent of the elderly people over 65 years of age said they needed additional housing?

Mr. DOUGLAS. That is true.

Mr. PROXMIRE. If we accept the position taken by the President's own spokesman, that 12 percent of the more than 15 million people over 65 needed additional housing, that means that there are 1,800,000 old people in America who need public housing, on the basis of the President's spokesman's own analysis?

Mr. DOUGLAS. That is true; and I do not believe Battle Creek would present an exaggerated situation. It is a medium-sized city, and a relatively prosperous city.

Mr. PROXMIRE. Let me ask one further question in connection with this same issue.

As I understand, the position of the administration is that the FHA program provides, if not an adequate answer, something close to an adequate answer. The Administrator was questioned about the rents on FHA projects. The lowest amount he could cite to the committee was \$48 a month. The statistics which we had pointed out that the median, the average, or the middle income for the 3,400,000 people over 65 living alone was \$980. This would mean that if they paid \$48 a month, 60 percent of their entire income would go for rent. What would they have left for food?

Mr. DOUGLAS. They would not have anything. Roughly, \$48 out of every \$80 a month would have to go for rent. That would mean that the elderly people in need of housing would not be adequately sheltered. In many cases there would be starvation. It is not called starvation among the elderly. It is called malnutrition.

Mr. PROXMIRE. On the basis of the administration's own figures and analysis, it seems that the need is very clearly brought out; and, as the Senator from Illinois says so eloquently in his text, which I have before me, there is no question whatever that the statement by the President of the United States to which the Senator from Illinois has referred is baldly inaccurate.

Mr. DOUGLAS. That is true.

Mr. PROXMIRE. I thank the Senator.

Mr. DOUGLAS. I thank the Senator from Wisconsin.

I also thank the senior Senator from Michigan [Mr. McNAMARA], who testified on this subject and who showed, I believe, pretty clearly the needs for a program to provide better shelter for our senior citizens, especially for the elderly people who are in the lower half of the income scale.

Mr. PROXMIRE. Mr. President, will the Senator yield for one further observation?

Mr. DOUGLAS. I am happy to yield.

Mr. PROXMIRE. It seems to me that this project is an absolutely essential part of the housing program.

Mr. DOUGLAS. I agree.

Mr. PROXMIRE. Anyone with a heart in him, anyone with any humanitarian instincts whatever, must recognize that there is a desperate need among our old people for housing.

Mr. DOUGLAS. That is correct.

Mr. PROXMIRE. No housing bill that is worthy of that name in 1959 should be without provision for housing for the elderly.

Mr. DOUGLAS. I agree.

Mr. PROXMIRE. I serve notice that if the administration thinks the junior Senator from Wisconsin will quietly and gently accept a bill which does not have provision for housing for the elderly, it is sadly mistaken.

Mr. DOUGLAS. I strongly urge every Senator who has not already done so to read the analyses presented at the hearings by the junior Senator from Wisconsin [Mr. PROXMIRE], a member of our committee, and by the senior Senator from Michigan [Mr. McNAMARA], who serves as chairman of the Subcommittee on Problems of the Aged and Aging, of the Labor and Public Welfare Committee. Their testimony brings out clearly the need to proceed immediately with a program to assist in providing better shelter for our senior citizens, especially for the elderly who are in the lower half of the income scale.

The elderly housing provisions of S. 57 may very well turn out to be a landmark in the history of housing legislation of which we can all be proud. They are the result of many years of study and thought under the leadership of our subcommittee chairman, Senator SPARKMAN, who pioneered in the field some years ago. At first, an FHA insurance program was started as an experiment; it has proved it can serve the needs of elderly persons at the upper half of the income scale, and this part of the elderly housing program is improved and strengthened in S. 57. The second step taken was to make it a little easier for elderly people at the bottom of the income scale to be admitted to public housing projects; this has also proved a worthwhile step, and S. 57 recognizes this by adding to the public housing law the policy objective of providing low-rent housing for the elderly. The third step was to extend FHA insurance coverage to nursing homes, under appropriate safeguards.

The fourth step, which originated in the House, was to develop a program to assist the elderly who have too little income for FHA-insured homes, and too much to qualify for public housing. The new program adopts a financing technique copied from the college housing loan program. The elderly housing program would be available to nonprofit borrowers such as churches and unions. Despite the fears expressed by the administration at various stages in the legislative development of this new program, it is readily apparent to virtually all observers that it would not supplant the FHA insurance program, but would supplement it.

Mr. President, the three programs I have just briefly described have certain things in common. They are all in the public sector, which means they depend for sustenance on Federal loans and grants, and consequently are attacked by the veto message as unwarranted spending programs. Yet the fact is that the impact on the fiscal 1960 budget would be \$8 million in loans and nothing in grants for urban renewal; \$5 million in loan advances and nothing in grants for public housing; and \$2.5 million in loans for elderly persons housing. This is a total of \$15.5 million in loans for all three programs in 1960, and nothing in grants. These figures come as a surprise to many people, but the explanation is not difficult to understand. All of them require long leadtimes between authorization and final disbursement—perhaps 3 to 10 years in the case of the \$900 mil-

lion authorized for urban renewal by S. 57; 40 years or more for public housing, if it takes that long to retire the bonds, and 2 to 5 years for elderly housing, since it is a new program and will be slow getting started.

To smear these programs as excessive and extravagant spending programs is to toy with fact and reality. To smear urban renewal, for example, as inflationary when in fact it could be anti-inflationary in the sense that it is a wealth-producing program and contributes to a reduction of local expenditures for city services in blighted areas is to confuse the issue of combating inflation. Even the Chairman of the Federal Reserve Board, Mr. Martin, who testified at the hearings and who is often cited by the administration for his fears about inflation, would not go along with the tone of the veto message, save for an observation that public expenditures at certain times could have an adverse "psychological" effect. Moreover, he said he was not even consulted on the veto message.

In fact, the question of who drafted the message is the mystery of the year. The Housing Administrator passed the buck up the line for the language of the draft. The Bureau of the Budget witness at the hearings passed the buck down for the factual materials, passed it up for the language and style, and sideways to the Federal Reserve Board on the inflation issue, although, as I have just pointed out, the Federal Reserve washed its hands of the whole thing. In any event, it is easy for well-paid speechwriters and administrative bureaucrats living in comfortable homes in Northwest Washington and ensconced in air-conditioned offices in historic surroundings to write caustic messages condemning any effort to clear the slums, rehouse the poor, and help to take care of the aged. But the slums are one of the two greatest blots upon America. They are bad from the standpoint of health, character, and morals and they are aesthetically ugly and indeed hideous as well. We talk a great deal about juvenile delinquency or why kids go wrong. The slums probably help to make more juvenile delinquents than any other force. In order to give the rising generation a decent chance and to redeem our cities, both large and small, from the blight which has been infecting them for so long, we need the minimum program of S. 57. Nothing less will do.

The PRESIDING OFFICER. The 20 minutes the Senator allotted himself has expired.

Mr. DOUGLAS. I yield myself 5 minutes more.

The PRESIDING OFFICER. The Senator may continue.

THE VETO MESSAGE TENDS TO CORRUPT THE LEGISLATIVE PROCESS

Mr. DOUGLAS. Mr. President, the veto message raises a profound issue which should be dealt with by the Senate on a bipartisan basis. It is an issue which need not depend upon how one views the substantive policy question—whether one is for or against urban renewal, for or against public housing, for or against housing for the elderly. These substantive policy questions are issues

about which we have frequent disagreements and debates, and undoubtedly we shall have them in the future. But during our debates we hold one another to rather high standards in how we deal with fact and reality. We expect each of us to base the major portion of our arguments on fact and on a logical interpretation of reality. I believe we conduct ourselves in this manner because we realize that it is a prime duty of a public official to express himself accurately, to handle the language within bounds of reason and plausibility, to regard the public documents we produce as instruments of public education for the present day and for many years to come.

This veto message represents the exercise of Executive power by which the Executive is an integral part of the legislative process. It therefore gives us a close-up view, within the framework of a specific set of policy issues, of the Executive standard as compared with our own.

Mr. President, I submit in what I feel is a nonpartisan spirit that the veto message misrepresents fact and reality about existing housing programs to the point that it tends to corrupt the legislative process and the whole area of public discussion of which it is now a part. I do not believe we should let it pass into history as a public document without protest by the legislative branch. And in my opinion the only way we can prevent this from happening is to pass S. 57. For that is the legislative expression of the reality which the veto message, in my opinion, distorts beyond recognition.

Finally, if we should permit this veto message to stand, we shall be inviting a kind of administrative nihilism, which will be suckled on the success of such deviations from sound standards of public performance. And in the long run, the inevitable result will be the subordination of the legislature to the Executive. Not content with administering the laws, the President and his advisers seem determined to legislate as well. And their guiding motive seems to be—little or nothing for the poor, the weak, the elderly, the students. As we spend billions to reconstruct countries abroad, we must also face up to our responsibilities at home.

Mr. President, for the reasons I have given, I urge that the Senate pass S. 57 notwithstanding the disapproval of the Executive.

Mr. MORSE. Will the Senator yield?

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

Mr. MORSE. Mr. President, I was deeply impressed with the statements made by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Pennsylvania [Mr. CLARK]. It would be difficult for any of us to improve upon the remarks of either Senator. I would like to have the RECORD show that I associate myself completely with their arguments.

In view of the limitation of time, the senior Senator from Oregon will not make a speech that he had prepared for delivery in the Senate today in opposition to the President's veto of S. 57.

Mr. President, I ask unanimous consent that my statement on this topic be printed at this point in my remarks.

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

STATEMENT BY SENATOR WAYNE MORSE

In recommending to the Senate that the President's veto of S. 57 be overridden, I think the Senate Banking and Currency Committee made a sound and courageous decision. The majority who made the recommendation deserve the thanks of the American people, and I hope they will be upheld by this body.

Their recommendation was a sound one because it followed where the facts led.

Few Presidential messages have contained so many misleading and inaccurate statements and conclusions, and these have been described here already at some length. On point after point, the hearings of the Banking and Currency Committee destroy the case of the President's veto message.

Let me mention one example which is of particular interest to me. It is the part of S. 57 which continues and expands the college housing program. When I was a member of the Banking and Currency Committee, and of its housing subcommittee, I participated in the establishment of the college housing program. It has been an enormous success, both from the standpoint of the institutions and their students, and of the U.S. Treasury, which has yet to lose money on these loans.

As a cosponsor of S. 57, I was happy to see the college housing section enlarged by an increase in the loan authority, and an extension of it to classroom and library facilities. But when S. 57 reached the Senate floor, I was advised by committee members that the \$400 million college loan program might well be more than was needed, and I therefore proposed an amendment to reduce it to \$300 million, so that the administration might not have any objection to our bill on the ground that the college loan program was excessive. This change was joined in by several other Senators, and was approved.

Yet in his message, the President calls for a further reduction, back to \$200 million.

John Hannah, president of Michigan State College, testified on the college housing section for the American Association of Land-Grant Colleges and State Universities, the American Council on Education, and three other academic organizations. He called the \$300 million figure an absolute minimum, and went on to say, "The figure of \$200 million proposed by the administration to meet the needs of both fiscal 1959 and fiscal 1960 would not be enough to cover even the \$213 million in approved and pending loan applications received up to June 30, the end of fiscal 1959. The very real need for college housing is demonstrated by the fact that applications in the amount of more than \$31 million were received in the month of June alone. In view of this demand, the colleges and universities view with grave concern the recommendation of the President that this vital program be terminated at the end of fiscal 1960.

"In testimony earlier this year we supported also the inauguration of a new program of loans for academic facilities—classrooms, laboratories, libraries—patterned after the successful college housing loan program. The figure we proposed was \$250 million. The \$62.5 million finally approved by the Congress, which is only one-fourth of our recommendation, is clearly an absolute minimum."

Mr. Hannah's statement begins on page 368 of the hearings.

I have already heard from one of the two colleges in Oregon which has had an application for a loan approved and for which a contingent reservation has been made. But I have also heard from another college in my State, a denominational one, which had

intended to make application for a college housing loan but has not done so because of the doubt cast over the entire program by this veto.

As a matter of fact, all three of these Oregon schools are small, private colleges. Judging from the list of applications with contingent reservations of funds which is found on pages 388-389 of the hearings, I would say that it is the small institutions which are making the greatest use of this program.

It is simply incredible to me that the President could urge Congress to cripple and then kill this program, which has meant so much to our small, nonpublic educational institutions.

Much the same can be said of the public housing, housing for the elderly, and urban renewal provisions of S. 57 and the President's objections to them.

I also call attention to the statement of Carl T. Mitnick, president of the National Association of Home Builders. He says of the general housing picture: "Frankly, our view of the relatively near future is not as optimistic as I should like to make it. There are strong indications that the increasing tightness in the money markets may well have a seriously depressing effect on housing production next spring. Despite the action of the Congress in increasing the maximum GI interest rate to 5½ percent, the level of mortgage discounts today is adding seriously to both the costs and difficulties of producing and marketing houses at prices within the means of the mass market.

"I do not claim to be a monetary expert, but the best advice and information I can get give me no real basis for hope that this situation will improve in the foreseeable future. Quite to the contrary, it looks once again as though the situation will worsen before it improves. This is not the first time in recent years that we in the homebuilding industry have been caught in the money squeeze."

In their discussion of the FHA loan provisions and FNMA lending functions, Mr. Mitnick, and his associates from the National Association of Home Builders demolished, in my opinion, the President's objection to S. 57 on the ground that it was inflationary and would supplant private credit with Federal spending.

Most important, the recommendation of our Banking and Currency Committee that the veto be overridden is a courageous one. By following it, I believe the Senate will fulfill its rightful function to follow where the facts lead and to pass legislation we know is needed for the public interest. To reject it is to follow a course of expediency, a course which is dictated not by what is right, but by what someone else in our Government thinks and what someone else favors.

I think the 86th Congress has sometimes been guided too much by the latter consideration, rather than the former. How often have Members of the Senate been appealed to with arguments that a bill should not be reported out of committee because the Senate won't pass it; or, the Senate shouldn't waste time with a measure because the House won't pass it; or, even if Congress passes it, the President will veto it?

I say that the Senate is responsible for what the Senate does; it is not responsible for what the Members of the other body, or another branch of Government do. We must answer to our constituents for our own actions and our own failures to act.

The whole system of checks and balances in the legislative process falls to pieces when the Congress, or one House of Congress, takes the position that nothing should be acted upon until everyone who passes upon it is in agreement. Why have a two-House legislature and a Presidential veto power at all in our Constitution, if everyone must agree on everything before action is taken?

We have heard too much of the notion that success is the only standard of legislative excellence. To be on the losing side in a vote has come to be regarded as a greater evil than being on the wrong side. A party platform or an election promise is rendered meaningless by this notion.

Moreover, how many winning causes actually come that way? How many times in the history of this Congress has it taken years and years of defeat before a piece of legislation in the public interest has finally become a winning cause?

It may well be that two-thirds of the Senate cannot be mustered to override this veto. It also may be that even if the Senate does override, the House will not.

Be that as it may, this Senator will never go home to his constituents and say, "Well, I promised I would try to get this housing bill through, but it didn't seem to have much chance, so I didn't even try."

I know this bill, S. 57, to be in the public interest. It has been cut down in every area to the bare minimum, as statement after statement in the hearings indicate. I also think the American people will let us know eventually that they want a decent and adequate housing program. They may wait and let us know at the polls instead of writing about it, but it is not an issue that can be ducked with the excuse that the President wouldn't go along.

The Senate, in my opinion, now has the obligation to follow where the facts lead, and uphold the recommendation of our Banking and Currency Committee by voting to enact S. 57 over the President's veto.

Mr. DOUGLAS. I thank the Senator. I yield 3 minutes to the Senator from Alaska.

Mr. GRUENING. Mr. President, I likewise desire to associate myself completely with the eloquent, persuasive, and forthright statement which the Senator from Illinois has given to this body. Not only has he a record of great understanding and sympathy for public needs in which housing and slum clearance are clearly important, but above all he is an economist and no one is better qualified than he to reject and to repudiate the utterly misleading statements in the President's message, that this modest housing bill the Senate passed is inflationary and extravagant. It is nothing of the kind. Indeed it is anti-inflationary and prudent in its provisions.

So, Mr. President, I rise to speak briefly in support of the recommendation of the Senate Committee on Banking and Currency that the President's veto of S. 57 be overridden.

As one of the cosponsors of the bill as it was originally introduced, it was my feeling that as it was passed finally by both houses it proposed a modest housing program designed to meet the Nation's minimum housing needs. As such it represented a capital improvement investment in the economic future of the country.

Mr. President, we are endeavoring to exercise a leadership role in world affairs. That role we have not sought—it has been thrust upon us by the course of history's events because of our wealth, our strength, and our ideals.

And one of our ideals is respect for the dignity of the individual. We cannot—we should not—stand idly by while large segments of our population are in dire want of adequate and decent housing, while our senior citizens have grossly un-

met housing needs, while so many of our urban areas are sorely in need of renewal of blighted sections.

The issue on this recommendation to override the President's veto is essentially simple.

In the exercise of our legislative judgment—in the fulfillment of our duty—the Congress passed a housing bill and sent it to the President for his concurrence or disapproval.

In the exercise of his Executive judgment—in the fulfillment of his duty—the President disagreed with the overwhelming majorities of both Houses of the Congress and vetoed the bill.

The PRESIDING OFFICER. Does the Senator from Illinois yield additional time to the Senator from Alaska?

Mr. DOUGLAS. I yield an additional 2 minutes to the Senator from Alaska.

Mr. GRUENING. Mr. President, this action on the part of the Chief Executive poses no insoluble problem. It was a situation clearly foreseen by the Founding Fathers when they established a governmental system consisting of three branches of government, each, in its own sphere, equal and coordinate. They foresaw an issue such as we have before us today where there would be disagreement on the type of legislation to be enacted and provided a means of overriding a Presidential veto.

The issue, therefore, is whether we disagree with the President and his advisers and believe, as legislators, that S. 57—watered down as it has been in an attempt in advance to meet the President's wishes, is good legislation—good for the Nation and the people.

It seems to me that in this legislative process we must not overlook our own responsibilities to enact good, sound legislation. If the Founding Fathers had intended that the Congress should bow to every whim of the Executive—should enact legislation which meets the specifications prescribed by the Executive down to the last crossed "t" and dotted "i", then they would have made no provision for overriding the President's veto—indeed they might not have made provision for a Congress functioning as an entity distinct from the executive branch.

The Founding Fathers placed certain duties and responsibilities upon us as legislators. We must arrive at a judgment independent of the Executive as to whether S. 57 is legislation which should be placed on the statute books. Under the Constitution, the final determination in the enactment of legislation has been vested clearly in the Congress.

In the exercise of that judgment, I, for my part, will vote to override the President's veto because in my legislative judgment, and in the exercise of the responsibilities placed upon me by my assumption of my present position, Senate bill 57 is sorely needed by the Nation. It is needed not only today—it is needed in order to build a secure and healthy economy for the future strength of America.

Mr. DOUGLAS. I yield 2 minutes to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, I congratulate the distinguished Senator from Illinois [Mr. DOUGLAS] on his clear

exposition of the position of the Senate majority and of those of us who co-sponsored and supported the Housing Act of 1959.

Mr. President, I think the speech of the distinguished Senator from Illinois is a notable message for a number of reasons, including the need for the housing program and the need for the assertion of legislative prerogative—no less. Congress is a coordinate branch of the Government. If Congress continues to sit supinely by and take orders from the Executive every time the Executive happens to disagree with the Congress on a bill, the historical power position of Congress will have been lost, and we will become a rubberstamp Congress, bowing to the whims of the Executive.

I call attention to the fact that independent authors of texts on the U.S. Government now being published in the United States, are already pointing to the decline in legislative power which has been taking place over the course of the past few years. No one has robbed Congress of that power, no one has reached out and seized it from the Congress, it has been eroded away, and we abdicate it when we fail to assert our duty.

I congratulate the Senator from Illinois in putting his finger clearly on the difference of opinion and approach on governmental questions between the executive branch and the legislative branch. If there be any difference, it is this: The legislative branch, during the past 3 or 4 years, has been asserting some rights on behalf of the people of the country: The need for housing, for increases in social security benefits, increases in the meager old-age pensions, and, above all, improvement in support for public health, and aid to education. The administration has shown utter obliviousness to the need for improved public housing, for education improvements and benefits, and increased support for the public health. Every advance which has been made in these fields in the past 4 or 5 years has been made by the Democratic Party through its majorities in Congress.

One other point: For the first time, the housing bill contains a provision for loans for college classrooms. I recently read an editorial in a newspaper which said that this bill provided gifts to colleges. That is not correct. The bill provides for loans only, but loans for critically needed college dormitories and college classrooms.

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

Mr. DOUGLAS. I yield an additional 2 minutes to the Senator from Texas.

Mr. YARBOROUGH. Mr. President, the original bill provided a modest \$300 million for college dormitories and \$150 million for college classrooms. That amount has been whittled away and whittled away, notwithstanding the fact that college administrators tell us that the potential college enrollment in 1965 will be double the enrollment for 1955, simply because the sons and daughters of the veterans of World War II will then be old enough to go to college. We are

not beginning to provide sufficient dormitories for them; neither are the classrooms being provided for educating this coming generation.

The bill provides a modest start to lend money at interest to those colleges. The President says that is inflationary and would substitute public for private financing. I know of no private money market anxious to lend money for college dormitories and classrooms. The reason is unsound, and it tends to deny the youth of today an opportunity to attend college.

Dr. Teller, who is given credit for inventing the H-bomb, has said that unless we step up our educational effort, that by 1969 Russia will be ahead of us in science. When Admiral Rickover returned from his visit to Russia with the Vice President, he said he was frightened, not by Russia's present implements of war, but by the Russia's educational system and advancement.

I join with the distinguished Senator from Illinois in asking the Senate to vote to override the veto, not for the purpose of turning the President down, not to be against the President, but to be for the people of the United States. This is a bill for the people of the United States; a vote to override the veto is a vote for the educational advancement of the American people. A vote to override the veto is not a negative vote against somebody; it is an affirmative vote for the people of the United States. A vote to override the veto is a vote of faith in a growing country and a growing economy.

Mr. GRUENING. Mr. President, will the Senator from Illinois yield a half minute to me, so that I may propound a question to the Senator from Texas?

Mr. DOUGLAS. I yield 30 seconds to the Senator from Alaska.

Mr. GRUENING. The distinguished Senator from Texas made the point that the difference of opinion illustrated the diversion between the point of view of the legislative branch and that of the executive branch. Does not the Senator also think it illustrates the profound difference which separates the philosophy of the Democratic Party from that of the Republican Party?

Mr. YARBOROUGH. I appreciate the Senator's question. The bill does show the profound philosophical differences between the philosophy of the Democratic Party and that of the Republican Party. If there be a real difference—and there is a real difference—this is it. There is this difference between the parties. The Democratic Party is for the people first, it is for housing, education, public health; the Republican Party is for money first, and the people last.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, the time for the quorum call not to be charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

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

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

Mr. DOUGLAS. Mr. President, I yield 35 minutes to the Senator from Pennsylvania.

Mr. CLARK. Mr. President, the junior Senator from Alabama and the senior Senator from Illinois have so effectively destroyed the arguments set forth in the President's veto message of the Housing Act of 1959 (S. 57) that I shall deal only in passing with that document. I associate myself completely with their statements.

As the Senator from Alabama has well said, it is an intemperate and misleading message, replete with half-truths and incorrect statements, quite unworthy of the President of the United States, who signed it.

Every Senator will recognize that the President did not write this message himself, and diligent inquiry by the Commission has failed to reveal a single Presidential adviser who is willing to acknowledge paternity, in whole or in part, of the veto message.

Perhaps we should draw the veil of charity over this ugly and obviously illegitimate orphan, regretting that it has become a part of the State papers of an essentially honorable and decent gentleman—a gentleman who, had he been told the truth, the whole truth, and nothing but the truth about the bill he has disapproved, would certainly never have affixed his signature to a document so unworthy of those high standards of integrity and character he has always set for himself.

I turn rather to the substantive provisions of Senate bill 57, which a majority of the Committee on Banking and Currency are now asking the Senate to reenact by a two-thirds vote despite the President's veto. These substantive provisions are conveniently classified in the bill in eight titles. I shall discuss the first six of them briefly, pointing out what the Senate felt was desirable in each instance when S. 57 first passed this body last February by a vote of 60 to 28, then pointing out the extent to which these desirable provisions were curtailed, added to or changed in the conference report which the Senate approved in July by a vote of 56 to 31, and finally pointing out the bleak prospects which confront American families in all income categories unless the Presidential veto is overridden.

The eight titles are: First, FHA insurance programs; second, housing for the elderly; third, Federal National Mortgage Association; fourth, urban renewal; fifth, low-rent public housing; sixth, college housing; seventh, armed services housing; and eighth, miscellaneous provisions.

The last two titles are of relatively minor importance so far as the question of overriding the veto is concerned.

TITLE I—FHA INSURANCE PROGRAMS TITLE III—FEDERAL NATIONAL MORTGAGE ASSOCIATION

It is convenient to consider these two titles together because they supplement

each other in providing credit and a ready mortgage market for financing the construction of homes of various categories for middle- and upper-class income groups. Because millions of American families do not have the available capital to purchase a home by making the downpayment required by a conventional mortgagee, the purchasers of approximately one-fourth of the new private housing being built today utilize FHA insurance of mortgages and are helped, directly or indirectly, in obtaining a market for these mortgages through the activities of FNMA.

The bill passed by the Senate last February contained useful provisions extending the home improvement loan program of FHA, providing increases in mortgage ceilings for one-, two-, and three-family homes, and needed increases in the maximum insurable mortgage amount for low-cost housing in outlying areas. Also included were: a new program of FHA mortgage insurance designed to provide housing for the more affluent elderly, needed liberalization of the regular rental housing program which has been lagging, and an increase in maximum interest rates on FHA-insured mortgages, meeting, in part, the administration's request in this regard. Useful changes were made in the requirements for FHA loans on cooperative housing. The general mortgage insurance authorization was increased to permit the program to pick up all valid and available mortgages for which insurance was requested. There were useful and liberal provisions to encourage the construction of private housing badly needed in urban renewal areas, and equally important changes to make section 221 of the National Housing Act dealing with relocation housing more attractive to private builders. Downpayments were decreased in certain categories and the term of the mortgage increased to lower the monthly payments required of the purchaser of the home. Finally, there was a provision intended to assure that a deserving homeowner would not lose his home because of temporary unemployment. This latter provision, which was designed to avoid unnecessary foreclosures, gave the FHA Commissioner discretionary authority to include unpaid interest in the debentures issued to the mortgagee in case of default and subsequent foreclosure, and would also authorize the Commissioner on a discretionary basis in hardship cases to acquire the mortgage in return for the debentures. Similar authority has been present and useful in the GI loan program since its inception.

Complementary provisions were included with respect to FNMA increasing the limits of the amount of the loan which that corporation could purchase under its secondary market operations and under the special assistance function. Purchases at par under FNMA's special assistance functions were permitted to continue and increased latitude given to FNMA to invest funds that are temporarily in excess of current operating needs.

A number of these provisions were either reduced or eliminated in S. 57 as a result of the conference between the two

Houses. On the other hand, the Senate conferees agreed to increase the special assistance grants for cooperative housing and to accept a new program of housing for the elderly which appeared in the House bill.

In his veto message, the President specifically objected to both of these new programs, as well as to many of the liberalized FHA and FNMA provisions, particularly those dealing with lower downpayments and longer maturities discussed above.

In view of the President's comments the outlook is indeed bleak for all of these useful programs unless the veto can be overridden. It is true that in his message the President requested legislation which would remove all limits on FHA insurance authority and would extend the FHA program for insurance of home improvement loans. However, this is a far cry from the comprehensive provisions discussed above; and the attitude of the FHA witnesses at the hearings held before the Housing Subcommittee during the last week in July gave little ground for hoping that the President would approve any of these desirable measures in any bill which the Congress might subsequently pass if the effort to override the veto should fail.

So far as the dilemma of the home-builders is concerned, it seems pertinent to paraphrase the statement of Mr. Carl T. Mitnick, president of the National Association of Home Builders, before the subcommittee. He expressed concern lest private housing starts which were running at a seasonally adjusted annual rate of 1,360,000 through the first 6 months of 1959 would shortly fall off in volume. He pointed out that even this volume came nowhere near increasing the production of new housing to a level commensurate with the needs of today's American economy. New starts at the annual rate of 2 million are required to make an appreciable dent in the present backlog of unsafe or unsanitary housing in which millions of American families presently live. Mr. Mitnick stated that there were strong indications that the increasing tightness in the money market created by the monetary policies of the Treasury and the Federal Reserve Board would have a seriously depressing effect on housing production next year. He noted that similar tight-money policies in 1955 foreshadowed, and indeed contributed to, a major economic break in 1957. He praised the Emergency Housing Act of 1958, passed under the leadership of the junior Senator from Alabama and reluctantly signed by the President, as one of the finest things that ever happened to our economy. He pointed out that our home building volume in absolute numbers stands only where it was in 1950, while our population and family formation have increased enormously.

Mr. Mitnick noted that—

So long as we continue to produce housing at levels no higher than we now enjoy, we must face two cold, blunt facts. We are barely meeting the minimum demands for new housing created by family formation and increased population in our cities. We are doing absolutely nothing to forestall a further deterioration in our existing stock of houses.

He expressed his strong conviction, which a majority of the subcommittee shares, that the building industry should not be discriminated against—

That we should, rather, be placed in a position where in times of shortage we can compete on a basis of equality with other sectors of the American economy. \* \* \* It seems inconceivable to me that the manipulation of housing as a counter-cyclical device is a sound national policy.

I, for one, agree with Mr. Mitnick.

#### TITLE II—HOUSING FOR THE ELDERLY

I am confident that no Senator could read the testimony recently given to the subcommittee by the junior Senator from Wisconsin [Mr. PROXMIRE] and the senior Senator from Michigan [Mr. McNAMARA] without becoming convinced that the President was quite wrong when he said in his veto message:

A new program of direct Federal lending is authorized for housing for elderly persons when needs in this area can be adequately met by private funds invested under the protection of Federal insurance.

As the Senator from Wisconsin told the subcommittee:

In this single sentence, the President manifests a staggering lack of knowledge and understanding about (1) the housing needs of elderly persons, and (2) the ability of the private market, even with FHA insurance, to meet these needs.

The Senator from Wisconsin discussed the well-known data, available to all, with respect to the number of Americans 65 years of age and over who now make up 9 percent of our total population and their available income. Quoting from actual on-the-spot studies, he showed that it would take a monthly income of between \$212 and \$354 to afford a typical FHA insured elderly housing unit. He concluded that the FHA insurance program is geared to serve only the upper half on the income scale among the elderly, and cannot serve the lower half.

The senior Senator from Michigan [Mr. McNAMARA] is the chairman of the special Subcommittee on Problems of the Aged and Aging of the Committee on Labor and Public Welfare. I have the privilege of serving as a member of that subcommittee. In his testimony before the housing subcommittee, the senior Senator from Michigan summarized the evidence he had received on problems of the aged, and again in recent months, and stated that this evidence convinced him of the misinformation, the lack of understanding, perhaps lack of sympathy, shown by the President in his veto message. Senator McNAMARA noted that his subcommittee had learned:

First. That about three-fifths of the older people of America have annual incomes of \$1,000 or less.

Second. That the proportion of older Americans' income going to rent or house payments and upkeep is very much larger—in some areas double—the proportion of that of younger renters and owners.

Third. That, while many elderly men and women live in homes they own, a large proportion of these homes are too large and too expensive for them to

maintain, and are frequently substandard.

The Senator from Michigan noted that one of the experts in his first hearing commented that a Charles Dickens is needed to describe life in these places. He quoted from testimony given by the Florida Department of Public Welfare, the Evangelical Lutheran Church, Volunteers of America, and the mayor of Berkeley, Calif., all of whom supported his position. He recommended immediate enactment of the minimum program contained in the bill vetoed by the President, and an increase, at the first opportunity, of the authorization for the direct loan program.

Another aspect of housing for the elderly is the provision for aid to nursing homes, called for both by Senate bill 57, as it originally passed the Senate, and by the amendments thereto approved in conference. The Senator from Wisconsin and the Senator from Michigan both pointed out with a wealth of supporting evidence, the need for Federal assistance and Federal standards to bring these nursing homes, to which so many of our elderly citizens must retire, up to minimum standards of safety, sanitation, and care.

Testimony which also was received indicated the desirability of special recognition for those prepared to build non-profit housing for the aged.

In the light of this testimony, none of which was controverted successfully by administration witnesses, it seems very clear indeed to me that the provisions of Senate bill 57 for housing for the elderly are a rockbottom minimum. But if the veto is not overridden, what chance is there that the President would accept these provisions in a subsequent bill, in view of his strenuous objection to them in the veto message?

Mr. PROXMIRE. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. Moss in the chair). Does the Senator from Pennsylvania yield to the Senator from Wisconsin?

Mr. CLARK. I am very happy to yield to my good friend, the Senator from Wisconsin, whom I have had the pleasure of quoting during the course of my remarks.

Mr. PROXMIRE. Mr. President, I congratulate the Senator from Pennsylvania on his fight for this bill, which does contain some provision for housing for the elderly.

I also congratulate him at this time on the great ingenuity he showed in the committee, by calling so dramatically to the attention of the committee the speech which the late Senator Taft made on housing; I refer to the historic speech which Senator Taft made in 1953.

Mr. CLARK. The Senator from Wisconsin will recall that that was one of the last speeches Senator Taft made before his unfortunate death, and that the committee was privileged to hear, at its hearing a recording of that speech, and that in the speech Senator Taft reiterated his views in support of the provisions for public housing and a decent

home for every American, which were parts of the 1949 act.

Mr. PROXMIRE. Yes. That was a dramatic occasion, when we had the opportunity to hear the voice of Senator Taft pleading so effectively and so forcefully for the enactment of a housing program.

I shall never forget the last words in that speech, when Senator Taft said that in providing housing for the elderly, we would make a reexamination of the need, and should work out a program which, he hoped, would insure that the constantly increasing population of our country would have adequate and decent housing, particularly for the low-income families. This is exactly what this housing program attempts to do.

Let me ask the Senator from Pennsylvania whether he agrees that it is true that the heart and soul of the housing-for-the-elderly provisions of this bill is a loan program, not a grant program.

Mr. CLARK. I certainly agree.

Mr. PROXMIRE. Does the Senator from Pennsylvania also agree that it is a loan program based on a relatively long amortization period and a low interest rate?

Mr. CLARK. That is also correct.

Mr. PROXMIRE. The result is that we are not asking the American taxpayers to make a handout or a gift of any kind, but we are simply providing for the making of an investment which will be repaid.

Mr. CLARK. Yes, and it will be one of the soundest investments the American taxpayers could be called upon to make, in my judgment.

Mr. PROXMIRE. We are asking them to make an investment on the basis of the overwhelming evidence, including that brought out in the course of the colloquy between the Senator from Pennsylvania and myself, and emphasized and corroborated by the administration witnesses themselves. That evidence showed the desperate housing need of hundreds of thousand of American citizens over 65 years of age, which they cannot now meet. They will not be able to obtain that housing without this program.

Mr. CLARK. The Senator from Wisconsin is correct.

Mr. McNAMARA. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. CLARK. I am very happy to yield to the senior Senator from Michigan, whom I also have quoted during the course of my remarks.

Mr. McNAMARA. I wish to compliment the Senator from Pennsylvania on his very hard-hitting speech in support of the decision of the committee to vote to override the President's veto of the housing bill.

I agree with the Senator from Pennsylvania; and I refer particularly to his remarks in reference to housing for the aged—those who simply are not in an economic position to provide housing for themselves, as the testimony the Senator from Pennsylvania is presenting here indicates very clearly.

The Senator made reference to the fact that three-fifths of the people of

the United States who are 65 years of age or older have incomes of less than 1,000 a year. Is it not a fact that in the veto message, the President said that, despite that fact, this part of the problem should be left to the private builders of the country? That simply is no answer at all. Does the Senator from Pennsylvania not agree?

Mr. CLARK. I could not agree more completely. I think the President's position is completely untenable. I can only conclude that the President does not know the facts.

Mr. McNAMARA. Again I thank the Senator from Pennsylvania for his presentation, particularly in regard to this phase of the problem.

Mr. CLARK. I thank my friend, the Senator from Michigan, for his kind words.

#### TITLE IV.—URBAN RENEWAL

Mr. President, it is sardonic to think, on this mid-August day in 1959, of the high hopes we had for the enactment of legislation for urban renewal, at the time of the first meetings of the Housing Subcommittee of the Banking and Currency Committee, last January. A bold program, of which one of the principal sponsors in 1949 was the late Senator Robert A. Taft, for the removal of blight from our cities was finally getting off the ground 10 years after it was adopted.

Where, for many years only the larger cities had had the resources and the foresight to plan constructively and intelligently for the removal of their slums, city after city was beginning to go into the urban renewal program. As of that date, nearly 400 cities of America, well over half of them with a population of 50,000 or less, and nearly half of them with a population of 25,000 or less, had filed requests for urban renewal authorizations with the Urban Renewal Administration. It is clear that many another city is on its way to revitalization and rebirth. The American Municipal Association, the U.S. Conference of Mayors, the National Housing Conference, and the National Association of Housing and Revelopment Officials were among the well-informed groups which urged a 10-year program of \$600 million a year to keep the slum clearance and urban renewal programs and the fight against blight on the road. Speaking as a former mayor, I have not a shadow of a doubt that they clearly established in their testimony the need for this grant authorization program. With the benefit of the economic studies which have been made available to the Committee on Banking and Currency, I have not a shadow of a doubt that this program, far from bankrupting the Federal Treasury, would have created untold wealth and enormous additional sources of tax revenue for all levels of government. A conservative estimate is that for each dollar of public money invested in urban renewal, \$10 of private investment is stimulated, with a resulting increase in the Federal tax revenues which, in short order, more than repays the Treasury for its advances.

We thought, in those hearings earlier this year, we had made a case. But even in those days the fear of a presidential veto was ever present in our minds. The

original bill sent to the Senate called for a 6-year program, not of \$600 million a year, but of only \$350 million. At the last minute, on the Senate floor I was able to persuade my colleagues to accept an amendment which could have increased the annual grant authorization to \$500 million a year at the cost of cutting the program from 6 to slightly over 4 years.

On the House side, under the leadership of the gentleman from Alabama [Mr. RAINS], a 3-year program of \$500 million annually was agreed upon.

Again, fears of a veto, now proved to have been well grounded, resulted in a majority of the conferees cutting the grant to a mere \$900 million for a 2-year period, obviously not enough to meet even immediate and pressing requirements.

And now the President bases his veto, in part at least, on this authorization which he calls "excessive" and "unnecessary."

How the mighty have fallen.

Perhaps the major question confronting the Senate today, as it deals with this veto, is whether it is prepared to turn its back on the cities of America—not just large cities, but middle-sized cities and small ones, too. Is the dream of a decent home for every American family to be sacrificed on the rock of so-called "fiscal soundness"—a fiscal soundness as wrong-headed, as economically illiterate, and as downright foolish as any policy which has come out of the White House in many a long year?

The public-interest groups say "No." Mayor Daley of Chicago; Mayor Dilworth of Philadelphia; Mayor Enloe of Raleigh; Mayor Kelly of East Orange, N.J.; Governor Lawrence of Pennsylvania, formerly mayor of Pittsburgh; Mayor Sedita of Buffalo; Mayor West of Nashville; Mayor Zeidler of Milwaukee; Mayor Anthony of Altoona, Pa.; Mayor Briggs of South Norfolk, Va.; Governor Brown of California; Mayor Burbank of Warren, Ohio; Mayor Downey of Meridian, Miss.—note that—Mayor Downey, of Meridian, Miss.

Mayor Celebrezze of Cleveland; Mayor Coleman of Woonsocket, R.I.; Mayor Dark of Sylacauga, Ala.; Mayor Evans of Durham, N.C.; the Board of City Commissioners of Fargo, N. Dak.—Note that, the Board of City Commissioners of Fargo, N. Dak.;

Mayor Gibbs of Catlettsburg, Ky.; Mayor Grady of Baltimore; Mayor Gragson of Las Vegas, Nev.; Mayor Hansen of Tacoma, Wash.; Mr. C. A. Harrell, city manager of Cincinnati; Mayor Jacobs of Paducah, Ky.; Mayor Knoop of Little Rock, Ark.—Note that, Mayor Knoop, of Little Rock, Ark.;

Mayor Kurfees of Winston-Salem, N.C.; Mayor Lackey of Hopkinsville, Ky.; Mayor McDevitt of Reading, Pa.; Mayor Maher of Long Branch, N.J.; Mayor Martin of Florence, Ala.; Mayor Mingledorf of Savannah; City Manager Julian H. Orr of Portland, Maine; Mayor Paterson of Port Huron, Mich.; Bruce M. Rockwell, chairman of the Urban Renewal Authority of Denver, Colo., representing Mayor Richard Y. Batten of Denver; Mayor Sensenbrenner of Columbus, Ohio; Mayor Shebell of As-

bury Park, N.J.; Mayor Sikes of Luverne, Ala.; Mayor Smith of Irvine, Ky.; Mayor Stozzi of Glen Cove, Long Island; Mayor Tedesco of Bridgeport, Conn.; the Tennessee Municipal League through Herbert J. Bingham, its executive secretary; Mayor Truitt of Morganfield, Ky.; Mayor Tucker of St. Louis; Mayor Wagner of New York City; Mayor Waldrop of Parrish, Ala.; the Wisconsin League of Municipalities through Ed Johnson, its executive director—each and every one of these individuals and organizations expressed concern and disappointment at the President's veto. The overwhelming majority of them strongly urged that the Congress override the veto.

When one considers that the President gave as a reason for objecting to the urban renewal provisions in the conference report the possibility that the large cities in the country might usurp all of the authorization contained in the bill, it is rather sardonic to note the very large number of mayors from very small cities who urged the Senate to override the veto.

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

Mr. CLARK. I yield to my colleague from Wisconsin.

Mr. PROXMIRE. I think the information the Senator from Pennsylvania has just given the Senate is tremendously significant. As the Senator has pointed out, the mayors of not only the larger cities of the country, but a representative group from the smaller cities, and, furthermore, mayors who represent important associations and who can speak for themselves, but who could not be present, overwhelmingly recommended that the Congress override the veto of the President on this issue.

Mr. CLARK. The Senator is correct.

Mr. PROXMIRE. I am sure that if the Senator totaled up the population which is directly represented by those mayors, it would be found they represent a significant, substantial number of all the people of the country.

Mr. CLARK. We would come pretty close to a majority.

Mr. PROXMIRE. I am sure if we were able to get all the mayors of the country to testify, and if they were asked that question—of course, that was impossible, and we had to limit ourselves to a relatively small number—there is no question we would get an overwhelming majority of those who have to cope every day with this tremendously perplexing and difficult housing problem to say to the Congress of the United States, "Yes, override the veto. We need housing legislation."

Mr. CLARK. The Senator is correct.

Mr. PROXMIRE. And they would make that recommendation having full respect for the office and person of the President of the United States.

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

Mr. CLARK. I am happy to yield to the Senator from Missouri.

Mr. SYMINGTON. First, I congratulate the distinguished Senator from Pennsylvania for his thought-provoking and constructive address on a problem

which will affect the lives of so many Americans.

I should like to ask the Senator if he is not somewhat surprised at the hundreds of expressions from many mayors of the country. For example, the mayor of St. Louis, Mr. Tucker, is very conservative, and a former college professor—

Mr. CLARK. He is a grand gentleman, whom I am proud to call a friend.

Mr. SYMINGTON. I know he will be equally proud to hear that. Here is a man with a conservative background, who is very anxious to have this housing bill passed in the interest of the people of his city and State.

I should like to ask the able Senator from Pennsylvania if he does not think it peculiar that, whereas the President has vetoed the bill on the ground that it is poor business, so many men with business backgrounds who have gone into government are in solid support of the bill because they believe it is a good business investment for the people of the country.

Mr. CLARK. Of course, the Senator is quite correct. While we are speaking about conservatives, I may point out that a former Member of the House of Representatives, now mayor of Los Angeles, Mr. Norris Poulson, has completely reversed the position he took on urban renewal since he has left the Congress, and there is an application for a Federal grant for urban renewal for Los Angeles of \$3,028,000.

Perhaps the most telling testimony received by the subcommittee came from Mr. Ira S. Robbins, chairman of the National Housing Conference, who, at the conclusion of an eloquent appeal in support of overriding the veto said:

We urge this committee to recommend that the veto be overridden. If ever an override was necessary to correct a grave error of this executive branch of the Government, it is on S. 57. The Congress itself should seek to expunge the record of this dishonest and immoral veto message which was submitted to the President for his signature. In signing it the President made a great error. We urge this committee to recommend that the veto be overridden.

Mr. President, I ask unanimous consent that there may be printed in the Record at this point in my remarks a table entitled "Urban Renewal Program—Title I, Capital Grant Contract Authorization; Applications on Record as of June 30, 1959," furnished by the HHFA.

There being no objection, the table was ordered to be printed in the Record, as follows:

#### URBAN RENEWAL PROGRAM

Title I capital grant contract authorization; applications on record as of June 30, 1959

State and locality:	Amount requested
Total 134 localities.....	\$272, 192, 572
Alabama:	
Florence.....	86, 667
Huntsville.....	500, 000
Sylacauga.....	479, 100
Alaska: Anchorage.....	255, 700
Arizona: Phoenix.....	2, 497, 494
Arkansas: Little Rock.....	4, 663, 846

Title I capital grant contract authorization; applications on record as of June 30, 1959—Continued

State and locality:	Amount requested
California:	
Fresno.....	\$1, 936, 732
Los Angeles.....	3, 028, 000
Pittsburg.....	368, 140
Richmond.....	346, 184
Santa Cruz.....	266, 436
Santa Monica.....	2, 092, 333
Vacaville.....	311, 111
Vallejo.....	700, 402
Colorado: Denver.....	275, 251
Connecticut:	
Bridgeport.....	7, 952, 500
Bristol.....	3, 190, 000
Danbury.....	262, 414
New Britain.....	398, 651
New Haven.....	1, 168, 723
Norwich.....	484, 600
Washington.....	105, 731
District of Columbia: Wash- ington.....	8, 000
Florida:	
Gainesville.....	556, 468
Tampa.....	789, 162
Georgia:	
Atlanta.....	2, 365, 266
College Park.....	437, 000
Decatur.....	550, 000
Douglas.....	6, 202
Fitzgerald.....	356, 667
Illinois:	
Alton.....	33, 712
Chicago.....	8, 401, 275
Galesburg.....	76, 000
Indiana:	
Kingsford Heights.....	335, 196
Michigan City.....	374, 714
Mishawaka.....	1, 802, 569
Kansas: Kansas City.....	843, 353
Kentucky:	
Hopkinsville.....	322, 000
Louisville.....	11, 408, 587
Maine: Bangor.....	1, 375, 792
Maryland: Baltimore.....	4, 045, 357
Massachusetts:	
Boston.....	16, 263, 283
Chelsea.....	124, 994
Fitchburg.....	1, 808, 233
Haverhill.....	1, 108, 000
Malden.....	708, 482
Plymouth.....	967, 873
Michigan:	
Detroit.....	2, 022, 260
Hamtramck.....	1, 567, 911
Hazel Park.....	405, 495
Muskegon.....	493, 122
Plymouth.....	425, 414
Wayne.....	3, 000, 000
Ypsilanti.....	228, 973
Mississippi: Cleveland.....	411, 726
Missouri:	
Independence.....	953, 679
Jefferson City.....	617, 522
Joplin.....	174, 747
Kansas City.....	2, 000, 000
Kirkwood.....	297, 200
Mexico.....	514, 000
St. Louis.....	41, 659, 000
St. Louis County.....	194, 307
Nevada: Reno.....	108, 265
New Jersey:	
East Orange.....	749, 890
Franklin Township.....	417, 883
Glassboro.....	414, 000
Jersey City.....	330, 593
Mount Holly.....	297, 126
Newark.....	8, 312, 300
Orange.....	339, 101
Perth Amboy.....	102, 500
Woodbridge.....	910, 774
New York:	
Binghamton.....	1, 132, 000
Buffalo.....	11, 216, 000
Glen Cove.....	1, 055, 313
Huntington.....	1, 020, 000
Lewistown.....	246, 408

*Title I capital grant contract authorization; applications on record as of June 30, 1959—Continued*

State and locality:	Amount requested
New York—Continued	
Little Falls.....	\$461,271
Lockport.....	744,375
Middletown.....	941,761
Mount Kisco.....	405,669
Newburgh.....	866,784
New York.....	23,641,467
North Tarrytown.....	31,343
Rockville Centre.....	319,888
Rome.....	766,739
Port Chester.....	112,486
Sloatsburg.....	335,244
Suffern.....	360,267
Troy.....	820,000
Tuckahoe.....	407,676
White Plains.....	5,500,000
North Carolina:	
Durham.....	1,000,000
Greensboro.....	2,490,000
Greenville.....	569,000
Laurinburg.....	200,000
North Dakota:	
Southwest Fargo.....	97,349
Ohio:	
Akron.....	1,520,000
Cincinnati.....	779,000
Cleveland.....	457,596
Middletown.....	899,703
Oregon: Coos Bay.....	270,444
Pennsylvania:	
Altoona.....	966,507
Carnegie.....	3,700,000
East Pittsburgh.....	3,200,000
Homestead.....	1,065,000
McKeesport.....	807,776
Philadelphia.....	10,042,754
Pittsburgh.....	16,364,523
Pottsville.....	687,493
Sharon.....	406,536
Sharpsburg.....	1,810,000
Tarentum.....	2,325,000
Turtle Creek.....	4,750,000
Wilkes-Barre.....	1,088,400
Tennessee:	
Clinton.....	251,500
Knoxville.....	1,600,000
Murfreesboro.....	399,681
Waverly.....	25,367
Texas:	
Clute.....	277,586
Corpus Christi.....	1,850,839
Stanton.....	223,376
Waco.....	1,057,660
Virginia:	
Alexandria.....	977,066
Hampton.....	297,666
Portsmouth.....	97,722
Roanoke.....	11,616
Washington:	
Seattle.....	2,000,000
Tacoma.....	1,007,000
West Virginia:	
Bluefield.....	668,000
Charleston.....	1,004,600
Wisconsin:	
Madison.....	11,700
Milwaukee.....	951,133
Puerto Rico.....	122,300

TITLE V. LOW RENT PUBLIC HOUSING

Mr. CLARK. Mr. President, I turn now to title V, low rent public housing.

The Senate bill passed last February authorized the construction of approximately 50,000 units of additional public housing through the medium of providing for 35,000 new units and extending the availability of existing and unused authorizations for 1 year.

Of equal importance were amendments in that bill to the declaration of policy objectives which vested additional responsibility in local housing authorities free from the domination of the Wash-

ington bureaucracy, and contemplated the construction of public housing units for large families and for elderly persons. A number of other helpful amendments dealing with income limits and rents, the use of existing dwellings as public housing units, and more equitable provisions for dealing with overincome tenants, were included. An important new provision permitted the acquisition of public housing sites in urban renewal areas without requiring the local community to make the double contribution of tax exemption and one-third of the loss incurred in buying, clearing and disposing of the land. The HHFA Administrator was authorized to treat the local tax contribution as sufficient to satisfy the locality's one-third share of any loss attributable to making available a portion of the urban renewal area for use as a public housing project.

In conference, while many of these salutary provisions were retained, a number were modified or rejected.

Added were helpful provisions permitting the local public housing agency to charge the cost of public services and facilities of a municipality which makes charges therefor separate from real and personal property taxes against the annual contribution contract.

The authorization for additional low-rent housing was changed to call for 35,000 units on July 1, 1959, and not more than 35,000 units on July 1 of each fiscal year thereafter at the option of the President, after consultation with the Council of Economic Advisers, this authorization to terminate in 4 years.

The President, as the junior Senator from Alabama has so ably pointed out, misconstrued these provisions in his veto message, indicating that "even though we have over 100,000 previously authorized housing units as yet unbuilt, the bill would authorize 190,000 more." This misinterpretation of the bill has been so thoroughly exposed through the hearings of the Housing Subcommittee and in the speech of the junior Senator from Alabama that there is no need for me to labor the point further.

A word should be said, however, about the great need for additional public housing authorization. One of the best statements before the subcommittee was made by Mayor Anthony J. Celebrezze, of Cleveland, in his capacity as president of the American Municipal Association. On the question of low income housing, Mayor Celebrezze quoted the 1959 policy statement on housing of that association as follows:

The 1950 census revealed that there were 10 million substandard nonfarm housing units. President Eisenhower's Advisory Committee on Government Housing Policies and Programs pointed out that local governments with their limited taxing powers are not in a position to provide standard housing for the low- and middle-income groups of our society. Private enterprise has also failed to provide adequate shelter for these same income groups.

Low-income housing is designed to serve a cross section of families having low incomes and living in substandard shelter, not through choice, but because they cannot afford standard housing provided through normal private channels. That basic purpose must be continued, although more emphasis

is required on the specialized needs of the large family, the senior citizen, and the fatherless family. Efforts should be made to integrate low-income housing into the normal total community making use of rehabilitated homes as well as new structures. In size and scope it should be adequate not only for these needs but to provide relocation housing for families that are being displaced through urban renewal program activities.

The low-income housing program should be strengthened by (1) restoring the original provisions set forth in the 1949 act, and (2) providing greater local discretion and autonomy in setting rents and income limits and in the general administration of the program.

S. 57 meets these requirements. The President's program does not.

Even Mr. Charles E. Slusser, Commissioner of the Public Housing Administration, and even Mr. Norman F. Mason, Administrator of HHFA, when they appeared before the subcommittee some 2 weeks ago, admitted under cross-examination by the Senator from Alabama [Mr. SPARKMAN] that there were presently pending in the agency office applications which could not be filled for additional public housing for at least 37,000 units.

The hearings also developed that all of the unbuilt units referred to in the President's message had been allocated and were not available to fill the pending applications. It was also made clear that even if some of these units might conceivably be surrendered they would not be available under existing law for transfer to other cities which needed them for relocation purposes because of their urban renewal and highway plans.

Indeed, the hearings in July buttressed and confirmed the conclusion of the subcommittee, arrived at as a result of the hearings in January, to the effect that the additional number of public housing units contained in the vetoed bill are essential to the health, well-being, and growth of America's cities. Without them, it is clear, urban renewal will eventually grind to a halt, because safe and sanitary housing will not be available for thousands of low-income families who will have no place to lay their heads.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The time of the Senator from Pennsylvania has expired.

Mr. CLARK. Mr. President, I ask the Senator from Illinois to yield me 7 additional minutes.

Mr. DOUGLAS. Mr. President, I yield 7 more minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for an additional 7 minutes.

Mr. CLARK. Mr. President, it is equally clear that this program is well within the financial capabilities of the Federal Government. In fact, it can well be said that the United States can ill afford not to make this investment in the wealth of our cities and the social well-being of lower income American families.

TITLE VI. COLLEGE HOUSING

In the bill recommended to the Senate last February provision was made for

continuing the college housing loan fund authorizations, which first appeared in the Housing Act of 1950, by increasing the authorization \$400 million, part of which was reserved for housing for student nurses and interns. A new program of direct loans or guaranteed loans for the construction of classrooms, laboratories, libraries, and related facilities was included in the bill with an annual grant authorization of \$125 million.

The first of these sums was decreased by the conference bill to \$300 million. The second was cut down in conference to \$62,500,000.

These programs were recommended in the testimony last winter of witnesses representing the American Council on Education, the Association of American Colleges, the American Association of Land Grant Colleges and State Universities, the Association for Higher Education, the American Medical Association, and the American Hospital Association, all of which have advocated a substantially higher loan authorization than provided for in either bill.

The new academic facilities program is justified by clear and present need to provide aid to institutions of higher learning. During the next 10 years the enrollment in our colleges and universities will increase from about 3 million—which, in itself, is almost three times the number attending college before World War II—to 6 million.

Eighteen billion dollars will be required in the next 10 years to provide adequate facilities for this increased enrollment. It can be stated categorically that the resources available to our higher educational institutions, both public and private, are utterly inadequate to provide for these vitally needed facilities.

Despite these clearly established facts, the President in his veto message criticized the low interest rate called for on the loans and implied that these programs merely displaced private financing and thus led to Federal spending that is entirely unnecessary.

It is sardonic to note that the President himself has recommended a far more expensive program for aid to higher education than that called for by the vetoed bill.

At the recent hearings before the Housing Subcommittee, John A. Hannah, president of Michigan State University, representing most of the educational organizations mentioned above, and President Calvert N. Ellis, of Juniata College, Pa., representing the Association of American Colleges, reconfirmed the testimony given in January. President Hannah's testimony is particularly pertinent, and I read from page 370 of the hearings:

In testimony earlier this year we reported also the inauguration of a new program of loans for academic facilities—classrooms, laboratories, libraries—patterned after the successful college housing loan program. The figure we proposed was \$250 million. The \$62.5 million finally approved by the Congress, which is only one-fourth of our recommendations, is clearly an absolute minimum.

In short, we believe that the funds authorized by S. 57 for loans are actually far

below what the colleges need for meeting their responsibilities to the able young people of this Nation. We submit that the financing of needed dormitories and academic facilities by Government loans, at the average rate paid by the Government for its borrowed funds, plus one-fourth of 1 percent for administration, is as sound an investment in the welfare and security of our people as the Government can make. As we see it, the charge that a subsidy is involved in this interest rate is not supported by the facts.

The statements filed by Dr. Hannah and Dr. Ellis fully confirmed the conclusions quoted above.

For myself, speaking as a member of the Committee on Labor and Public Welfare, to which the Presidents' educational program has been referred, I can only state my conviction that the President's recommendations are entirely unworkable and unsound and that the program called for in S. 57 is a far better way of dealing with a very serious crisis in American higher education, a crisis which we will continue to ignore at our peril.

If the veto of S. 57 is not overridden, the prospect of obtaining desperately needed aid for our higher educational institutions will be bleak indeed. To be sure, the President has himself recommended a \$200 million increase in the program for loans to construct dormitories and eating halls. This sum, however, is far less than the established need, and the President has firmly set his face against a new program for loans for academic facilities—a program, incidentally, which President Hannah and President Ellis testified was more important to the future of higher education than the existing program for facilities for board and lodging. That this conclusion is sound appears from the clearly established fact that a higher percentage of college students each year are living at home. In addition, it must be obvious that the construction of a laboratory or a library is far more important to the future of American education than the building of a dormitory or an eating hall.

CONCLUSION

I suggest that this review of the six important titles of S. 57 establishes, first, the clear need for the proposed legislation; and, next, the high degree of probability that no bill containing most of these needed provisions will receive the approval of the President. Under these circumstances, I submit that the Senate has a clear duty to override the veto.

This duty is all the more apparent when considered in the light of the extravagant and ill-founded assertions in the President's veto message, so clearly exposed by the junior Senator from Alabama and the others who have spoken in this debate.

The Housing Act of 1959 is not extravagant; it authorizes no unnecessary expenditures; its impact on the Federal budget is minimal. Testimony taken by the subcommittee clearly refutes the President's contention that the bill is inflationary. Even Mr. William McChesney Martin, Governor of the Federal Reserve Board, was unable to support the

President in this connection. Nor would the bill tend to substitute Federal spending for available private investment. The contention of the President that the bill contains provisions which are discriminatory and unfair was clearly refuted in the testimony recently taken by the subcommittee.

The alternative program recommended by the President would merely make additional credit available for housing for the upper middle income and high income groups of our country. It would do nothing to help those who really need a decent home. The President's recommendations for urban renewal grants are inadequate and unworkable and his recommendation for increasing the statutory interest rate ceilings on mortgages would merely increase unnecessarily the existing cost of homes for American families.

In my judgment, it would be better to pass no housing bill at all than the one recommended by the President.

Since we still have the opportunity to pass this watered-down once-thought-to-be-veto-proof measure, so far from the high hopes we cherished in January—but so very much better than no bill at all—I urge my colleagues to override the President's veto and enact S. 57, the Housing Act of 1959.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks two tables taken from the printed hearings, one showing the public housing backlog, and the other the college housing backlog.

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

PUBLIC HOUSING BACKLOG

PUBLIC HOUSING ADMINISTRATION

List of places with outstanding applications for reservations, or with units reserved, but not yet under annual contributions contract

Units in "Under reservation" column relate to projects for which applications were received when authorization to enter into annual contributions contracts had not yet run out. Reservations were granted on a general showing of need for the units, with no requirement that the site be chosen or that plans and specifications be submitted. Units in "Application pending" column relate to applications made after it was clear that existing authorization would not be sufficient to cover the units. Accordingly, there has been no processing of the applications to determine the general need.

State and place	Application pending	Under reservation
Total	18,494	39,097
Alabama		
Adamsville		115
Anniston		36
Arlton	150	28
Ashland		750
Birmingham		20
Blountsville		
Boaz	150	
Brent	80	
Carbon Hill	50	
Cherokee	60	
Childersburg	80	
Clanton	200	
Collinsville		20
Columbiana	75	
Cordova		40
Demopolis	200	
Detroit	30	
Flomaton	100	
Gadsden		200
Gardendale		62
Geneva		34
Goodwater		18
Graysville		74
Hobson City		20
Kennedy	50	
Kimberly		62

List of places with outstanding applications for reservations, or with units reserved, but not yet under annual contributions contract—Continued

List of places with outstanding applications for reservations, or with units reserved, but not yet under annual contributions contract—Continued

List of places with outstanding applications for reservations, or with units reserved, but not yet under annual contributions contract—Continued

State and place	Application pending	Under reservation
Alabama—Continued		
Leeds	50	30
Leighton		
Lineville	50	
Millry		14
Mobile		2,180
Mulga		230
New Brockton	150	
Newville	150	
Northport	400	
Opp	60	
Opp	120	
Park	25	
Red Bay	40	
Sylacauga	250	
Arizona:		
Maricopa County		150
Tolleson		20
Arkansas:		
Camden		80
Dequeen		28
Dierks		26
Horatio		2
Lewisville		16
Little Rock		72
Lockesburg		10
Mineral Springs		8
Nashville		34
California:		
Atwater		15
Bythe	26	
Calipatria area		25
Eureka		60
Holtville area		50
Imperial area		25
Colorado: Denver		1,500
Connecticut:		
Ansonia		60
East Hartford		50
Groton	500	
New Haven		130
New London		176
Norwich	500	
Putnam		1
Rockville	100	
Straford		36
Southington		50
Willimantic		50
Delaware: Wilmington		
Florida:		
Altha	75	
Bristol	150	
Carrabelle	150	
Cottondale		6
Graceville	20	
Jacksonville		1,266
Lauderdale		66
Levy County	350	
Miami		168
Milton	150	
Monticello	150	
New Smyrna Beach	150	
Ocala		98
Pensacola		328
Titusville		54
Wewahatchika	150	
Collins		18
Hernando	100	
Laurel		176
Leakesville	120	
Louin	30	
Meadville	60	
Meridian	60	
Mount Olive		10
Newton		30
Prentiss		16
Tupelo		30
Tylertown		
Yazoo	100	
Missouri:		
Kansas City		326
St. Charles		2
St. Louis County		110
New Hampshire: Portsmouth		1
New Jersey:		
Asbury Park	50	
Atlantic City		278
Bayonne		4
Burlington		100
Camden		164
Edison Township	40	
Franklin Township		30
Jersey City		82
North Bergen		40
Orange		20
Passaic		46
Paterson		8
Rahway		79
Trenton		10
Union City		45
West New York	200	
New York:		
Buffalo		1,583
Cohoes		130

State and place	Application pending	Under reservation
New York—Continued		
Herkimer	50	
Lackawanna		150
New York City		1,787
Niagara Falls	100	
Rome	180	
Troy		80
North Carolina:		
Apex	100	
Concord		90
Jacksonville		50
Laurinburg		73
Wake Forest	100	
Wayne County		45
Wendell	100	
Zebulon	100	
North Dakota: Williston		
Ohio:		
Cincinnati		5
Cleveland		2,074
Columbus		648
Dayton		200
Lorain		12
Portsmouth		190
Oregon: Portland		398
Pennsylvania:		
Abington Township		50
Altoona		500
Ambridge		44
Carnegie		90
Connellsville		100
East Pittsburgh		100
East Stroudsburg	56	
Greensburg		100
Jeanette		100
McKees Rocks		14
Nanty Glo		2
New Brighton		50
Philadelphia		2,230
Pittsburgh		748
Portage		200
Scalp Level Borough		200
Seranton		100
Sharon		50
Smith Township		60
Stoud Township	44	
Rhode Island:		
Pawtucket		222
Providence		206
South Carolina:		
Bennettsville		65
Charleston		557
Chester	250	
Duncan		10
Winnboro		68
Tennessee:		
Bolivar	200	
Chattanooga		500
Deaturville	250	
Etowah	100	
Franklin		16
Gallatin		40
Jamestown		40
Knoxville		577
La Follette		50
Lake City		50
Laurensburg	300	
Lebanon	60	
Livingston	100	
Manchester		40
McMinnville	240	
Morrisstown	330	
New Tazewell		14
Oneida		25
Paris		64
Parsons	250	
Sparta		50
Springfield		50
Waverly	112	
Texas:		
Alice	200	
Anahuac		10
Bryson		4
Cross Plains		10
Crystal City	70	
Daingerfield		20
Dallas	250	
Del Rio		70
Deport		10
Dodson	50	
Donna	50	
Fort Worth		200
Frisco	75	
Jacksonville	200	
Levelland		40
Liford		10
McGregor		12
Mercedes	100	
Fanhandle		10
Port Arthur		132
Post		28
Robstown		70
Roby		10
Rotan		36

State and place	Application pending	Under reservation
Texas—Continued		
San Antonio		1,500
Sinton		36
Stamford		4
Tahoka		2
Terrell		140
White Settlement		100
Virginia:		
Charlottesville		225
Richmond		6
Roanoke		300
South Norfolk		30
West Virginia:		
Fairmont	100	
Huntington		500
Wisconsin: Milwaukee		
Puerto Rico:		
Arecibo	300	
Barceloneta		1
Carolina	200	
Cayey	250	
Ceiba	80	
Guamico	150	
Humacao	200	
Isabella	200	
Lares	80	
Las Marias	30	
Loiza	100	
Manati	200	
Mayaguez		1
Ponce	500	
Salinas	50	
San Lorenzo	200	
San Sebastian	200	
Yanco	250	

COLLEGE HOUSING BACKLOG

Applications for college housing loans

COLLEGES WITH CONTINGENT RESERVATIONS

State	Number	Federal funds	Service facilities
Alabama	5	\$2,930,000	\$300,000
Arizona	3	6,000,000	
Arkansas	2	1,761,000	
California	8	12,713,000	1,711,843
Colorado	4	4,645,000	142,000
Connecticut	2	3,800,000	
Delaware			
District of Columbia			
Florida	1	100,000	
Georgia	1	337,000	
Territory of Hawaii			
Idaho	1	110,000	110,000
Illinois	10	14,949,000	3,750,000
Indiana	1	1,280,000	
Iowa	1	950,000	
Kansas	7	2,865,000	148,000
Kentucky	6	6,669,000	626,000
Louisiana			
Maine			
Maryland	1	1,128,000	
Massachusetts	8	10,114,000	3,100,000
Michigan	2	1,718,000	
Minnesota	2	1,985,000	
Mississippi			
Missouri	7	5,123,000	300,000
Montana	3	3,232,000	504,633
Nebraska	1	425,000	425,000
Nevada			
New Hampshire	1	2,250,000	
New Jersey	5	5,311,000	1,058,000
New Mexico	3	1,606,000	
New York	3	8,921,000	
North Carolina	3	1,800,000	
North Dakota	1	1,200,000	
Ohio	4	4,150,000	500,000
Oklahoma	3	1,375,000	30,000
Oregon	2	1,050,000	285,227
Pennsylvania	2	1,190,000	70,000
Puerto Rico			
Rhode Island	3	3,050,000	
South Carolina	2	2,240,000	60,000
South Dakota	2	765,000	
Tennessee			
Texas	6	3,404,000	
Utah	8	5,356,000	243,000
Vermont	1	690,000	
Virginia	2	3,325,000	690,000
Virginia	1	713,000	40,000
Washington	2	5,050,000	832,000
West Virginia	3	2,690,000	1,400,000
Wisconsin	3	1,392,000	418,000
Wyoming			
Alaska			
Total	136	140,362,000	16,743,703

COLLEGE HOUSING BACKLOG—Continued  
Applications for college housing loans—Continued  
STUDENT NURSE AND INTERN HOUSING

State	Total	Reservations of funds	Approved loans	State	Total	Reservations of funds	Approved loans
Arkansas.....	\$500,000	-----	\$500,000	New Jersey.....	\$500,000	-----	\$500,000
California.....	234,000	-----	234,000	New York.....	3,529,000	-----	3,529,000
Florida.....	200,000	-----	200,000	Ohio.....	1,359,000	\$500,000	859,000
Georgia.....	785,000	\$620,000	175,000	Oklahoma.....	500,000	-----	500,000
Illinois.....	702,000	-----	702,000	Oregon.....	500,000	-----	500,000
Kansas.....	544,000	294,000	250,000	Pennsylvania.....	2,853,000	-----	2,853,000
Maryland.....	500,000	-----	500,000	South Dakota.....	500,000	500,000	-----
Massachusetts.....	300,000	300,000	-----	Texas.....	375,000	-----	375,000
Michigan.....	523,000	-----	523,000	Virginia.....	575,000	400,000	175,000
Minnesota.....	310,000	-----	310,000	Wisconsin.....	250,000	-----	250,000
Missouri.....	1,075,000	-----	1,075,000	Total.....	17,139,000	2,614,000	14,525,000
Nebraska.....	515,000	-----	515,000				

## PENDING APPLICATIONS

Project No.	Institution	Amount
Ark. 3-CH-35(D)	Harding College	\$400,000
Ark. 3-CH-38(D)	Arkansas State Teachers College	675,000
Ark. 3-CH-39(D)	University of Arkansas	1,559,200
Colo. 5-CH-41(D)	The Colorado College	308,200
Ill. 11-CH-98(S)	Monmouth College	375,000
La. 16-CH-24(D)	Northeast Louisiana State College	2,000,000
La. 16-CH-25(DS)	Loyola University	2,809,000
Minn. 21-CH-29(DS)	Carleton College	1,800,000
Miss. 22-CH-24(S)	Tougaloo Southern Christian College	450,000
Mo. 23-CH-67(S)	Central Missouri State College	700,000
Nebr. 25-CH-23(D)	The Creighton University	750,000
N.Y. 30-CH-107(D)	Dormitory Authority of New York State	10,000,000
N.Y. 30-CH-108(DS)	College of Mount St. Vincent	1,600,000
N.Y. 30-CH-109(D)	F.I.T. Dormitory Corp.	1,770,000
N.Y. 30-CH-110(S)	Brooklyn College Student Services Corp.	1,125,000
N.Y. 30-CH-111(S)	Syracuse University (Utica College Campus)	950,000
N.Y. 30-CH-112(D)	Wagner Lutheran College	400,000
N.Y. 30-CH-113(D)	Elmira College	630,000
N.Y. 30-CH-114(D)	Rosary Hill College	946,000
N.Y. 30-CH-115(D)	Barnard College	870,000
Ohio 33-CH-94(D)	The College of Wooster	552,640
Okla. 34-CH-19(D)	Southeastern State College	626,600
Okla. 34-CH-22(D)	Central Christian College	450,000
Okla. 34-CH-24(D)	St. Gregory's College	595,251
Pa. 36-CH-101(D)	University of Pennsylvania	600,000
Pa. 36-CH-102(D)	The Pennsylvania Military College	375,000
S.D. 39-CH-24(DS)	South Dakota State College	3,124,000
Tenn. 40-CH-32(D)	Cumberland University	194,259
Tex. 41-CH-92(D)	Lubbock Christian College	300,000
Tex. 41-CH-105(DS)	West Texas State College	1,630,000
Tex. 41-CH-109(S)	Texas Technological College	750,000
W. Va. 46-CH-29(D)	Salem College	600,000
W. Va. 46-CH-34(S)	West Virginia State College	500,000
W. Va. 46-CH-35(D)	Alderson Broaddus College	350,000
Total (34 applications)		40,765,150

Mr. SYMINGTON. Mr. President, will the Senator from Illinois yield me 5 minutes?

Mr. DOUGLAS. I yield 5 minutes to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, in my opinion the President of the United States, in his veto message of July 7, turned his back on the future. I believe the veto of the housing bill was a step backward for this country.

The President gave a number of reasons for this rejection. In effect, he said we could not afford to spend the money so badly needed for adequate housing.

He said S. 57 was inflationary.

The President also told us we cannot afford a single cut in our foreign aid expenditures during the present fiscal year.

Foreign aid expenditures which result in the export of goods from this country obviously have a greater inflationary effect than housing expenditures which add to the physical assets and goods in our country. But he favors the former as sound and necessary; and opposes the latter as inflationary and unnecessary.

As has been brought out so well by the distinguished Senator from Pennsylvania [Mr. CLARK], America's popula-

tion is increasing by more than 3 million persons a year.

It is estimated that by 1975 we will have 253 million people.

Our cities are rapidly expanding.

By ignoring these facts, and not providing for this growth, we merely pass the buck to the future.

By not facing up to the need for an orderly attack on urban problems, the President is increasing manifold the total cost of renewing our cities; is placing on the future the social cost of slum areas which should have been cleaned up by this generation.

This veto is a particular blow to our urban population, for it means costly and uneconomic delay in the important work of fighting the spread of the slum blight.

Once we have begun an orderly program of plant expansion and investment in the future of a company, it does not make sense to deliberately slow down this schedule and thereby incur increased overall costs.

My own city of St. Louis is a case in point. As indicated in a letter inserted on page 287 of the recent hearings, from Mayor Raymond R. Tucker, one of our most distinguished municipal leaders, rejection of S. 57 would be a great blow to orderly progress on three major proj-

ects now under way in St. Louis, the second stage of Kosciusko, the Tandy, and the first stage of the Murphy.

Nearly \$50 million is to be invested in the form of capital grants and relocation funds for these important projects to insure that the growth of blight in the city is checked.

Another example of the negative approach of the administration is its opposition to the administrative change in S. 57 which would authorize the local public housing agency to rent space in its building to the urban renewal agency, where both operate through a combined central office staff. This latter provision would result in substantial savings of money and result in increased efficiency in the operation of housing agencies in several cities, including St. Louis.

The housing bill by the Congress was a positive step toward eradication of the costly and unhealthy slum areas of our cities.

It was a positive step in improving the administration of our housing programs.

America's problems require a breadth of view, and vision with respect to the future of our country.

I hope the Congress will override this veto, and demonstrate its wisdom by investing in the future of America.

Mr. DOUGLAS. Mr. President, I yield 5 minutes to the Senator from Michigan [Mr. McNAMARA].

Mr. McNAMARA. Mr. President, I rise to support the motion to override the President's veto of the housing bill.

I find it incredible that we are preparing for such a vote. It is impossible to believe that a bill—of such moderate content—was unacceptable to the President.

A quick glance at the housing needs of the Nation is enough to prove that this bill is inadequate. But I know that it was a sincere attempt by the committee—and the leadership—to come up with a bill which could be enacted into law.

The President's response to this sincere effort by the Congress was an insulting veto message. In that response, for example, the President denied the existence of any great need of housing for the aged, but said what need there was, private enterprise could meet.

It is ironic to listen to such pious pronouncements on private enterprise from a man who—for most of his adult life—has received his housing at the public expense.

My own dismay at the President's veto was heightened by the facts we have gathered in the hearings of the Subcommittee on the Problems of the Aged and Aging.

Briefly, these facts are:

First. The majority—about three-fifths of the older people in America—have annual incomes of \$1,000 or less. For 3.4 million persons living alone or with nonrelatives in 1957 the median income was \$918.

Second. The proportion of older Americans' income going to rent or house payments and upkeep is way above—in some areas, twice—the proportion of younger renters and owners.

Third. While many elderly men and women live in homes they own, a large

proportion of these homes are too large and too expensive to maintain. And they are too often substandard.

Fourth, if we take only those nursing homes classified as good homes—the best types of nursing homes—we are informed by the President's own Secretary of Health, Education, and Welfare that 108,000 out of the 221,000 beds in these homes—nearly 50 percent—are unacceptable, substandard, because they are in fire traps and with poor medical facilities.

The bill which was vetoed by the President provided for direct loans for construction of housing for the aged. A nonprofit organization could obtain a low-interest loan up to a maximum of 98 percent of total development costs for housing for the elderly.

Yet the President casually brushed off this program by stating that "needs in this area can be adequately met by private funds invested under the protection of Federal insurance."

Mr. President, the evidence we obtained in our hearing on the problems of our older citizens indicates that this is absolutely false.

Either Mr. Eisenhower has not talked with his housing advisors—I know he has not talked with any of the aged—or his aides deliberately distorted the facts of housing for the aged.

As to the President's belief that private funds protected by Federal insurance can do the job, the sad fact is that up to July 1, 1959, only 1,100 units had been financed by FNMA.

If we add up all the rental and sales units now under way assisted in some way by Government funds, you find there are slightly more than 18,000 such units designed for use by the aged.

Another approximately 80,000 elderly persons live in low-rent public housing projects.

Thus, there are not even 100,000 older persons who will benefit from any kind of Government assistance in housing.

One hundred thousand out of 15 million persons over 65, Mr. President, means that less than 1 percent of the aged are benefited by any form of Government housing program.

It should be apparent that we now face a Chief Executive who has dedicated his remaining months in office to a so-called balanced budget, regardless of the hardship and distress that results.

I hope that we can override the veto. We owe the older citizens of the Nation at least that much.

And in doing so we can lay the groundwork for real progress in the future.

Mr. SPARKMAN. Mr. President, how much time is there remaining?

The PRESIDING OFFICER. The proponents have 4 minutes remaining, the opponents 54 minutes.

Mr. SPARKMAN. Would the other side use some of their time?

Mr. BUSH. May I say for the information of the Senator from Alabama that we have two more speakers, one for 15 minutes, possibly, and another for just 2 or 3 minutes.

Mr. SPARKMAN. If the Senator from Connecticut would consent, I should like to borrow about 5 minutes.

Mr. BUSH. I shall be glad to yield 5 minutes to the Senator from Alabama?

Mr. SPARKMAN. Not at this time.

Mr. BUSH. Mr. President, does the Senator want me to yield for a brief moment?

Mr. WILLIAMS of New Jersey. I ask for recognition for 2 minutes.

Mr. BUSH. I shall be glad to yield 2 minutes to the Senator from New Jersey.

Mr. SPARKMAN. May I ask the Senator from New Jersey to yield? In connection with the request I made of the Senator a few minutes ago, if the Senator from New Jersey would like to proceed now, very well. I had not intended to call him until later, but it is all right.

Mr. BUSH. If the Senator from Alabama would like me to, I shall be glad to yield him 2 minutes from my time.

Mr. WILLIAMS of New Jersey. I am willing to await the pleasure of the Senator from Connecticut.

Mr. BUSH. I am about to yield to the distinguished minority leader 15 minutes.

Mr. DIRKSEN. Let me inquire, by way of general information, how much time remains on either side.

The PRESIDING OFFICER. Four minutes remain for the proponents, but an additional 5 minutes have been yielded by the Senator from Connecticut, making it 9 minutes. The opponents have 51 minutes.

Mr. DIRKSEN. Mr. President, I ask unanimous consent, without charging the time to either side, that we have a quorum call at the present time.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. DIRKSEN. I suggest the absence of a quorum.

The legislative clerk proceeded to call the roll.

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

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

Mr. DIRKSEN. I yield 2 minutes to the distinguished Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I wish to speak in opposition to the motion to override the President's veto on the housing bill, S. 57. I voted against this measure when it was before the Senate, because I felt it committed the American people to excessive and unsound expenditures, without meeting the needs. I believed that the interests of the people who need better housing and the national economy as a whole would not have been effectively served by this measure.

Therefore, I naturally support the veto of the President, which expressed similar judgment. The matter of reshaping the President's veto, however, is not the real challenge we face.

Mr. President, the people of the United States need a housing bill. This is the overwhelming fact which we face, and we must face it fully, directly, and objectively.

Mr. President, we must recognize that the President's approval is part of our legislative process. His recommendations cannot be taken lightly since the

management of all the programs of the Government are part of his responsibility and he must consider the impact of all individual programs on the Nation as a whole. We must take into account the President's recommendations, the best judgment available to the Congress, the evidence which the committee has obtained, and the needs of the American people as we know them to be in terms of adequate housing and in promoting a sound national economy.

When the Subcommittee on Housing undertook its current hearings, I was encouraged that an honest and creative effort would be made for a bill which would offer genuine progress on housing needs consonant with what the President could accept. I must say, however, I am greatly disappointed by the committee's action yesterday which in my judgment seems to be a negative approach to the problem. We are back where we started in February, or worse, since the basic issues have now been clouded.

What is needed, Mr. President, is a fresh approach based on merit, need, and the efficient use of our national resources.

I hope, Mr. President, that we will dispatch the immediate business at hand and get down to the real core of the matter quickly—a housing bill for the American people—to meet their needs efficiently and at a cost the people are willing and able to pay.

Mr. DIRKSEN. Mr. President, I yield myself 10 minutes.

On occasions like this, my regard and esteem for the wisdom and the vision of the Founding Fathers takes on a freshness and a new intensity for, as we approach a vote on the Presidential veto, there comes into sharp focus the safeguards and the beautiful balances of the Constitution of the United States. I think often of the fact that the Founding Fathers gave the Members of the House of Representatives 2-year terms, but also gave them the exclusive power to initiate tax legislation, so that if they fastened an undue burden upon the people, they could quickly and expeditiously be hauled out of office.

On the other side of the legislative branch, a 6-year term was provided for Members of the Senate, one-third of the membership being renewable every 2 years.

There is the additional fact that no bill can become law unless it has been passed by both branches of Congress and either has had the approval of the President or has become law without his signature. Of course, there is the 4-year term of the President in between.

But here, then, are the fine balances wherein the President can check Congress and Congress can check the President, Congress having the authority to override his disapproval of a bill by a two-thirds vote in both branches.

That indicates that the President is a part of the lawmaking process. We are often apt to forget that fact. Yet it is as clear as crystal in the Constitution, for the Constitution provides specifically that if the President disapproves a measure, he shall send it back to Congress with his objections. Those objec-

tions are noted on the record, and then the position of the President can be rejected only by a two-thirds vote of both branches of Congress, on the record, because the Constitution requires the yeas and nays. That is one of those happy balances in our form of government.

So today there is before us the disapproval of the President of the bill passed by both branches of Congress, a bill which he, in his judgment, does not believe to be a prudent piece of proposed legislation. In that respect, he has exercised his constitutional authority, and we are called upon today to exercise our constitutional authority, on the record, by a yeas and nays vote, to determine whether the President or Congress shall prevail upon this measure.

When the President sent his message of disapproval, I thought it made a splendid case. I thought that by all odds it was one of the most rounded and effective veto messages which have come to Congress in my time. I need take only a few minutes to summarize what the President said when he noted his objection to the bill now before the Senate.

He said, first of all, that the bill was inflationary. Second, he said it dried up long-term investment funds. He said that the urban renewal program was excessive, because although he had called for \$500 million for 2 years, Congress provided \$900 million.

He said there was no discretion with respect to urban renewal grants: It was always possible for the metropolitan centers to secure prior and preferential treatment, because they are staffed for that sort of thing. Obviously, the administrative authorities have to give heed when these applications are filed.

The President said that where there ought to be larger resort to local credit, that would not result under the bill. The bill contained a provision that where projects had been consummated as far back as 5 years ago, a locality could secure credit under the loan and grant provisions of the bill. That is a pretty excessive provision.

The President said there were no direct Federal loans for housing for the elderly, and that the state of the money market and the availability of credit being what they are, that provision was not necessary and was an unneeded tax upon the Federal revenues.

The President pointed out also in the veto message that the amount allowed for college housing was entirely too large.

He noted that the interest rate established was such that actually the Treasury would have been financing at a loss. We are up against that problem in other fields today. I hope we will not compound our folly by doing it again. I think the President was on good ground in that respect.

The President objected to the fact that college classrooms are included in the housing bill, and that the interest rate was subsidized. I am opposed to that, too, in any kind of housing bill. If we are to deal with it, let us have a bill reported by the Committee on Labor and Public Welfare. Let us deal with it directly, instead of insinuating that kind of provision in a housing bill.

The President objected also to the provision that there was to be mandatory purchase at par by FNMA of the special assistance mortgages, and that the net effect must ultimately be to drive away private credit.

The President said also that the authority of the FHA to insure mortgages was too limited. The bill originally fixed a limit as of July 1, 1960, when, as a matter of fact, the authority ought to be fluid and continuing.

So once more the President was on good ground.

Still another objection made by the President was that he was alarmed at the prospect that the Federal Housing Administration techniques, procedures, and soundness would be impaired. What was the basis for that conclusion? The reduction in down payments on housing, the increase in maturities, and the increase in par unit mortgage ceilings which will be provided by the bill.

There was still another provision, namely, the Federal Housing Administration purchase of defaulted home mortgages, instead of leaving that matter in the hands of local lenders.

What the bill does finally is to shift the function of a Federal agency which ought not to be done.

There was one other item to which the President alluded. There was a preference or priority in the bill to former owners of so-called section 608 or title 9 apartments, where those apartments failed and had to be sold by the Federal Housing Administration. To give any one class of bidders a preference or priority would discourage every other bona fide bidder; and in so doing, it would mean a loss to the reserve fund of the Federal Housing Administration.

I can imagine no more succinct, no more persuasive veto message than this. It ought to be sustained by a very substantial vote of the Senate this afternoon.

In the interest of a good housing program; in the interest of keeping damped down the fevers of inflation; in the interest of keeping Congress from going overboard with excessive provisions like those in the bill before the Senate; in the interest of preserving private credit and not driving it away by letting public credit flow in, and thus drying up private credit; in the interest of preventing us from committing a mistake of having the Treasury borrow and lend under Treasury borrowing costs, which, of course, is an indefensible practice, I hope the Presidential veto will be sustained.

I have nothing more to say. I am now prepared to yield to the distinguished Senator from Indiana [Mr. CAPEHART], who has done so much work in the housing field. I believe that fact is readily recognized by Senators on both sides of the aisle.

Mr. President, I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I voted for the vetoed bill. I voted for the conference report. I thought the bill was a good bill. I still think it was a good bill. I thought the committees of Congress did a fair job. I can find things

to complain about, yes, but provisions in the bill about which I would complain are points about which the President did not complain.

One of the features I disliked about the bill was that it provided for an increase in the amount of mortgage on housing, and a decrease in the downpayment. In other words, we provided for increased payments for those who are best able to pay. But when it came to public housing, urban renewal, and housing for the elderly, we said we would not do it that, we should not do it. Those are the features I would have complained about had I been vetoing the bill, and had I been speaking for the veto.

I will vote to sustain the President's veto because the Subcommittee on Housing, of which the able junior Senator from Alabama [Mr. SPARKMAN] is the chairman, and I, and other Senators, have developed and drafted what I believe is a better bill than S. 57 the vetoed bill.

I feel confident that if the President's veto is not overridden—and I do not think it will be—then I will vote to sustain what the subcommittee has already reported to the full committee, namely, what I consider to be a good bill. In my opinion, the full committee will report that bill, in substance, with a few changes which can be made and should be made. When that happens, the Senate, in my opinion, will vote unanimously for that bill. My best judgment is that when it goes to the House, the House will support the bill. But the things to which I would object were not objected to by the President in the veto message.

The real inflationary part of the bill are its provisions extending the insurance to \$20,000, \$25,000, and \$30,000 homes and lowering the downpayments. No inflation would result from the provisions for low-rent housing or urban renewal or housing for elderly persons. But inflation would result from extension of the insurance to the more expensive houses and from decreasing or lowering the amount of the downpayments.

Mr. SPARKMAN. Mr. President, will the Senator from Indiana yield to me?

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Does the Senator from Indiana yield to the Senator from Alabama?

Mr. CAPEHART. I yield.

Mr. SPARKMAN. I think the Senator from Indiana is making a very logical point, although I do not agree entirely with him about it.

Is it not true that the provision to increase the maximum amounts of the mortgages which would be subject to FHA insurance was included at the request of the administration?

Mr. CAPEHART. That is correct.

Mr. SPARKMAN. Is it not also true that the Congress did not vote even to increase those amounts as much as the administration requested?

Mr. CAPEHART. That is correct. That was provided in the bill which I introduced for the administration last January. There is no question about that.

But fortunately—and I say "fortunately" because I think we must look

after those who cannot look after themselves—the new bill which will be reported to the Senate provides for urban renewal and public housing and other things which I believe very, very desirable.

I dislike the President's veto message, and I said so. I am the world's worst politician, because everyone knows exactly where I stand, for I always state what I believe to be correct, and I do not hesitate to say so. I believe that the President's veto message in many respects did not mean what it said.

But I shall vote to sustain the veto, and I urge my colleagues to do likewise.

Mr. DIRKSEN. Mr. President, I am prepared to yield back the remainder of the time under my control, if the Senator in charge of the time for the other side on this issue is prepared to do likewise.

Mr. SPARKMAN. Mr. President, several other Senators wish to have time yielded to them. In fact, I may have to ask the distinguished minority leader to make available, in that connection, some of the time under his control.

At this time I yield 3 minutes to the distinguished junior Senator from New Jersey [Mr. WILLIAMS].

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 3 minutes.

Mr. WILLIAMS of New Jersey. I thank the Senator from Alabama.

Mr. President, I know that I am only one of many, many Senators who deeply resent and regret the suggestion, which has gotten into the public discussion of the issue before the Senate, that the very distinguished junior Senator from Alabama [Mr. SPARKMAN] and his subcommittee have been the victims of some dictation or have been involved in some kind of "deal" in connection with the housing bill.

First of all, I express to the distinguished Senator from Alabama [Mr. SPARKMAN] the deep gratitude of the overwhelming majority of those in my State concerned with housing. I have been a Member of this body only since January, but I have followed housing legislation for many years, because it is a matter of deep concern to me. I have watched the record of the Senator from Alabama in providing leadership in the field of housing. My admiration has increased this year, first during the original hearings held in January; subsequently during the conference on Senate bill 57, and then during the hearings and sessions to mark up a new bill in the subcommittee in recent weeks.

I know that not one Member of the Senate would question the statesmanlike approach the Senator from Alabama has taken toward the housing bill, not only this year, but in past years. While there are, and always will be, disagreements, I want to state flatly and unequivocally that charges of "deal" or dictation, when applied to the Senator from Alabama with respect to this housing bill, are about as ridiculous as the veto message itself.

There are several reasons why I believe the Senate should vote to override the veto. As the Senator from Alabama has demonstrated, the veto message is

filled with misrepresentations and half-truths. It is clearly a political document, and not one befitting the Archives of the United States.

Second. In Senate bill 57 the Congress went more than halfway toward accommodating its views with those of the administration.

Third. Many individual members of the committee were willing, despite the nature of the veto message, to hear the reasons for some of the statements made in that message. We waited and we listened, but we did not receive any reason which would hold even one drop of water. We were willing to report a bill more to the President's liking. We worked long and hard on it, and we did look to the administration witnesses for suggestions which would maintain the integrity of the bill, while making alterations more acceptable to the President.

Here again, we did not receive answers or suggestions. We merely heard, once again, the old arguments which had been refuted many times over.

And now, although the subcommittee has worked long and hard to prepare a new compromise bill, we have not received any real evidence that the President has altered the position he took when he made his veto. The attempt to compromise has been made in the Senate of the United States, but not in the Executive Office.

Down to the hour of the full committee hearing on yesterday, administration lobbyists were representing that the only measure they would accept was one that was written in the White House and rubber stamped in the Congress.

Mr. President, is the Senate of the United States going to abdicate its legislative responsibility to Executive dictation? I think not.

I hope the Senate will vote to override the President's veto of Senate bill 57, which is a very good piece of legislation.

Mr. HUMPHREY. Mr. President, will the distinguished minority leader yield 3 minutes to me?

Mr. DIRKSEN. I yield 3 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 3 minutes.

Mr. HUMPHREY. I appreciate the courtesy of the minority leader.

Mr. President, both the housing bill, as originally passed by the Senate, and the conference report on that bill were supported by me. Of course, I felt that the bill originally passed this year by the Senate was justified by the facts and the need and the record in regard to the necessity for a housing program.

It will be recalled that when the modified version of the housing bill was returned to the Senate, and was so ably presented by the Senator from Alabama [Mr. SPARKMAN], I supported that measure, not because I thought it provided all that should be provided, but because I felt that at least a conscientious and sincere effort had been made to accommodate the will of the Congress, on the one hand, to the desires of the executive branch, on the other.

It was quite obvious that the President was going to utilize the budget argu-

ment and the inflation argument in his attempt and in the administration's attempt to limit the housing program. The conferees were cognizant of that; and therefore they designed a measure which provided for considerably less than what was provided by the original Senate bill, and yet would have met for the next 2 years some of the genuine problems confronting the Nation's economy and confronting those who are in need of housing.

Regrettably, Mr. President, the President of the United States vetoed that compromise bill, that moderate bill, which was designed to adjust the difference between the views of the Congress and those of the executive branch in regard to the housing situation.

As I said at the time of the receipt of the veto message, I regretted that the message was full of misinformation and of emphasis which was not justified by the facts. Certainly I regret that whoever advised the President in regard to the veto message did him a great disservice and certainly did a disservice to the housing program.

There are two or three features in the housing bill which appeal to me most strongly and which, in the limited time I have, I should like to emphasize. No. 1, urban renewal is a program in which 400 municipalities currently participate. Without an effective urban renewal program such as was outlined in the bill which the Congress passed, these efforts of our municipalities will be brought to a standstill. This is a waste of money. I would let the executive branch know that if the urban renewal programs are stopped, there will be a tremendous loss of money and resources—

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

Mr. DIRKSEN. I yield 1 additional minute to the Senator.

Mr. HUMPHREY. May I have 2 minutes?

Mr. DIRKSEN. I yield the Senator 2 minutes.

Mr. HUMPHREY. Urban renewal is not an expenditure. Urban renewal is an investment. If there is any one area in which the Congress of the United States has failed in its responsibilities, it is in the area of urban living, the problems relating to urban communities or metropolitan areas.

We owe a debt of gratitude to the Senator from Pennsylvania in particular for his efforts to bring the Congress of the United States into closer contact with the problems that relate to our urban communities.

Urban renewal is a sound public and private investment, and the President's veto strikes a death blow to one of the best private and public investments this country has ever seen.

Mr. President, I vote for foreign aid. I wonder how many Members of the Congress realize that the President has sent to Congress foreign aid requests in the sum of over \$9 billion? Over \$9 billion, and every time we get ready to touch one dollar of it, it is asserted that there is a threat to our security in so doing.

A Government that can afford to spend \$9 billion a year in foreign aid, in all its many manifestations, can afford to have a housing program which, as the Senator from Alabama has pointed out, is modest in its proportions, an investment which pays dividends and returns.

Mr. President, this is not a \$9 billion program. No matter how one calculates it, it is slightly over \$2 billion; and actually, in new money slightly over \$900 million.

Finally, one of the features in the bill that I applaud is the feature relating to education. We have heard from leaders of our country, the Vice President, and others, how important is education, and about the challenge of education from the Soviet Union. The bill provides a loan fund in the modest sum of \$62½ million for facilities such as libraries, and a certain amount of money for dormitories. Certainly, these loan funds are a sound investment. They are paid back with interest.

I hope the Senate will override the veto, and demonstrate its faith in American enterprise and capacity.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, first let me join with other Senators here in commending a majority of the Senate Banking and Currency Committee for its wise decision to reconsider Senate bill 57.

Considerable constructive thought went into the writing of S. 57. It was debated and approved by wide margins in both the Senate and the House.

I was amazed when the President vetoed the measure.

The President, in returning the bill, termed it both "extravagant" and "inflationary."

Such words lately have become administration catch phrases which have been used to cover a bushel basket of neglected responsibilities.

In urging passage of S. 57 by a greater than two-thirds majority, I would like to make these observations:

No. 1: S. 57 is not extravagant. Actually, S. 57 adds only about \$24 million to the budgeted spending for fiscal 1960, or about twice the cost of three new jet planes ordered for use by the President and his Executive staff. I would be the last to suggest that the President should not be afforded the best possible air transportation. At the same time, I would be one of the first to say a difference of some \$24 million should not stand in the way of a housing bill affecting many millions of Americans.

My second point is this: S. 57 is not inflationary. The inflation now running at large in the Nation does not stem from an excess of demand over supply. This is not an inflation in which prices have risen because there are too many buyers chasing too few goods. Hearings and reports of the Senate Subcommittee on Antitrust and Monopoly have rather definitely established that the present inflation is the result of an upward manipulation of prices by large firms in concentrated industries. A typical pattern has been for such firms to grant wage increases and then boost their prices two or three times the cost of the wage increase. This has occurred when demand

was falling as well as when demand was rising. Therefore, it follows that if the administration is really concerned about inflation, it should address itself to the type of inflation which we are now experiencing.

My third point is this: The need for a forthright housing bill such as S. 57 is self-evident.

I shall cite a few reasons. Some 134 cities have applied for a total of \$272 million in Federal aid for urban renewal. In addition, there is another huge backlog of applications from 400-odd cities, both large and small. Urban renewal means a rebirth of areas which—if not already—soon will become slums. The underlying philosophy of urban renewal is in the ounce-of-prevention tradition. We must not turn our backs to these greying areas in the hope that they, somehow, will go away.

Neither should public housing be neglected, because we know that a major and vital function of public housing in many cities is to provide shelter for people displaced by urban renewal.

It seems to me strange that anyone can deny the need for Federal housing aid to colleges. Some 170 institutions of higher learning have applied for such assistance as a means of accommodating their vastly increased enrollments. Shortly after the launching of Sputnik No. 1, the President stressed the need for a stepped-up education program as a major defense against Soviet gains in science.

I submit the suggestion that the talking stage long since has passed.

I could list other important provisions of S. 57, but they have been most impressively explained by several of my distinguished colleagues.

My fourth point, quite briefly is this: The sharp division of power between the executive, judicial and legislative branches of our Government has been well defined and jealously guarded over the years. If there is a lack of purpose, or a lack of initiative, or a lack of foresight, on the part of one branch, most certainly it should be confined. I feel sure the Congress never will succumb to a peculiarly crippling virus which might be identified as creeping vetoism. I feel sure this Congress will approve a valid housing bill—one we may be proud of, one in which the American people will benefit. Indeed, it is the clear-cut responsibility of Congress to hear, debate, and vote on what it believes will best serve the people.

This, and this alone, must be our guiding principle.

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

Mr. DIRKSEN. Mr. President, I yield 2 minutes to the distinguished Senator from Alabama [Mr. SPARKMAN].

Mr. SPARKMAN. Mr. President, first, I wish to pay my compliments to Senators who have participated in the debate today. I think the debate has been entirely objective, and completely without any display of emotions. I think everyone has looked at this matter seriously, with the purpose of considering some kind of arrangement by which homes can be assured for American families.

I may say the same kind of spirit activated the subcommittee in its work, as it did the full committee in its various deliberations with regard to housing legislation.

I was pleased to hear the distinguished Senator from Indiana express his confidence that we would get a housing bill enacted into law this year.

Mr. President, it seems to me a Senator voting to sustain the President's veto, if he is interested in having a housing program for this country, takes upon himself considerable responsibilities toward seeing to it that there is worked out and enacted into law during this session of Congress an adequate housing program. I do not believe any Member of the Senate wants to go home without housing legislation having been enacted.

Whatever is the argument of those who are trying to override the President's veto, if we should lose and not get the required two-thirds majority, it certainly will be my purpose to do everything I can to work out an adequate housing program; and by that I mean a comprehensive housing program, and not just a simple resolution some persons seem to think we might put through to extend the insurance authorization of FHA.

We want an adequate overall housing program, and I call upon every Senator, regardless of how he votes on the pending proposal, to keep working until we get at a good housing program to provide homes for American families.

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

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, at this point I should like to make my position on the forthcoming veto vote absolutely clear.

I am going to vote to override the veto. It seems to me that we have reached a situation in which there is little else to do.

It is unfortunate that such a basic need as housing for our people should be torn by partisan politics to the extent that this measure has been assailed. What should be an issue to be resolved by prudent and reasonable men in the public interest has become a football.

We seem to have entered a period in which too many people have nailed to the masthead the banner "All or nothing."

As far as I personally am concerned, I would have preferred the original bill passed by the Senate. But it was the judgment of men who are experienced in this field and who know far more about it than I do that under the circumstances the conference version was a better one to send to the White House.

I should like to pay tribute to some of those men. For many years, the Senator from Alabama [Mr. SPARKMAN] and the Senator from Arkansas [Mr. FULBRIGHT], former chairman of the Banking and Currency Committee, have been working in this field.

From a personal standpoint, I think all of us would agree there is very little in

housing legislation for either one of them. They acted as they did because as good Americans they recognized a national need that required national attention.

I think it is fair to say that without their efforts we would not have progressed nearly so far in this field.

We are now being told that one of the most basic realities of our form of Government should not apply when it comes to housing. That basic reality is the fact that under any circumstances legislation and law are matters of responsible accommodation among reasonable men.

On the one hand, we have a veto pistol which is ready to go off at any moment. On the other hand, we have some who insist that whatever the facts may be, we must march into the mouth of that veto pistol.

And the voices are so loud that it seems almost impossible to hear the legitimate claims of our people for responsible legislation to meet the needs of our great cities.

I know what the outcome of this vote will be. I do know that we must find some way of arriving at achievement.

This is difficult when there appears to be no give or take in one of our major branches of government.

Mr. President, the American form of Government depends upon reasonable men who recognize that in this world we cannot always have everything exactly the way we want it. There appears to be little doubt that Congress is being confronted with a "take it or else" attitude. Under the circumstances, I believe the record should be absolutely clear so that everyone will know the situation we are facing and so that no one can claim in the future that any stone was left unturned.

I shall vote to override the veto.

Mr. DIRKSEN. Mr. President, I yield back the balance of my time.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The Senator will state it.

Mr. JOHNSON of Texas. As I understand the situation, under the provisions of the Constitution the yeas and nays are automatically ordered.

The PRESIDING OFFICER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and I shall ask unanimous consent to have the order withdrawn shortly, so that we can have a vote.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. JOHNSON of Texas. Mr. President, will the Presiding Officer state the question?

The PRESIDING OFFICER. The question is, Shall the bill (S. 57) pass, the objections of the President of the United States to the contrary notwithstanding?

standing? Under the Constitution the yeas and nays are required.

Mr. DIRKSEN. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. Do I correctly understand that a vote "nay" is a vote to sustain the objections of the President?

The PRESIDING OFFICER. The Senator from Illinois is correct.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN (when his name was called). Mr. President, on this vote I have a pair with the distinguished Senator from North Dakota [Mr. LANGER] and the distinguished Senator from Wyoming [Mr. O'MAHONEY] who is in the hospital. I understand that if the two Senators I have named were present and voting they would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from Wyoming [Mr. O'MAHONEY] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from North Dakota [Mr. LANGER] is absent because of death in his family, and his pair has been previously announced.

The yeas and nays resulted—yeas 55, nays 40, as follows:

## YEAS—55

Anderson	Hart	Mansfield
Bartlett	Hartke	Monroney
Bible	Hayden	Morse
Byrd, W. Va.	Hennings	Moss
Cannon	Hill	Murray
Carroll	Humphrey	Muskie
Chavez	Jackson	Neuberger
Church	Javits	Pastore
Clark	Johnson, Tex.	Proxmire
Dodd	Johnston, S.C.	Randolph
Douglas	Jordan	Scott
Ellender	Kefauver	Smathers
Engle	Kennedy	Sparkman
Ervin	Kerr	Symington
Frear	Long	Williams, N.J.
Fulbright	McCarthy	Yarborough
Gore	McGee	Young, Ohio
Green	McNamara	
Gruening	Magnuson	

## NAYS—40

Aiken	Curtis	Prouty
Allott	Dworshak	Robertson
Beall	Eastland	Russell
Bennett	Goldwater	Saltomstall
Bridges	Hickenlooper	Schoepfel
Bush	Holland	Smith
Butler	Hruska	Stennis
Byrd, Va.	Keating	Talmadge
Capehart	Kuchel	Thurmond
Carlson	Lausche	Wiley
Case, N.J.	McClellan	Williams, Del.
Case, S. Dak.	Martin	Young, N. Dak.
Cooper	Morton	
Cotton	Mundt	

## NOT VOTING—3

Dirksen	Langer	O'Mahoney
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The PRESIDING OFFICER (Mr. PROXMIER in the chair). Two-thirds of the Senators present and voting not having voted in the affirmative, the bill is not passed over the veto.

## COMMITTEE MEETING DURING SENATE SESSION

Mr. ROBERTSON. Mr. President, I announce that there will be a meeting of the Senate Committee on Banking and Currency at 10 o'clock a.m. tomorrow to consider a housing bill.

I ask unanimous consent that that committee may be permitted to meet during the session of the Senate tomorrow, with the hope that before the end of the day we may complete a bill.

In the near future we expect to report to the Senate a comprehensive bill, and one which we believe can be enacted into law.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Virginia? The Chair hears none, and it is so ordered.

## CONVEYANCE OF CERTAIN LANDS TO THE STATE OF ILLINOIS

The Senate resumed the consideration of the bill (S. 747) to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit the bill, with instructions. There is a limitation of time of 20 minutes, divided equally between the proponents and the opponents.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry. For the information of the Senate, as I understand there is pending now a motion to recommit, with instructions, the so-called Des Plaines Public Hunting and Refuge bill, and there was a unanimous-consent agreement with respect to a limit on the time.

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. Ten minutes for the proponents, 10 minutes for the opponents, after which there will be a yeas-and-nays vote on the motion to recommit, with instructions, made by the Senator from Oregon.

The PRESIDING OFFICER. The Parliamentarian informs the Chair that the yeas-and-nays vote has been ordered. The statement of the Senator from Illinois is correct.

The Senator from Oregon is the proponent of the motion to recommit, with instructions. He has 10 minutes. The minority leader will have 10 minutes in opposition.

Mr. MORSE. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 8 minutes.

Mr. MORSE. Mr. President, I wish to call the attention of the Senate to my motion to send this bill back to the committee with instructions to report a bill back on August 18th.

I made my motion because my analysis of the record of the committee and of the hearings on the bill satisfy me that we are entitled to further information from the committee before a final vote on the bill is taken.

I wish to say at the outset, Mr. President, that I am very desirous of working out an arrangement which will make it possible for the State of Illinois to have the benefit of the proposed park or wildlife refuge, but I want it worked out consistent with a policy to which Senator after Senator has adjusted himself for many years; namely, that surplus Federal property shall be disposed of

only on the basis of the taxpayers of this country receiving 50 percent of appraised fair market value when it is to be sold for public use.

Mr. President, the next point I desire to make is that in my judgment the disputed piece of property, which involves 1,500 acres of land, will go to the State of Illinois under the bill in its present form, at a cost to the taxpayers of the United States involving a loss to them of not less than \$200,000, and possibly \$250,000. I think the committee owes it to the Senate to report the facts as to what the value of this property is. This leads me to my third point.

The 1,500 acres of land in question has never been appraised. There is not a Member of this body who knows what the value of that land is at this moment. I insist that the Senate should not be acting on the basis of buying a pig in a poke. The committee owes it to the Senate to bring back a report which will furnish us a statement of the value of this 1,500 acres of land.

My fourth point is that the Army is against the proposed transfer. The Army says it needs this land for Army purposes. The Bureau of the Budget is against the transfer.

My fifth point is this: A negotiated arrangement has apparently been worked out by the General Services Administration, the two Senators from Illinois, the Governor of Illinois, and others, whereby if the State of Illinois will pay \$286,000 plus for so-called parcel 3, which contains 946 acres, then parcels 1 and 2 will be sold for industrial purposes. Apparently that is what the two parcels are best suited for, although we have no such finding of fact anywhere in the record, and under the law the General Services Administration ought to make a finding one way or another. I think the bill should be sent back to the committee for that finding of fact.

If the State of Illinois will pay \$286,000 for 946 acres, then under the bill it is going to get 1,500 acres for nothing.

It would be paying too much for parcel 3. It should not pay more than half the appraised fair market value for parcel 3, whatever that value is. I think an accurate figure ought to be brought back to us in the intervening time, and the State should be credited with that amount against the purchase of the 1,500 acres.

Mr. President, when we are asked to act on a bill when we do not even know the value of the disputed piece of property that is involved, 1,500 acres, when we are asked to act on a bill which provides for property to go to the State of Illinois without payment, I think we are being asked to establish a very bad precedent.

Mr. President, it is not unfair to a Senate committee which acts as our agent simply to say, "Gentlemen, we need some more facts. Would you please give us the additional facts we need before we finally vote on this, with assurance that you are going to get your bill back here within a short period of time for final action?"

I wish to stress, Mr. President, that the proposed transfer is for State park purposes. Let us beware of setting such

a precedent, a precedent whereby the Congress of the United States would give to States Federal property for State park purposes.

We have an interest in State parks, Mr. President, but not a 100 percent interest. Under the formula I have urged and fought for so many years in the Senate, in fact since 1946, I have said that I think 50 percent is all they should be expected to pay for Federal lands to be transferred for State park purposes. This represents the fair value of the interest of the taxpayers of the United States.

I am for the State of Illinois getting this property on the basis of 50 percent of its appraised fair market value, unless—and this is the last question of fact I think the committee ought to answer for us in the intervening time—under Title 16, section 667, subsections (a) and (b), there might not be a finding under existing Federal statutes that this particular land could qualify for a game refuge as described under the statute, and thus be eligible for transfer to the State of Illinois for nothing.

Mr. President, the Senator from Oregon is not taking the position that he wants to charge the taxpayers of Illinois a price beyond what, under the law, they are required to pay as far as game refuges are concerned. In the debate yesterday I said to the Senator from Illinois that it may be that if we apply the provisions of title 16, section 667, to this land, it could qualify, and the State of Illinois could then have it for nothing for game refuge purposes and for domestic wild fowl. If under the law the State of Illinois is entitled to it on that basis, than I would be for it.

But, Mr. President, I cannot support the policy of the pending bill in its present form and then apply the 50 percent appraised fair market value formula to every other Senator in regard to other land transfers.

I say most respectfully that I think the two Senators from Illinois and the taxpayers of Illinois would be in a stronger position if we asked our committee to take this matter under advisement for the few days between now and August 18, get the answers to the questions of fact that I have raised, bring the bill back on August 18 with those questions answered, and then see what our course of action should be.

I will tell Senators what I think will be the case. I think that once these 1,500 acres can qualify under title 16 of the United States Code as a domestic game refuge, then the taxpayers of the State of Illinois will be asked to pay some \$200,000 to \$250,000 more for this tract. I have a hunch that if the taxpayers of Illinois understood the principle I have been fighting for, of protecting all the taxpayers of the Nation from this type of giveaway, amounting to more than \$200,000 on the basis of the facts as they now stand on the record, they would agree, even though it applied to the State of Illinois.

Mr. DIRKSEN. Mr. President, I yield myself 6 minutes.

Perhaps I can package the whole problem before us in a rather brief way. In 1944 the Army took more than 36,000

acres of very good land in northern Illinois. They have had it for 17 years. They removed it from the tax base of our State and our counties. The Department of the Interior moved in in 1948 and took charge of 4,400 acres, which they leased to the State of Illinois, so that our conservation department could do something with it in the interest of recreation, conservation, and wildlife.

Then, in 1958—last year—the Army declared surplus 3,500 of those acres, of which 2,400, or thereabouts, were involved in this matter. The sportsmen and conservationists in Illinois, through the department of conservation and the Governor, through the senior Senator from Illinois, and the junior Senator from Illinois, through the Izaak Walton League, and other agencies, have asked that this surplus land be made available for wildlife and conservation purposes. As a result, the senior Senator from Illinois [Mr. DOUGLAS] introduced a bill. Then came a development. It lies in an area where we have land which is ideally suited for industrial development because of the St. Lawrence Seaway.

Interested persons came here to discuss the matter with me. I had hoped that some of the land could be set aside. Out of all the conferences, out of all the meetings, the General Services Administration, which had charge and jurisdiction of the surplus land, finally decided to ascertain what it was worth. They divided the land into three parcels and took bids. On the industrial tract, they figured they could get \$1,000 an acre. I thought that was a good deal, because the money goes into the Treasury. On still another tract, of a little less than 1,000 acres, they got a bid of \$303 an acre.

So the Governor called me and said, "We will take that 1,000 acres and will pay \$303, but I think in all fairness, since we have done a lot of developing out there, you can give us 1,500 acres, or thereabouts."

There were two tracts which could be given. One contained 1,350 acres, the other 1,500 acres; 1,500 acres has been used for training purposes, but 1,350 acres can be used for that purpose. There was a joint operation with the conservationists who were working in that 1,500 acres.

So when we got it all spelled out, what we had was a package which received the approval of the GSA. It has the approval of the Director of Conservation. It has the approval of the committee. It has the approval of the Governor. It has my approval. It has the approval of the senior Senator from Illinois [Mr. DOUGLAS]. So all interests and all causes will be served.

But the distinguished senior Senator from Oregon [Mr. MORSE] has some criteria, and he is not satisfied with the bill. He wants to send the bill back to committee, notwithstanding the fact that it has been handled through the General Services Administration. I have had representatives of the Army in my office. I have talked with our Governor and our director of conservation. I have talked with representatives of the Izaak Walton League and other outdoor

people. I have talked with many recreationists—hundreds of them, as a matter of fact. We have settled on a bill which is agreeable to all concerned, notwithstanding some objection on the part of the Army.

It has been said in Illinois that that one tract was for a time a sort of little private hunting ground. I do not make that allegation; however, I have heard it out there.

But the Army will still have how much? Well, the Army will still have 32,000 acres of our land, land which has been removed from the tax base of the State and counties of Illinois. Considering that the Army has had 36,000 acres for 18 years, and measuring the taxes the State and counties have lost, I wonder whether anyone can ever say that there has been a giveaway. The Army moved in and took over the land.

It might be said, "Well, consider the number of jobs which have been provided by the arsenal." The fact of the matter is that the powder plant, enclosed in a barbed wire fence which goes around the 36,000 acres, is almost inoperative, and there are no jobs connected with it.

Representatives of the chambers of commerce and the labor unions of the towns close by have come to Washington to testify in favor of the bill.

I trust that the motion to recommit will be rejected by the resounding voice of the Senate, and that the bill will be passed this afternoon. It was reported favorably by the subcommittee and the full committee.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield myself an additional minute, and I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Does the bill as it is to be voted upon retain a reversionary clause which was in the bill as reported?

Mr. DIRKSEN. If the land is no longer used for recreational and wild-life purposes, then it will revert to the United States.

Mr. CASE of South Dakota. Does the United States also reserve the right to reenter the land, if necessary?

Mr. DIRKSEN. Oh, I think so. I think the United States reserves that right under the general law.

Mr. CASE of South Dakota. That right was also reserved in the bill as reported.

Mr. DIRKSEN. The General Services Administration went into that question thoroughly, and in a letter to the chairman of the committee, the distinguished Senator from Arkansas [Mr. McCLELLAN], dated August 3, 1959, dealt with it. Here is the significant sentence:

Therefore, GSA favors enactment of the proposed amendment of S. 747—

That was the amendment I first offered, and which was modified by the committee—

which, together with sale of the 946 acres to the State of Illinois, as discussed above, would constitute an acceptable resolution of the problem under all of the circumstances.

So the bill has the approval of the General Services Administration, which

is empowered under the statute to deal with the question of surpluses.

Mr. President, I reserve the remainder of my time.

Mr. MORSE. Mr. President, I desire to reserve my remaining 2 minutes.

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

Mr. DIRKSEN. I yield 1 minute to the Senator from Maine.

Mr. MUSKIE. I feel certain that I cannot add anything to the enlightenment of the Senate on the subject which I did not say yesterday, and which the Senator from Illinois has not added this afternoon.

I assure the Senate of the accuracy of what has been said by the distinguished junior Senator from Illinois: That the committee devoted long hours—indeed, I would say, in terms of the importance of this issue on the national scene, we have devoted a disproportionate amount of time, to the consideration of the issue before the Senate. It may be that we have not followed all the lines of inquiry which other Members of the Senate, including the senior Senator from Oregon, might have followed if they were members of the committee. I assure the Senate that we followed every line of inquiry which appeared to us to be pertinent to the resolution of the problem.

When a decision was made by the subcommittee, it was made on the basis that the members felt that we had before us all the pertinent facts, which made it possible for us to reach a judgment as to the most equitable disposition of the property. We had the benefit not only of the hearings, but also of a great deal of discussion, as has been pointed out by the junior Senator from Illinois. There was much discussion of the subject outside the formal hearings and outside the executive session, because our effort was to bring together a great many persons who were interested. At times, in order to reach them, we had to do so by telephone, by conferences in our own offices, and even by conferences in the Capitol when Senators were available. Therefore much time has been spent on the bill.

We might not have been able to answer all the conceivable questions which might have been asked. I feel certain that no matter how many hearings might have been held, additional questions would have been asked.

So far as I am concerned, I am convinced that the proposal offered in the bill is sound, and that it is in the best interest of the United States and of the people of Illinois.

Mr. LAUSCHE. Mr. President, will the Senator yield me one minute?

Mr. DIRKSEN. I yield one minute to the distinguished Senator from Ohio.

Mr. LAUSCHE. Mr. President, I had contemplated joining with the Senator from Oregon in the views which he had advanced with regard to the bill. However, I have concluded that inasmuch as the bill contains language which provides for the reversion of the ownership of the land to the U.S. Government, in the event the land is not used for recreational purposes, the transfer ought to be made. My judgment is that the U.S. Government, economically, will be better

off by having the State of Illinois own, operate, and manage the property, and spend money to preserve it as public ground.

I commend the Senator from Oregon for the good work he has done. I stand by his principle; but I do not believe it is applicable.

Mr. GRUENING. Mr. President, I should like to have 1 minute.

The PRESIDING OFFICER. One minute remains under the control of the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I yield 1 minute to the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Alaska is recognized for 1 minute.

Mr. GRUENING. Mr. President, I have great respect for the position taken by the Senator from Oregon. But I respectfully submit that this problem was a complex and difficult one to solve, and the subcommittee has, after great effort, worked out a solution.

It seems to me that the opposition by the Senator from Oregon demonstrates the accuracy of the saying that the perfect is the enemy of the good. Certainly if one wanted to be an obstructionist and wished to stop the functioning of the Government, he would only have to insist that no bill was as good as it should be, and that all the bills should be recommitted until they were made perfect.

I think this bill is an excellent one. It has the support of both the Senators from the State involved, who are of opposite political parties; the bill has likewise the support of the Governor of Illinois; and it also has the support of the conversationist organization. In fact, the bill has almost unanimous public support.

Mr. President, I share the view of the chairman of the subcommittee, the distinguished junior Senator from Maine [Mr. MUSKIE] that the bill is decidedly in the public interest. The bill will cause this very desirable program to move forward, and will provide positive and desirable action. It achieves, after protracted hearings, a reconciliation of divergent interests and achieves a positive and beneficial result. It puts land formerly little used to diverse and beneficial use.

So I hope the motion to recommit will be rejected.

The PRESIDING OFFICER. The time yielded to the Senator from Alaska has expired.

Mr. MORSE. Mr. President, I shall state very quickly two points:

First, the bill is opposed by the Department of the Army. All that Senators have had to say about the endorsement by the General Services Administration is irrelevant to the issue, because the General Services Administration has no jurisdiction over this property at this time. The property is now in the jurisdiction of the Department of the Army, and the Department of the Army has not declared the property surplus, and is opposed to the proposed transfer. The committee should make an investigation of that fact, before the Senate is asked to vote on the bill.

My second point is that not one Member of the Senate knows the value of the 1,500 acres, because they have never been appraised. Furthermore, the Bureau of the Budget has pointed out that it would be a mistake to transfer this property at this time.

The Department of the Army and the Bureau of the Budget are opposed to the proposed transfer. On the other hand, the General Services Administration favors the proposed transfer. However, the General Services Administration has no legal jurisdiction over the property at this time.

Now let me say a word in regard to what the Senator from Ohio stated: Every time such property is transferred, it is the practice to include in the bill a reversionary clause; but the only effect of the inclusion of such a clause is to decrease the value of the property, insofar as the appraisal is concerned. Whatever the property is worth, even with a reversionary clause included, certainly the taxpayers of the Nation have a right to receive from the State of Illinois, 50 percent of the appraised fair market value of the property.

Unless Senators wish to begin making a grabbag in connection with every piece of federally owned property that any Senator may wish to have revert to ownership by one of the States, from its ownership by the Federal Government, certainly Senators should vote in favor of adoption of the motion to recommit.

The PRESIDING OFFICER. All time available on the pending question has expired.

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

The PRESIDING OFFICER. The clerk will call the role.

The legislative clerk proceeded to call the roll.

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

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

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. What is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the motion of the senior Senator from Oregon [Mr. MORSE] that Senate bill 747 be recommitted, with instructions.

On this question, the yeas and nays have been ordered.

Mr. GRUENING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Alaska will state it.

Mr. GRUENING. On this question, a vote "yea" will be in favor of recommitting the bill; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. GRUENING. And a vote "nay" will be in opposition to recommitting the bill, will it not?

The PRESIDING OFFICER. That is correct.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. On this question, a vote "yea" will be to recommit the bill with instructions to report the bill to the Senate by August 18; is not that correct?

The PRESIDING OFFICER. The Senator from Oregon has correctly stated the pending question.

On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Wyoming [Mr. O'MAHONEY] is absent because of illness.

I further announce that, if present and voting, the Senator from Wyoming [Mr. O'MAHONEY] would vote "nay."

Mr. KUCHEL. I announce that the Senator from North Dakota [Mr. LANGER] is absent because of death in his family.

The result was announced—yeas 13, nays 83, as follows:

## YEAS—13

Bartlett	Morse	Stennis
Chavez	Prouty	Symington
Cooper	Proxmire	Young, Ohio
Fulbright	Russell	
Green	Scott	

## NAYS—83

Aiken	Ervin	McGee
Allott	Frear	McNamara
Anderson	Goldwater	Magnuson
Beall	Gore	Mansfield
Bennett	Gruening	Martin
Bible	Hart	Monroney
Bridges	Hartke	Morton
Bush	Hayden	Moss
Butler	Hennings	Mundt
Byrd, Va.	Hickenlooper	Murray
Byrd, W. Va.	Hill	Muskie
Cannon	Holland	Neuberger
Capehart	Hruska	Pastore
Carlson	Humphrey	Randolph
Carroll	Jackson	Robertson
Case, N.J.	Javits	Saltonstall
Case, S. Dak.	Johnson, Tex.	Schoeppel
Church	Johnston, S.C.	Smathers
Clark	Jordan	Smith
Cotton	Keating	Sparkman
Curtis	Kefauver	Talmadge
Dirksen	Kennedy	Thurmond
Dodd	Kerr	Wiley
Douglas	Kuchel	Williams, N.J.
Dworschak	Lausche	Williams, Del.
Eastland	Long	Yarborough
Ellender	McCarthy	Young, N. Dak.
Engle	McClellan	

## NOT VOTING—2

Langer O'Mahoney

So the motion of Mr. MORSE to recommit, with instructions, was rejected.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Is it in order for me to call up my next amendment?

The PRESIDING OFFICER. Is it an amendment to the committee amendment?

Mr. MORSE. Yes.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment. The amendment of the Senator from Oregon is in order.

Mr. MORSE. Mr. President, I call up my amendment to the committee amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 5, line 18, it is proposed to strike out "the sum of

\$286,638" and insert in lieu thereof "an amount equal to 50 per centum of the fair market value of the land conveyed as determined by the Administrator after appraisal of such land."

On page 6, line 7, it is proposed to strike out "and (2)" and insert in lieu thereof the following: "(2) that all oil, gas, and mineral rights in the property conveyed shall be reserved to the United States; and (3)."

On page 6, lines 19 and 20, it is proposed to strike out "without consideration."

On page 8, between lines 9 and 10, it is proposed to insert the following new subsection:

(c) The conveyance authorized to be made pursuant to subsection (a) of this section shall be conditional upon the payment by the State of Illinois to the Secretary of the Army as consideration for such conveyance of an amount equal to 50 per centum of the fair market value of the land conveyed as determined by the Secretary of the Army after appraisal of such land.

Mr. MORSE. May we have order in the Chamber, Mr. President?

The PRESIDING OFFICER. The Senator from Oregon will not proceed until the Senate is in order. Senators will please desist from conversation.

The Senator from Oregon may proceed.

Mr. MORSE. Mr. President, although somewhat bloody, but unbowed, I shall make my next attempt to try to bring the bill in line with what I think time will prove to be sound policy in the Senate.

I wish to point out that the so-called parcel 3, which Senators will find designated on the chart at the rear of the Chamber, involves 946 acres of land. This land has been declared surplus, Mr. President. The State of Illinois has agreed to pay \$286,638 for this land. If that is a fair appraised market value of the land, Mr. President, the State of Illinois has agreed to pay twice what it ought to pay. The taxpayers of the State of Illinois are being asked to pay twice what they ought to pay for that piece of land.

Mr. President, what my amendment seeks to do is apply the Morse formula to this tract of land, to require payment of only 50 percent of the appraised fair market value.

I am not going to vote, Mr. President, for a bill which seeks to exact from the people of the State of Illinois twice the value for a piece of property that we have been collecting from taxpayers of other States when surplus property has been transferred through Government agencies for park purposes, recreational purposes, and other purposes.

Mr. President, it is only fair that we cut back the price which the State of Illinois must pay for the piece of property to 50 percent of the appraised fair market value.

Mr. President, I am going to let the whole amendment go to a vote, but I understand the parliamentary situation is such that I can subsequently offer a separate amendment with respect to the matter of the reservation of mineral rights.

Senators will notice I propose in the amendment that on page 6, line 7, we

strike out "and (2)" and insert in lieu thereof the following:

(2) That all oil, gas, and mineral rights in the property conveyed shall be reserved to the United States;

Mr. President, that is a common reservation. I am surprised it is not in the bill. It illustrates, again, why I think the matter should go back to the committee for further consideration, because most respectfully, I say, in my opinion, many of these points were overlooked by the committee when the committee reported the bill to the Senate.

Let us assume a hypothetical, Mr. President. Senators may say, "Oh, it is not likely to happen," but, Mr. President, it is these possible "fact" situations which ought to cause us to insist upon writing a bill to protect these important principles. Let us assume that we transfer this property and let us assume a week thereafter oil or some other mineral of value is found on this property. The property can still be used for recreational purposes, but who will own the oil?

Mr. President, the general reversionary clause in the bill would not cover the finding of oil or the finding of other minerals for the duration of the time the State of Illinois maintained possession of the property. All I am asking is that the almost stereotyped reservation clause we provide for transfers of Federal property in such circumstances as this be written into the bill, to provide "That all oil, gas, and mineral rights in the property conveyed shall be reserved to the United States."

Third, Mr. President, we must consider the 1,500 acres I talked about a few moments ago in connection with my motion to recommit the bill. That is parcel 4 of the transfer. It is parcel 4, comprising 1,500 acres now under the jurisdiction of the Army. These 1,500 acres are not surplus. These are 1,500 acres over which the General Services Administration does not have jurisdiction at the present time. We are in effect declaring this land surplus, Mr. President, by the proposed legislation. The Bureau of the Budget does not think these 1,500 acres of land should be sold under these circumstances, Mr. President. We do not know what the land is worth. It is worth something. Whatever it is worth, Mr. President, 50 percent of its appraised fair market value ought to be paid into the Treasury of the United States.

Mr. President, the land is not worth the same amount of money it would be worth if we did not have a reservation clause, which is the point made by the Senator from Ohio, but it is very valuable property with a reservation clause attached to the transfer. Purchaser after purchaser would be very glad to buy the land with a reservation clause attached. Whatever the value of the land is with the reversionary clause attached, I take the position that we ought to ascertain the value and the taxpayers of the country ought to receive 50 percent of the appraised fair market value.

That is my case for the amendment, Mr. President. I yield the floor.

#### USE OF GREAT LAKES VESSELS ON THE OCEANS

Mr. MAGNUSON. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House on the bill, H.R. 4002, to authorize the use of Great Lakes vessels on the oceans.

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. 4002) to authorize the use of Great Lakes vessels on the oceans, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BARTLETT, Mr. ENGLE, and Mr. BUTLER conferees on the part of the Senate.

#### CONVEYANCE OF CERTAIN LANDS TO THE STATE OF ILLINOIS

The Senate resumed the consideration of the bill (S. 747) to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

Mr. MUSKIE. Mr. President, as chairman of the subcommittee I feel some obligation to comment upon the amendment offered by the distinguished Senator from Oregon [Mr. MORSE].

I should like to repeat what I said at considerable length yesterday, and that is that the proposal encompassed in Senate bill 747, as it is before the Senate today, represents a resolution of conflicting interests, and of opposing points of view relative to the disposition of this property.

The first portion of the amendment offered by the Senator from Oregon proposes to change the compensation to be received by the Treasury of the United States for parcel No. 3. Let me review again, for the benefit of Senators who were not present yesterday, the view the subcommittee took of the total problem.

As I said yesterday, we felt that we were dealing, in fact with one parcel of property. The numbers 1, 2, 3, and 4, to which we have referred in the discussion on the floor of the Senate, are simply designations for portions of the total area for purposes of convenience in referring to them. So in the subcommittee, as we considered what the United States should receive for this property, we viewed it as a whole.

Under the proposal which is implemented in part by Senate bill 747, and which will be implemented in part administratively, what would the U.S. Government receive for this property? The bids which were obtained for parcels 1 and 2 indicate that the U.S. Government would receive a minimum of \$1,050,000 by sale to private individuals for industrial development purposes.

The testimony in the committee indicated that undoubtedly the sum realized

for these two parcels would exceed that amount; but we are talking about a minimum of \$1,050,000.

With respect to parcel No. 3, the bid received by the General Services Administration from an industrialist bidder was \$286,000; and the bill provides that the State of Illinois shall pay this amount for that parcel.

The bill further provides that parcel No. 4 shall be transferred to the State of Illinois without reimbursement.

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

Mr. MUSKIE. I am happy to yield.

Mr. DOUGLAS. If the amendment of the Senator from Oregon is defeated, it is my intention to offer a clarifying amendment to make it clear that the \$286,000 to be paid by the State of Illinois will be for parcels 3 and 4; so the question of the transfer of parcel 4 without consideration will be removed.

Mr. MUSKIE. I thank the Senator for his comment.

Mr. LAUSCHE. Mr. President, will the Senator yield for a question?

Mr. MUSKIE. I am happy to yield.

Mr. LAUSCHE. Will the Senator explain why there has not been included in the proposed conveyance language which would reserve to the United States rights to minerals which might be found in the land?

Mr. MUSKIE. I shall be happy to reply to the question of the Senator from Ohio.

Such language was omitted relative to parcel No. 3, because in connection with parcel No. 3, the United States would receive full value, or \$286,000—full value as measured by the bids which had been received. The General Services Administration advised us that it was the policy of that agency in such circumstances, when the United States was receiving full value, not to reserve the oil and gas rights. This is not a policy of the subcommittee. It is a policy of long standing of the General Services Administration. I point out to the Senator from Ohio that the reservation of oil and gas rights is provided in the bill relative to parcel No. 4.

With respect to reimbursement to the U.S. Government for this entire area of land, involving some 3,946 acres, the proposal which is encompassed in part within the bill, and which will be implemented in part by administrative action, will return to the U.S. Treasury a minimum, as the committee understands, \$1,353,000.

What is the value of parcel No. 4? The acquisition cost was something like \$247,000, as I remember. I do not have the figure at the tip of my tongue. Parcel No. 4, as disclosed by the testimony before the committee, is comparable to parcel No. 3. Parcel No. 3 brought bids of \$303 an acre. If we apply that figure to parcel No. 4, parcel No. 4 is worth \$450,000.

Yesterday the distinguished Senator from Oregon [Mr. MORSE] introduced the opinion of the Army to the effect that parcel No. 4 is worth \$450 an acre, which would be a total of \$650,000. Whichever of the two figures we take, the \$450,000 or the \$650,000, obviously

the \$1,350,000 which the U.S. Government would receive is far in excess of 50 percent of the value of the total area, on the basis of such evidence as the committee had.

The Senator from Oregon says we should consider parcel No. 4 separately from parcel No. 3, as I understand, and that because parcels 1 and 2 are going to private individuals for industrial uses, the State of Illinois should receive no benefit from the sum received from the sale of those two parcels, in computing what the State of Illinois should pay for parcels 3 and 4.

The Senator from Oregon is entitled to his opinion; but the position of the committee is that we have one area of land, all of which, for 10 years, has been managed by the State of Illinois, by permission of the Department of the Interior of the U.S. Government, as a wildlife and recreational area. It has been used as one area for this single purpose by the State of Illinois; and the only reason we are concerned with this question now is that the General Services Administration must dispose of the land. So the committee faced the very practical problem of how to insure its disposition in such a way as to insure that all portions of it will be utilized for their most valuable uses.

We found that a part of it was chiefly valuable for industrial purposes, and a part for recreational purposes. We found that because a part of it had been declared surplus, and a part of it had not, the total problem could not be solved unless the subcommittee was willing to recommend legislative action to the Senate.

As I stated yesterday, members of the subcommittee have no personal interest in the question. The Senator from Alaska lives thousands of miles from Illinois. I live thousands of miles from Illinois. We invited the Senator from Illinois [Mr. DOUGLAS] to bring his people up to Maine for their recreation; but he felt that that could not be accomplished over a weekend, and that there should be some recreational areas within the State of Illinois.

None of us had any personal interest. This is a practical problem. According to the figures offered by the Army Uncle Sam will get 66 percent of the total value of this area; or, based upon the figures suggested on the basis of the value of parcel 3, he will receive 70 percent of the value of the total area.

I did not conceive the Morse formula, and I have not fought for it over the years. I am not prepared to say that this proposal is an accurate application of the Morse formula to this property, but I say that, so far as the committee is concerned, this is a good trade for the Government of the United States. It is a good trade for the taxpayers of the United States, and it is a good trade for the citizens of Illinois. I think it is a very practical solution, as I stated yesterday, of a very practical problem.

Another group of Senators considering the same problem might have come forth with some of the suggestions contained in the amendment offered by the Senator from Oregon; but I do not see

that the committee can take any other position than that the solution it has recommended, after long hours and weeks of work, is still a sound solution.

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

Mr. MUSKIE. I yield.

Mr. CARROLL. As I listened to the debate yesterday on this question a thought came to my mind, and I do not care to be raising legal questions, or what the Senator from Illinois yesterday called legal quibbles. But in the statute giving the GSA the right to sell surplus property, to dispose of it, does the statute contain certain guidelines, standards, for the sale and disposal of property?

Mr. MUSKIE. The statute to which the committee looked for guidance provides that "upon request, real property which is under the jurisdiction or control of a Federal agency and no longer required by such agency" may be transferred without reimbursement or transfer of funds if it "can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the State wherein the real property lies and is chiefly valuable for use for any such purpose."

It is a little difficult to determine what standards we are to use in measuring the value of the property. Land which might bring bids of \$1,000 an acre, as parcel No. 1 did for industrial purposes, would not bring any such bids for wildlife purposes because there is no market in the same sense that there is for industrial purposes. So dollars are not the only measure when we are trying to apply the statutory standard, and the Administrator of the GSA recognized the difficulty. As I said yesterday, he was not sure how he would resolve this problem if it came back to him for decision.

Mr. CARROLL. Will the Senator yield further?

Mr. MUSKIE. I yield.

Mr. CARROLL. One of the reasons why I raised this question is my desire to determine whether or not the General Services Administration has discretion. In other words, what is the need for statutory enactment if they have the discretion to make a determination?

Mr. MUSKIE. The General Services Administration was in the process of making such a determination, and for the purpose of establishing some objective standard, it divided this top 2,400 acres arbitrarily into three parcels for the purpose of receiving bids. It was in the process of receiving bids when the distinguished Senator from Illinois introduced the original bill, and the Senator from Illinois introduced the original bill because he was fearful that the decision of GSA might be adverse to the conservation interests in his State. When he introduced the bill, then the committee asked GSA to suspend the making of any decision under the statute, and we held hearings to determine the status of the situation, to get some guide lines for action.

May I say that the original bill provided for transfer of parcels 1, 2, and 3, without any reimbursement by the State of Illinois, but it became ap-

parent in the hearings that some of this area was chiefly valuable for industrial purposes and some of it chiefly valuable for recreational purposes.

Mr. CARROLL. Mr. President, will the Senator yield further?

Mr. MUSKIE. I yield.

Mr. CARROLL. There is a point I hope to make, because it is very important, if I may digress for a moment.

We have had Fort Logan, in Colorado. That has been one of the famous military posts since 1887. It has now been declared surplus, and we find that certain State groups have come in and are getting the property. A problem arose which is almost identical with that now confronting the Senate, where very choice land is going to certain private groups who desire to build on it a housing project which will be of tremendous profit to them in a locality where three counties want to put in a recreational area.

I commend the Senator from Illinois. Notwithstanding the guidelines heretofore given by statutory enactments and standards, I had not thought in terms of Congress acting entirely on a monetary or financial basis which sometimes runs counter and contrary to the public interest.

I say to the Senator from Oregon that this situation obtains right in my area today, where we have three counties, none of which has the financial capacity to move into an area involving some 100 or 200 acres, and we know of a private group which can come in.

Here is an area that is used for recreational purposes. It is needed for recreational purposes, and I had not thought about this problem until I heard the discussion in the debate yesterday and I wondered how it could be handled, and I see the Senator from Illinois has provided for it in the bill.

I pose the last question. If the bill becomes law, then, notwithstanding the previous statute, will it be mandatory on the General Services Administrator to follow the mandate of Congress?

Mr. MUSKIE. If this becomes law it will be mandatory upon payment by the State of Illinois of the amount required of it by the bill.

Mr. CARROLL. And notwithstanding the previous standards which we delegated to the General Services Administrator, not only will there be a discretion but a mandate to follow this statutory enactment?

Mr. MUSKIE. The Senator is correct.

Mr. CARROLL. Will the Senator yield further?

Mr. MUSKIE. I am happy to.

Mr. CARROLL. I wish to say to the distinguished Senator from Oregon that he has performed a great service here, notwithstanding the vote, and I do not know what the vote was. The Senator from Oregon has presented on this issue, as clarified for the RECORD, a fine legal argument which has been very helpful to the junior Senator from Colorado, and while I cannot agree with his legal position, I understand the nature of it, and I also join in commending the distinguished Senator from Illinois because it has now given us an

opportunity to find out how these things can be accomplished without monetary and financial considerations.

I thank the Senator from Maine also for his very clear, lucid presentation of this very involved issue.

#### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, we expect to bring up tomorrow Order No. 533, Senate 812. I have discussed this with the author of the bill, the Senator from Minnesota [Mr. HUMPHREY], and the chairman of the subcommittee [Mr. RANDOLPH] and the distinguished minority leader [Mr. DIRKSEN]. We would like to have the Senate convene early tomorrow and have a consent agreement when this bill is taken up.

I have an agreement with the Senators I have mentioned. Therefore I ask unanimous consent that during the consideration of S. 819 there be 3 hours for debate, to be equally divided, and 30 minutes on amendments, to be equally divided.

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

The unanimous-consent agreement, as subsequently reduced to writing, is as follows:

*Ordered*, That during the consideration of the bill (S. 812), the Youth Conservation Act of 1959, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. DIRKSEN. Mr. President, will the majority leader yield?

Mr. JOHNSON of Texas. I yield.

Mr. DIRKSEN. It is my understanding that we will have votes on two treaties on the Executive Calendar tonight. Is that correct?

Mr. JOHNSON of Texas. That is correct. We hoped to do it immediately following the last yeas-and-nays vote, but we were unable to get all the Senators interested then. We would like to have the votes this evening as quickly as we can get to them. The treaties are non-controversial. We anticipate that they will be acted upon unanimously, but we do have to have yeas and nays on treaties.

Mr. MORSE. May I be informed what the unanimous-consent agreement is about?

Mr. JOHNSON of Texas. The unanimous-consent agreement that was entered into?

Mr. MORSE. I did not understand what agreement we had entered into.

Mr. JOHNSON of Texas. It related to Order 533, Senate bill 812, the bill of the Senator from Minnesota [Mr. HUMPHREY].

Mr. MORSE. Very well. I thank the Senator from Texas.

Mr. JOHNSON of Texas. We will have a very brief statement on the treaties, and then we will bring them up.

I might also say that if I could work out a unanimous-consent agreement, I should like to take up the bill from the Finance Committee some day when it is agreeable to the Senator.

Mr. President, if I could, and if it would suit the convenience of the Members of the Senate, I should like to suggest that on the Teague bill, the veterans' bill that was reported by the Finance Committee today, we have a unanimous-consent agreement, when we bring it up, of 3 hours on the bill, to be equally divided, and 1 hour on each amendment, to be equally divided.

Mr. KEATING. Reserving the right to object, Mr. President, and I have no objection to that, I do not understand the majority leader's unanimous-consent request to have anything to do with the rule of germaneness.

Mr. JOHNSON of Texas. The provision of germaneness is contained in all unanimous-consent agreements when they are reduced to writing. We have a standard form—

Mr. KEATING. I am familiar with the standard form. When was it planned to take up this bill?

Mr. JOHNSON of Texas. The Committee on Finance, of which the distinguished Senator from Virginia [Mr. BYRD] is the chairman, is of the opinion that if the Senate could convene at 10 o'clock tomorrow morning, action could be completed on the bill by tomorrow afternoon. I am very desirous to have the Senate go over from Thursday until Monday. I have found that by having the intervening days open, Senators are enabled to visit their States, handle their mail, and take care of appointments. I think that much time is gained by having the Senate go over from Thursday until Monday.

Mr. KEATING. And important committee meetings also can be held on Friday.

Mr. JOHNSON of Texas. Yes; that is true. I am fearful that in the last days of the session—whenever we reach that time, and it may be that we are approaching it now—it will be necessary for us to be here some evenings and to come in early, and also to hold some Saturday sessions. But the committees have not yet produced a housing bill, and a road bill. The labor bill will probably go to conference, and some time will be spent on the labor bill conference report.

A civil rights bill has not yet been reported. So until those bills are ready for action by the Senate, I intend to try to have the Senate go over from Thursday until Monday, if I can get unanimous consent agreements on the other bills and if the Senate will act upon them.

Mr. KEATING. The majority leader is very persuasive. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, reduced to writing, is as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That during the consideration of H.R. 7650, relating to a modification of veterans' pension programs, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. JOHNSON of Texas. Another bill reported by the Committee on Finance, which I desire to call to the attention of the Senate, is S. 2524, Calendar No. 665, a bill relating to the power of the States to impose net income taxes on income derived from interstate commerce.

I ask unanimous consent that during the consideration of Calendar No. 665, S. 2524, which we will attempt to have follow action on the veterans' bill, there be not to exceed 2 hours on the bill and not to exceed 30 minutes on each amendment, the time to be equally divided.

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

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I should like to ask the Senator from Virginia, through the Senator from Texas, whether this is the bill which carries out or comes near to carrying out some of the recommendations of the Select Committee on Small Business, which go back to some of the Supreme Court decisions on taxes of small businesses for business within a State, although the business is interstate commerce?

Mr. BYRD of Virginia. That is correct. It is a bill which will prevent the taxation of interstate commerce, for example, when a salesman goes into a State. The purpose of the bill is to correct, to some extent, the Supreme Court decisions.

Mr. JAVITS. I thank the Senator from Virginia. I hope the bill can be brought up.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Texas? The Chair hears none, and it is so ordered.

The unanimous-consent request, reduced to writing, is as follows:

#### UNANIMOUS-CONSENT AGREEMENT

*Ordered*, That during the consideration of the bill S. 2524, relating to the power of the

States to impose net income taxes on income derived from interstate commerce, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

*Ordered further*, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

#### ORDER FOR ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

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

Mr. JAVITS. Mr. President, do I understand that the Committee on Banking and Currency has unanimous consent to meet notwithstanding the early hour for the convening of the Senate tomorrow?

The PRESIDING OFFICER. Unanimous consent was granted earlier for that purpose.

Mr. JAVITS. I thank the Chair.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I desire to modify that order and ask that the Senate convene at 9:30 a.m. tomorrow. I am informed that two Senators desire to make speeches which do not relate to any of the bills I have mentioned. They desire to make their speeches in the morning. We can have the regular morning hour; then there will probably be more than an hour during which the Senators can speak, before the Senate begins to consider any of the bills about which agreements have been reached.

I therefore ask unanimous consent to modify the order, so as to provide that the Senate will convene at 9:30 tomorrow morning, if that is agreeable.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas to modify the order so as to modify the order so as to provide that the hour of convening tomorrow will be 9:30 a.m.? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I anticipate that there will be a delay in the consideration of the bills tomorrow morning of about an hour, while Senators deliver their speeches. Senators may understand that their presence on the floor will not be required

before 10:30—except those who desire to make speeches.

Mr. KEATING. Or who desire to listen to them.

Mr. JOHNSON of Texas. Then we will take up the bills as I have outlined them. If it is possible to conclude action on the bills, we will go over from Thursday until Monday.

#### CONVEYANCE OF CERTAIN LANDS TO THE STATE OF ILLINOIS

The Senate resumed the consideration of the bill (S. 747) to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

Mr. MORSE. Mr. President—  
Mr. JOHNSON of Texas. Mr. President, will the Senator from Oregon indicate how long he may take?

Mr. MORSE. I could not indicate that with accuracy; not very long.

Mr. President, I wish to reply to the Senator from Maine [Mr. MUSKIE] and then to comment on the statement of the Senator from Colorado [Mr. CARROLL].

The more I listen to the members of the committee explain the theories they have followed in connection with reaching their decision, the clearer it becomes to me that the Senate made a great mistake in not sending the bill back to committee. The argument of the Senator from Maine is a very interesting one, indeed. He thinks the committee made a pretty good trade. The people of Illinois got a good trade, but the people of the United States lost, I think, somewhere between \$200,000 and \$250,000 in the trade. I think the record will sustain my view on that point.

Let us consider the theory of the committee. Parcels 1 and 2 are being sold for industrial purposes. Parcels 1 and 2 are being sold to private purchasers. Parcels 1 and 2 have nothing to do with the State of Illinois. The State of Illinois has no interest or claim in those parcels. I respectfully submit that if those parcels are chiefly valuable for commercial and industrial purposes, then they should be sold for industrial purposes, and are being sold for industrial purposes.

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

Mr. MORSE. I yield.

Mr. MUSKIE. I think it should be indicated that parcels 1 and 2, if the bill shall not be enacted, will not necessarily—at least so far as any Executive or administrative or legislative decision which has been made up to this point is concerned—be sold for industrial purposes, unless the legislation and the proposition of which it is a part are implemented.

It may very well be—and the Senator from Oregon is entitled to speculate—that if the bill fails, and if jurisdiction over parcels 1, 2, and 3 revert to the General Services Administration, some part or all of the three parcels may go for industrial purposes; but within the discretion of the Administrator of General Services, they could also go for wildlife and recreation purposes.

So I do not think it is strictly accurate to suggest that parcels 1 and 2 will go for industrial purposes and should be excluded from the consideration of the subcommittee and the Senate as we considered the disposition of this entire area.

Mr. MORSE. I think the conclusion just expressed by the Senator from Maine is a very unsound one, on the basis of what has already taken place in regard to this property. Parcels 1 and 2 are surplus. They have been declared surplus. Under the law, it is the duty of the General Services Administration to dispose of parcels 1 and 2. The General Services Administration has already considered bids for these properties for industrial purposes.

I respectfully point out to the Senator from Maine that it is not reasonable to assume that the Director of General Services will now offer this property for nonindustrial purposes.

He has been considering its use for industrial purposes; he has received bids for its use for industrial purposes; and the debate shows that he is requesting further bids, because he does not believe the bids already received are high enough.

This property is within 45 minutes of the Chicago Loop, and is highly valuable. I think there is every reason to assume that this very valuable property will be sold for at least the amount already bid for it. In all probability it will be sold for more than that; and we should note that the bids made thus far are based upon its industrial and commercial value.

Therefore, although the General Services Administration has not yet made a finding, under the law, in regard to the chief value of the property, although the committee should have done what it could to obtain such a finding, and I say respectfully that the committee should not have reported the bill until it had that knowledge. To argue that the Senate has a right to consider the value of parcels 1 and 2, in connection with its determination of the value which Illinois should receive for parcel 4, is a good example of an illogical and poor argument.

Parcels 1 and 2 have been declared surplus. Parcel 4 has never been declared surplus. We should wait until the status of parcel 4 is determined.

But be that as it may, I think there is no question about the fact that the bids for parcels 1 and 2 were made by private concerns who were interested in using the property for industrial purposes; and there is quite strong evidence that those parts of the property are valuable for use for industrial purposes.

If the Senator from Maine thinks the Senate should wait until the General Services Administration determines what the chief value of that property is, then the Senator from Maine could well move that the vote be postponed until that determination has been made. But the Senator from Maine should not attempt to argue both ways; he should not attempt to argue that parcels 3 and 4 should be transferred to Illinois, and that then the Senate should consider the question of the price which should be

paid by Illinois for parcels 1 and 2, and, in connection with that determination, should include in the calculation the amount which private concerns are willing to pay for parcels 1 and 2. It is at that point that the Senator from Maine uses arithmetic which would do great damage to the interests of the taxpayers of the Nation as a whole, and would give undue advantage to the taxpayers of Illinois.

Mr. MUSKIE. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I yield.

Mr. MUSKIE. Let me say that I am not interested in imposing my will upon that of any other Member of the Senate. During the last 8 months, I have observed, without making much comment, the operations here on the floor of the Senate; and I realize that any Senator who attempted to impose his will upon that of another Member of the Senate would be fighting a losing battle.

My observation in regard to parcels 1 and 2 is that the Senator from Oregon has been criticizing the committee severely because he says it has not obtained evidence, and has made decisions which were not based upon facts.

I am simply saying to the Senator from Oregon that it is a fact that no one, independent of the committee's recommendation and independent of whatever action the Senate may take on this matter, has decided in any binding way that parcels 1 and 2 will be sold, or should be sold, for use for industrial purposes.

I said that it is perfectly fair for the Senator from Oregon to make any assumptions he thinks the record supports; but I say to him that it was equally fair for the subcommittee to make such assumptions as it felt were supported by the record.

What we are dealing with here is a compromise, and I do not attempt to disguise it as being anything else. It is a compromise; it is an attempt to resolve the conflicting interests of people who have good intentions and who have in mind the best interests of the State of Illinois.

It is quite evident to the committee, and I think it is evident to the Senator from Oregon, that parts of this area are chiefly valuable for use for industrial purposes. When the decision is made—either by the Senate, in connection with the action it takes on this measure, or by the Administrator of the General Services Administration, if he becomes the one to make the decision—undoubtedly some part of this area will be sold for use for industrial purposes; and I am not interested in semantics which would confuse that point.

But it is equally clear that some portion of the property should be used for recreational and conservation purposes, although it is not likely to be used for those purposes, or it will be less likely to be used for those purposes, if the Senate does not make a decision in regard to that matter, for the reason that parcel 3 contains only 946 acres, which, in terms of the use to which the area is to be put, is not sufficient acreage to permit a decent job to be done in order to serve the recreational and conservation and wildlife needs.

Therefore, in order to make available an area large enough for those purposes, we felt it wise to include an additional 1,500 acres which are controlled by, and are held by, the Army, but which we believe the Army does not have sufficient need for, to warrant giving priority to the purpose or the use the Army has in mind for the property.

Mr. MORSE. Mr. President, the Senator from Maine does not change a single fact by calling the proposal now before us a compromise.

But let us consider the so-called negotiated statement which the two Senators from Illinois, the Governor of Illinois, and the General Services Administration are trying to work out prior—as the Senator from Maine says—to any determination by the General Services Administration of the chief value of the property. The so-called negotiated settlement was based upon treating parcels 1 and 2 as chiefly valuable for use for industrial purposes. Otherwise, no bids, in terms of use for industrial purposes, would have been made.

But the whole negotiated settlement which the Senator from Maine calls a compromise is based primarily upon the commercial value of parcels 1 and 2. The Senator from Maine has already said, in stating his side of this issue, that even under the so-called negotiated settlement, the General Services Administrator is not willing to accept the bids which have been made, because apparently he thinks higher bids should have been made. He is willing to call for further bids—all of which strengthens my argument that this property, which is only 45 minutes from the Chicago Loop, is highly valuable for use for industrial purposes. The added amount which would be paid for the property, for use for industrial purposes, should be received by the taxpayers of the whole Nation.

So I do not propose to vote for a bill which would shortchange the taxpayers of the Nation, by causing less than the value of the property to be received. That is my position.

As for parcel 3, I say Illinois would be paying 50 percent too much for it, because the assumption is that under the negotiated settlement, that part of the property would be used for park purposes. But I do not believe there should be a fee simple transfer of that part of the property to Illinois. I think the Federal interest in the property is such that the area contiguous to parcel 4 should also be included in the park area, and the totality should be subject to reversion to ownership by the Federal Government in case Illinois ceases to use the land for park purposes.

That is one reason why I believe Illinois should pay only 50 percent of the appraised fair market value of the property, and that the standard clause reserving oil and mineral rights should be included both as to this part of the property and parcel 4.

What I wish to ascertain—but it cannot be ascertained until further consideration by the committee is given to it—is what parcel 4 really is worth. Whether the 1,500 acres are worth what

the Army claims, namely, \$450 an acre; or whether they are worth what the committee apparently assumed, namely, \$303 an acre is my question. I do not know what those 1,500 acres are worth, and I am satisfied that the committee does not know.

All I am trying to do is get the Senate to recognize that the only land over which it has jurisdiction, in connection with the pending question, is the land in parcels 3 and 4, because parcels 1 and 2 are to all intents and purposes, being treated, under the so-called negotiated settlement, as industrial property; and the taxpayers of the Nation are entitled to have a fair value amount paid for that part of the area. But I do not intend to agree that parcels 1 and 2 be included in the calculations of what the people of Illinois should pay for parcels 3 and 4, because parcels 1 and 2 will be purchased by private parties. It would not be proper to add what the private parties pay for that part of the property to the value of parcels 3 and 4, and thereby reduce the amount which Illinois would pay for them.

We are merely confronted with a simple problem of arithmetic.

The Senator from Maine is trying to cut down on the Morse formula, by giving the people of Illinois the benefit of the high industrial-use price which private parties will pay for parcels 1 and 2, thereby reducing the amount which the people of Illinois would pay for the rest of the property.

Let me say that if such a principle were ever to be established by the Senate, it would invite various persons to search the records for comparable factual situations relative to Federal property. They would then attempt to have the Senate consider proposed legislation which would reduce the cost to the people of their State, by including in the calculations the amount which private purchasers would pay for property which would have a great deal of value for use for industrial purposes.

It is wrong in principle. It is wrong in its results. It is not fair to the people who own the property. Those people are not the people of Illinois alone, but the people of the entire Nation, including the people of Illinois.

That is my case at the present moment.

I yield to the majority leader.

#### ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, there are a number of Senators who are not participating in this debate, but who want to be recorded on two yeas-and-nays votes. I want as many Senators to be able to vote on a call of the roll as possible. Therefore, I ask unanimous consent that the Senate proceed to the consideration of the two treaties on the Executive Calendar, so we may have those yeas-and-nays votes. Then we may continue with this present discussion as long as Senators may desire to speak.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

## EXECUTIVE SESSION

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of executive business, and the clerk will state the first treaty on the Executive Calendar.

Mr. JOHNSON of Texas. Mr. President, there are two executive agreements before the Senate. I understand there is no opposition to them, and I ask unanimous consent that one ye-and-nay vote may be taken on the two treaties, the vote to apply to each.

The PRESIDING OFFICER. Is there objection to having one ye-and-nay vote applied to both treaties? The Chair hears none, and it is so ordered.

## THE TELEGRAPH REGULATIONS

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of Executive G, 86th Congress, 1st session.

The Senate, as in Committee of the Whole, proceeded to consider Executive G (86th Cong., 1st sess.), the Telegraph Regulations (Geneva Revision, 1959) with final protocol to those regulations (Ex. G, 86th Cong., 1st sess.), signed for the United States at Geneva on November 29, 1958, which was read the second time, as follows:

## FINAL PROTOCOL TO THE TELEGRAPH REGULATIONS (GENEVA REVISION, 1958)—ANNEXED TO THE INTERNATIONAL TELECOMMUNICATION CONVENTION (BUENOS AIRES, 1952)

At the time of signing the Telegraph Regulations annexed to the International Telecommunication Convention, the undersigned delegates take note of the following statements:

For Belgium, France, Luxembourg, Netherlands, Federal German Republic:

"In signing the present Telegraph Regulations, the delegates of Belgium, France, Luxembourg, the Netherlands and the Federal German Republic once more express regret:

"That the Geneva Telegraph Conference did not consider it necessary to accept the figures reached by the C.C.I.T.T. as a result of costing studies of European transit rates;

"That the said Conference also refused to allow Administrations in the European tariff system the complete freedom existing in the extra-European system as far as rates are concerned.

"In these circumstances, they formally reserve the right of their Administrations to fix terminal and transit charges at their own convenience; hence, they do not undertake to accept any obligations whatsoever deriving from the provisions of article 8 of the Regulations." (Original: French.)

For Belgium, France, Luxembourg, the Netherlands, Federal German Republic:

"When signing the present Telegraph Regulations, the delegates of Belgium, France, Luxembourg, the Netherlands, and the Federal German Republic wish to state they reserve the positions of their respective Administrations with regard to the possible application of some of the provisions of Chapter XXV (Phototelegraph Service)." (Original: French.)

For China:

"In signing the present Telegraph Regulations the delegation of China declares to reserve the right of not undertaking the provisions of article 44 section 3 in its entirety in view of the fact that telegrams in four figure groups taken direct from the official telegraph dictionary of the Chinese Administration, which has been admitted as plain language, are never collated in the Chinese system." (Original: English.)

For the Republic of Colombia:

"The Delegation of the Republic of Colombia, at the time of signing the Telegraph Regulations, declares that it does not accept any obligation imposed by article 7, section 4, on parity of rates in the two directions, or by section 6, on monetary equivalents.

"In addition, the Delegation declares that it reserves the right to establish a minimum of less than fourteen (14) words for press telegrams (art. 7, sec. 3, of the Regulations)." (Original: Spanish.)

"The Delegation of the Republic of Colombia, in signing the Telegraph Regulations, declares that it does not accept that terminal and transit rates can be fixed by private operating agencies, with respect to Colombia, and it therefore submits a reservation regarding article 9, section 1, of the said Regulations." (Original: Spanish.)

For the Republics of Colombia and Venezuela:

"The delegations of the Republics of Colombia and Venezuela at the time of signing the Telegraph Regulations, declare that they cannot accept any undertaking whatsoever in respect of the minimum of fourteen (14) words for press telegrams (art. 67, sec. 4)." (Original: Spanish.)

For the United States of America:

"1. The United States of America formally declares that the United States of America does not, by signature of the Telegraph Regulations (Geneva Revision, 1958) on its behalf, or by ratification thereof, accept any obligation in respect of the application of any provision of the Regulations to service within the United States with respect to telegrams between the United States, on the one hand, and Canada, Mexico, and Saint-Pierre and Miquelon Islands, on the other hand, and to the rates applicable to such service.

"2. The United States of America formally declares that the United States of America does not accept the authority in article 85 of the Telegraph Regulations (Geneva Revision, 1958) to restrict the reception of radio-communications, and it expresses the hope that other Administrations will not exercise such authority.

"3. The United States of America formally declares that the United States of America will permit press rates to be accorded press queries, press orders, and press administrative messages sent from the United States of America, and expresses the hope that other Administrations will permit press rates to be accorded press queries, press orders, and press administrative messages.

"4. The United States of America formally declares that the United States of America does not accept any obligation in respect of the application of any provision of the Telegraph Regulations (Geneva Revision, 1958) to service over telecommunication channels other than those open to public correspondence.

"5. The United States of America formally declares that the United States of America does not, by signature of the Telegraph Regulations (Geneva Revision, 1958) on its behalf or by ratification thereof, accept any obligation in respect of the following provisions of the said Regulations: Article 20, section 3, insofar as the paragraph prohibits the admission of message texts containing groups made up of combinations of letters, figures or signs which have a secret meaning, produced by automatic cryptographic processes; article 7; article 9; article 10; article 11; article 12, sections 2 and 3; article 16, section 5, in reference to the figure case symbols for signals numbered 22 and 26; article 48; article 49; article 50, section 2; article 52, section 1; article 53, section 4(1); article 59; article 83, section 5; article 67, sections 1, 2, and 6; article 70, section 7(1); article 80, section 5; article 88, section 1 p); article 89, section 3; article 91, (1); article 94, section

6; article 101, section 5; and appendix 2." (Original: English.)

For the Republic of Indonesia:

"In signing the present Telegraph Regulations on behalf of the Administration of the Republic of Indonesia, the Indonesian delegation to the Administrative Telegraph and Telephone Conference, Geneva 1958, reserves its rights with respect to the use by the public of the cross or addition sign." (Original: English.)

For Mexico:

"In signing the Telegraph Regulations the delegation of Mexico declares that it does not accept any obligation in respect of the establishment of parity of rates in the two directions provided for in article 7, section 4, and reserves the right to apply, whenever necessary, the provisions of article 7, section 3." (Original: Spanish.)

"In signing the Telegraph Regulations, the Delegation of Mexico reserves the right to apply the Recommendations of the C.C.I.T.T. insofar as they may solve both problems of a world-wide international character and specific regional requirements." (Original: Spanish.)

For the United Kingdom of Great Britain and Northern Ireland:

"We declare that our signatures in respect of the United Kingdom of Great Britain and Northern Ireland cover the Channel Islands and the Isle of Man." (Original: English.)

In witness whereof, the undersigned delegates have drafted the present Protocol and have signed it, in a single copy, which shall remain deposited in the archives of the International Telecommunication Union, which shall forward one certified copy to each of the signatory countries.

Done at Geneva, the 29th of November 1958.

(The signatures follow:)

(The signatures following the Final Protocol are the same as those which follow the Telegraph Regulations.)

Mr. JOHNSON of Texas. Mr. President, the proposed Telegraph Regulations—Geneva Revision, 1958—with final protocol to those regulations, was signed for the United States at Geneva on November 29, 1958. The main purpose of the Telegraph Regulations is to provide an operating manual for international telegraph service by wire, cable, and radio throughout the world.

For the most part, the Telegraph Regulations now under consideration contain no important substantive changes from the regulations adopted at Paris in 1949, and ratified by the Senate on September 26, 1950.

The Committee on Foreign Relations has satisfied itself that the telegraph industry and interested Government departments were carefully consulted prior to and during the course of the negotiations of these Telegraph Regulations, and have been given adequate opportunity to file any objections. In addition, the committee ascertained that the acceptance of the Telegraph Regulations would not involve any additional administrative expenses to agencies of this Government, nor would it increase to this Government the annual cost of our participation in the International Telecommunications Union.

The committee was advised that 64 nations have signed the Telegraph Regulations, which shall enter into force on January 1, 1960, in respect of those countries which by that date have taken necessary action to become parties thereto.

The committee believes that early ratification of the pending Telegraph Regulations, subject to the reservations and declarations set forth, is in the public interest.

Mr. President, several clerical and typographical errors appear in the print of Executive G, 86th Congress, 1st session, the pending Telegraph Regulations—Geneva Revision, 1958—with final protocol to those regulations which now is before the Senate. In order that these errors may be corrected, I ask unanimous consent that the following changes be made at the desk:

At page 4a in declaration No. 5, after article 7, insert "except section 3"; and strike out the figure "94" and insert in lieu thereof the figure "95."

The PRESIDING OFFICER. Without objection, the corrections will be made.

Without objection, Executive G, 86th Congress, 1st session, will be considered as having passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will read.

The legislative clerk read as follows:

*Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the ratification of Executive G, 86th Congress, 1st session, the Telegraph Regulations (Geneva Revision, 1958) with Final Protocol to those regulations, subject to the declarations set forth below:

1. The United States of America formally declares that the United States of America does not, by signature of the Telegraph Regulations (Geneva Revision, 1958) on its behalf, or by ratification thereof, accept any obligation in respect of the application of any provision of regulations to service within the United States with respect to telegrams between the United States, on the one hand, and Canada, Mexico, and Saint-Pierre and Miquelon Islands, on the other hand, and to the rates applicable to such service.

2. The United States of America formally declares that the United States of America does not accept the authority in article 85 of the Telegraph Regulations (Geneva Revision, 1958) to restrict the reception of radio-communications, and it expresses the hope that other administrations will not exercise such authority.

3. The United States of America formally declares that the United States of America will permit press rates to be accorded press queries, press orders, and press administrative messages sent from the United States of America, and expresses the hope that other administrations will permit press rates to be accorded press queries, press orders, and press administrative messages.

4. The United States of America formally declares that the United States of America does not accept any obligation in respect of the application of any provision of the Telegraph Regulations (Geneva Revision, 1958) to service over telecommunication channels other than those open to public correspondence.

5. The United States of America formally declares that the United States of America does not, by signature of the Telegraph Regulations (Geneva Revision, 1958) on its behalf or by ratification thereof, accept any obligation in respect of the following provisions of the said regulations: Article 20, section 3, insofar as the paragraph prohibits the admission of message texts containing groups made up of combinations of letters, figures or signs which have a secret meaning, produced by automatic cryptographic processes; article 7, except section 3; article 9; article 10; article 11; article 12,

sections 2 and 3; article 16, section 5, in reference to the figure case symbols for signals numbered 22 and 26; article 48; article 49; article 50, section 2; article 52, section 1; article 53, section 4(1); article 59; article 83, section 5; article 87, sections 1, 2 and 6; article 70, section 7(1); article 80, section 5; article 88, sections 1(a) (1) 2, 3, 4; article 88, section 1(p); article 89, section 1; article 89, section 3; article 91, section 1; article 95, section 6; article 97, section 1 (2); article 101, section 5; and appendix 2.

#### TAX CONVENTION WITH NORWAY

The PRESIDING OFFICER. The Senate will now proceed to the consideration of Executive D (85th Cong., 1st sess.).

The Senate, as in Committee of the Whole, proceeded to consider Executive D, 85th Congress, 1st session, the convention between the United States of America and Norway, signed at Oslo on July 10, 1958, modifying and supplementing the convention of June 13, 1949, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, which was read the second time, as follows:

#### CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND NORWAY MODIFYING AND SUPPLEMENTING THE CONVENTION OF JUNE 13, 1949, FOR THE AVOIDANCE OF DOUBLE TAXATION AND THE PREVENTION OF FISCAL EVASION WITH RESPECT TO TAXES ON INCOME

The President of the United States of America and His Majesty the King of Norway, desiring to modify and supplement in certain respects the Convention for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on June 13, 1949, have decided to conclude a supplementary Convention for that purpose and have appointed as their Plenipotentiaries:

The President of the United States of America: Frances E. Willis, Ambassador extraordinary and plenipotentiary of the United States of America to Norway, and His Majesty the King of Norway: Halvard Lange, Minister of Foreign Affairs, who, having communicated to one another their full powers, found in good and due form, have agreed as follows:

#### ARTICLE I

The Provisions of the Convention of June 13, 1949, are modified and supplemented by inserting immediately after article VI thereof the following new article:

#### "ARTICLE VI-A

"(1) The rate of United States tax on dividends received from a United States corporation by a resident or corporation or other entity of Norway, not engaged in trade or business in the United States through a permanent establishment therein at any time during the taxable year, shall not exceed 15 percent. The rate shall, however, not exceed 5 percent in the case of such dividends received by a Norwegian corporation if (a) during the part of the United States corporation's taxable year preceding the payment of the dividend and during the whole of the prior taxable year, such Norwegian corporation either alone or in association with not more than three other Norwegian corporations owned more than 50 percent of the voting stock of the United States corporation, provided each Norwegian corporation owned at least 10 percent of the voting stock of the United States corporation, and (b) not more than 25 percent of the gross income of the United States corporation for the taxable year immediately preceding the payment of the dividend is derived from interest and dividends other than interest and dividends received from its subsidiary corporations.

"(2) The provisions of the preceding paragraph shall apply, mutatis mutandis, in the case of dividends received from a Norwegian corporation by a resident or corporation or other entity of the United States.

"(3) Dividends paid by a Norwegian corporation shall be exempt from United States tax except where the recipient is a citizen, resident, or corporation of the United States.

"(4) Dividends paid by a United States corporation shall be exempt from Norwegian tax except where the recipient is a resident or corporation of Norway."

#### ARTICLE II

(1) The present supplementary Convention shall be ratified and the instruments of ratification shall be exchanged at Washington as soon as possible.

(2) The present supplementary Convention shall, upon exchange of instruments of ratification, become effective with respect to taxable years beginning on or after the first day of January following the calendar year in which such exchange takes place. It shall continue effective indefinitely as though it were an integral part of the Convention of June 13, 1949, subject to the provisions of article XXII of that Convention with respect to termination.

DONE at Oslo, in duplicate, in the English and Norwegian languages, the two texts having equal authenticity, this tenth day of July 1958.

For the President of the United States of America:

[SEAL] FRANCIS E. WILLIS.  
For His Majesty the King of Norway:  
[SEAL] HALVARD LANGE.

Mr. JOHNSON of Texas. Mr. President, the pending convention was transmitted to the Senate by the President on August 14, 1958. In July 1959, the chairman of the Foreign Relations Committee asked the staff of the Joint Committee on Internal Revenue Taxation to analyze and report on the convention. On August 10, the chief of staff of that committee, Mr. Colin F. Stam, reported that in general the convention is—"in accord with the principles underlying the provisions of existing tax conventions which the Senate has previously approved."

On the following day the Committee on Foreign Relations held a public hearing at which time supporting testimony was received from National Foreign Trade Council and the Department of the Treasury. No opposition to the convention has been brought to the committee's attention.

The convention would add to the 1949 convention between the United States and Norway a new article relating to the income-tax treatment of dividends. It appears that although the sums of money involved under the modifying provisions will be small, the net effect will be a slight increase in the revenue of the U.S. Treasury.

The PRESIDING OFFICER. Without objection, Executive D (85th Cong., 1st sess.), will be considered as having passed through its various parliamentary stages up to the point of the consideration of the resolution of ratification, which the clerk will read.

The legislative clerk read as follows:

*Resolved, two thirds of the Senators present concurring therein*, That the Senate advise and consent to the ratification of Executive D, 85th Congress, 2d session, the Convention between the United States of America and Norway, signed at Oslo on July 10, 1958, modifying and supplementing the

Convention of June 13, 1949, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

The PRESIDING OFFICER. The question is on agreeing to the respective resolutions of ratification, as amended. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.  
Mr. MANSFIELD. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from Montana [Mr. MURRAY] are absent on official business.

I also announce that the Senator from Wyoming [Mr. O'MAHONEY] is absent because of illness.

I further announce that, if present and voting, the Senator from Louisiana [Mr. ELLENDER], the Senator from Montana [Mr. MURRAY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from North Dakota [Mr. LANGER] is absent because of death in his family.

The Senator from Arizona [Mr. GOLDWATER] is detained on official business, and, if present and voting, would vote "yea."

The result was announced—yeas 93, nays 0, as follows:

## YEAS—93

Aiken	Frear	Mansfield
Allott	Fulbright	Martin
Anderson	Gore	Monroney
Bartlett	Green	Morse
Beall	Gruening	Morton
Bennett	Hart	Moss
Bible	Hartke	Mundt
Bridges	Hayden	Muskie
Bush	Hennings	Neuberger
Butler	Hickenlooper	Pastore
Byrd, Va.	Hill	Prouty
Byrd, W. Va.	Holland	Proxmire
Cannon	Hruska	Randolph
Capewhart	Humphrey	Robertson
Carlson	Jackson	Russell
Carroll	Javits	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Scott
Chavez	Jordan	Smathers
Church	Keating	Smith
Clark	Kefauver	Sparkman
Cooper	Kennedy	Stennis
Cotton	Kerr	Symington
Curtis	Kuchel	Talmadge
Dirksen	Lausche	Thurmond
Dodd	Long	Wiley
Douglas	McCarthy	Williams, N. J.
Dworshak	McClellan	Williams, Del.
Eastland	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Magnuson	Young, Ohio

## NAYS—0

## NOT VOTING—5

Ellender	Langer	O'Mahoney
Goldwater	Murray	

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolutions of ratification of Executives G and D are deemed to have been agreed to by the same vote.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified that the Senate has today agreed to the resolutions of ratification of the treaties on the Executive Calendar today.

The PRESIDING OFFICER. Without objection, the President of the United States will be notified forthwith of the approval by the Senate this afternoon

of the resolution of ratification of each of the treaties.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the resolutions of ratification of the treaties were agreed to.

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

The motion to lay on the table was agreed to.

## LEGISLATIVE SESSION

Mr. JOHNSON of Texas. 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.

## FORTHCOMING VISIT TO THE UNITED STATES BY SOVIET PREMIER NIKITA S. KHRUSHCHEV

Mr. GORE. Mr. President, on August 3, 1959, the President of the United States announced that he had invited Mr. Nikita Khrushchev, Premier of the Union of Soviet Socialist Republics, to make an official visit to the United States and that the President had accepted an invitation to make a return visit to Russia. Undoubtedly, there are valid reasons why the President issued the invitation and accepted the Soviet leader's invitation for a return visit. The advice of the Senate was not sought and, insofar as I am informed, advice was not sought from any Member of the Senate.

The decision to invite Mr. Khrushchev was made by President Eisenhower, which was his constitutional right. It is not the purpose of the junior Senator from Tennessee at this time to measure the wisdom of the President's decision, though in the interest of candor I should go so far as to say that my own sentiments and views have not allowed me to applaud it.

The fact is that the invitation has been extended and accepted and I believe the impending visit of Mr. Khrushchev will be a matter of historic importance. It may prove to be a crucial, if not a critical, event of the cold war. Unquestionably, it has potentialities for good. Hazards, too, are involved, it seems to me.

The President of the United States has publicly stated his belief that Mr. Khrushchev should be accorded hospitable and courteous treatment. In this the President deserves the support of all American citizens and officials. The Vice President of the United States and also various Members of both Houses of Congress have urged the American people to be mannerly and responsible on the occasion of this visit of state. I, too, have urged the people of my native State, where I understand Mr. Khrushchev may visit, to observe the amenities and proprieties of the occasion.

Discourteous treatment would demean only those responsible for it, and in the eyes of the world would reflect unfavorably upon the United States, certainly not upon Soviet Russia.

I have been disturbed by public expressions of opinion that the Congress of the United States should in all events

adjourn or recess prior to the arrival of Mr. Khrushchev, lest the Congress be placed in an allegedly embarrassing position of inviting him to address the legislative branch of our Government. Apparently such expressions and sentiments are based upon the feeling on the part of some that an appearance by Mr. Khrushchev before the Congress would be inappropriate and would brand those extending such an invitation, or listening to such a speech, as being soft on communism. If such sentiments should prevail in Congress and if such an example should be emulated by the people of our country, whatever possibility may exist that this visit would lead to a lessening of international tensions and an improvement in the chances for peace might be irrevocably lost.

Can we reasonably expect the American people to be more mannerly and hospitable than their chosen representatives in the U.S. Senate, who have the responsibility of a limited partnership with the President in foreign affairs? A snub by the U.S. Senate of a guest of state, the Premier of the second most powerful nation in the world, invited by the President of the United States, would set an unfortunate example for the citizens of our country. This visitor will be the guest of the American people. He will be a guest in our house, so to speak. I propose to treat him as such. In this connection, I am more concerned with proving the decency of the American people and the responsibility and statesmanship of the U.S. Senate than I am with the possible political interpretation that hospitality constitutes an approval of a visitor's conduct.

It will be the American people who will be judged by their conduct and the conduct of their officials toward Khrushchev and his official party.

If the Senate is in session at the time of Mr. Khrushchev's visit, I shall introduce a resolution to invite him to address the Senate and I shall invite and hope for bipartisan sponsorship. The resolution will contain three parts: First, an invitation to the Russian leader to visit and address the United States Senate; second, an invitation to President Eisenhower to introduce his guest to the Senate; and, third, the designation of three calendar days next following the address of Mr. Khrushchev for debate upon the questions of world peace, fidelity to international obligations, the inalienable right of all peoples to self-determination, disarmament, freedom and security.

Mr. LAUSCHE subsequently said: A short while ago the Senator from Tennessee suggested that Khrushchev be extended an invitation to appear before and speak to this Senate.

I do not want any time to pass before expressing my opposition to that proposal. The President has invited Khrushchev to our country. That courtesy, in my opinion, was adequate and proper. I do not believe that anything can be gained, either by ourselves or by anyone else, in suggesting that he appear before the Senate to address us. We know his views. He cannot offer anything that will be of help to the

Members of the Senate, hence I am obliged to express my disagreement with the proposal that he be asked to address this honorable body.

#### CRITICISM OF NAACP

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk a news item from the New York Times of August 12, 1959, quoting Dr. J. H. Jackson, president of the National Baptist Convention, the Nation's largest Negro religious denomination, as having severely criticized the National Association for the Advancement of Colored People for suing the Little Rock, Ark., School Board.

It is indeed refreshing to me to see a Negro leader, who is a member of the NAACP, criticize that organization for its harassment of school officials, and to look beyond the so-called letter of the law to the all-important question of constructive human relations and good will.

I ask that this item from the New York Times be printed in the RECORD immediately after my remarks.

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

#### NEGRO HITS NAACP—BAPTIST LEADER SAYS GROUP HARASSES LITTLE ROCK BOARD

CHICAGO, August 11.—The Reverend Dr. J. H. Jackson, minister of Olivet Baptist Church, sent a telegram to the National Association of Colored People today protesting the organization's action against the Little Rock, Ark., School Board.

He urged the organization to give the board a chance.

Dr. Jackson is president of the National Baptist Convention, the country's largest Negro religious denomination. It has a membership of nearly 5 million. He is also a member of the NAACP.

"The struggle for democracy in education is not only a legal question," Dr. Jackson said. "It is also a question of achieving constructive human relations and good will. We must not sacrifice the latter in a meticulous contention for the letter of the law."

The association's suit challenges the board's placement of only six Negroes in high schools that have been all white.

#### CONVEYANCE OF CERTAIN LANDS TO THE STATE OF ILLINOIS

The Senate resumed the consideration of the bill (S. 747) to provide for the conveyance of certain lands known as the Des Plaines Public Hunting and Refuge Area to the State of Illinois.

Mr. MORSE. Mr. President, I wish to complete my answer to the Senator from Maine, and I should like to comment on the remarks made by the Senator from Colorado.

The point I had previously made was that in my judgment, there is no justification whatsoever on the part of the committee considering the industrial-use price offer for parcels 1 and 2 as a basis for diminishing the price the State of Illinois should pay for parcel No. 4. My reasoning is that parcels No. 1 and No. 2, if, as, and when sold, must stand on their own footing. If sold to private purchasers, as they apparently are to be sold, for commercial and industrial uses, then

certainly the State of Illinois is entitled to no credit on its account with the Federal Government for the price the Federal Government receives for such industrial-use sale.

Mr. President, the Senator from Maine points out that the General Services Administration has not yet determined what the chief value of this property is, and I said I was not going to let him have this both ways. He should make up his mind exactly what value is to be fixed on this property in this debate, so far as his theory of this case is concerned.

The so-called negotiated settlement is allegedly based upon what was considered to be at least the top bid for parcels 1 and 2 for industrial purposes. Even the bids for parcels Nos. 1 and 2 apparently were so low that under the so-called negotiated settlement or package deal, or compromise, to which the Senator from Maine has referred so many times in this debate, that the General Services Administration, as I understand, was not going to accept them. It was going to resubmit the property for further bids. Why? Because it thought it could get even more money than was offered.

Mr. President, that is why I say parcels 1 and 2 have no basis for consideration in this debate or in connection with this bill as it relates to the disposal of parcel No. 4. I had a chat with the Senator from Georgia [Mr. RUSSELL], and I know that he would not object to my pointing out the fact that this property has not been declared surplus. It is perfectly clear that we do not know what the value of parcel 4 is, and the people of this country ought to know the facts before their Congress disposes of their property. I think it is just as simple as that. That is what I have been pleading for. It further shows why I think the committee brought in a bill before the committee completed the work which ought to have been done.

Let us go on for a moment more, and although I speak critically, I speak with no unkindness in my motivation. I say most respectfully this is a most interesting bill the committee has brought to the Senate in regard to parcel No. 3. Let us take a look at what the committee recommends to us about parcel No. 3.

Turn to page 5, line 14:

(b) The conveyance authorized to be made pursuant to subsection (a) of this section shall be conditional upon the payment by the State of Illinois to the Administrator of General Services as consideration for such conveyance of the sum of \$286,638.

I digress from the bill a moment to point out, Mr. President, that we have been told over and over again in this debate, that this 946 acres is needed for game refuge wildlife purposes and recreational purposes. The State of Illinois is seeking to obtain it for these purposes. It is willing to pay \$286,000-plus for it. That is too much money. I am not in favor of collecting \$286,000.

If \$286,000-plus is the fair market value of parcel No. 3 and it is to be used for a public purpose, then the people of the State of Illinois ought to be required to pay only 50 percent of its fair market value. My amendment seeks to accomplish that purpose.

I read further from the bill about parcel 3, because it is very interesting language, so far as its legal effect is concerned, as can be found further in the bill, starting with line 19:

(c) The land authorized to be conveyed pursuant to subsection (a) of this section shall be conveyed subject to such easements for railroad rights-of-way as shall, in the determination of the Administrator of General Services, be necessary or appropriate to provide railroad service for the purchasers of adjoining tracts of land from the United States.

(d) The instrument of conveyance authorized by this section shall expressly require (1) that in the event the property conveyed by such instrument ceases to be used for wildlife conservation or recreational purposes, all right, title, and interest therein shall immediately revert to the United States to be held in the same manner as it was held prior to such conveyance.

It is obviously from the debate—and I speak goodnaturedly and respectfully—that the language appears to appeal to the Senator from Ohio [Mr. LAUSCHE]. I would have the Senator from Ohio take a further look at this section, because it does not mean what it says in its legal effect, as I shall show in a moment. Of course, it makes a good appeal on the floor of the Senate to say that 946 acres will be taken and set up as a State park for wildlife and recreational purposes, but that if the State of Illinois ceases to use the property for that purpose, the property shall revert to the Federal Government. That would be true if the period in the bill were placed at that point in the language of the bill on page 6, line 7. That would be true if instead of the semicolon after the word "conveyance" there were a period. But the bill goes on to declare something else. I now read from the bill on page 6, line 7. I call this to the attention of the Senator from Ohio:

And (2) that the reversionary interest of the United States, at the request of the State of Illinois, be relinquished to such State by the Administrator of General Services upon payment to the United States of the fair market value thereof at the time of relinquishment.

Senators have no guarantee under the bill that this property will continue to be used for park purposes; to the contrary, the bill specifically provides that the State of Illinois can get out of that reversionary clause at its request at any time; and all it has to do is to pay the fair market value of whatever that reversionary clause is. But what would it be? Under the terms of the bill, I respectfully submit, and I submit this especially to the Senator from Ohio, it would be zero. Why? Because it is contended by the authors of the bill and by the Senator from Maine [Mr. MUSKIE], the chairman of the subcommittee, that the \$286,000-plus which is to be paid for this property by the State of Illinois is its fair market value. If the State of Illinois is paying fair market value, then the reversionary clause becomes meaningless any time the State of Illinois wants to say, "We want the United States to relinquish its reversionary clause."

I say it is a persuasive argument the proponents have made, but it is bait.

It is not expected that there would be a careful legal analysis of the meaning of this section of the bill. All the talk in this debate about the reversionary clause means nothing, because if the State of Illinois can get that reversionary clause relinquished at any time it wants to, all it has to do is to go into court and find out what the value is, and they will come and say, "Look at what we paid for the property in the first place. That was its fair market value." Let me say that any jury passing upon the value of that reversionary clause would, in all likelihood, come out with a verdict of "zero."

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

Mr. MORSE. I yield.

Mr. MUSKIE. I do not intend to interrupt the Senator from Oregon or to break up the continuity of his speech. The Senator from Oregon has suggested that the committee in making this proposal included certain bait, which the committee presumably hoped would divert the attention of the Senate from a close legal analysis of the bill.

Mr. MORSE. That is a complete misinterpretation. I am saying that the effect of this language on the Senate is bait, and it ought to be so called. I am not attributing any motivation to the Senator from Maine or to any other member of the committee. I am pointing out what the effect of this language in the bill is on the action of the Senate, because I am satisfied that Senator after Senator on the floor of the Senate was greatly persuaded because he thought this language gave assurance that in perpetuity this property would be used for park purposes, and that if it were not used for park purposes, it would come back to the Federal Government.

All I say to the Senator from Maine, most respectfully, is that legal counsel ought to have made a more careful analysis of the language and have so advised the committee than apparently happened when the bill was brought to the Senate, with what I call this bait language in here, because it has appeal. I can understand why it appeals to me.

Mr. MUSKIE. May I comment on that? If there is bait in the bill which the committee wrote, the committee knew what it was doing. Whether or not the Senator from Oregon agrees that we did so, on the basis of sufficient facts, we felt we had sufficient facts. We are not trying to sell a bill of goods to anyone. We are not trying to sell a pig in a poke. We have presented to the Senate for its acceptance or rejection what we consider a reasonable proposition. If the Senator from Oregon chooses to believe this is not a reasonable proposition, that is his privilege. I respect his right to entertain it. But I do feel it incumbent upon me at any time the question is raised, and in protection of fellow members of the subcommittee, to insist, over and over and over again—and I will every time the Senator from Oregon raises this point insist over and over and over again—that we were not negligent in considering the bill; that we really probed for the facts which we considered important; and that we acted after deliberate consideration of

those facts, and reached a judgment which we thought was fair.

We are not trying to impose a bill on the Senate. We are simply here with the cleanest hands we could manage and are saying to the Senate: Here are two alternatives; take your choice. We think this is reasonable; if you agree, fine. If you do not, and you say we should allow the law as it is now written to operate, to allow the Administrator of General Services to dispose of the property, that is fine. Disagree with us as long and as much as you wish. But I insist, for the benefit of the Senator from Oregon, that the committee worked hard, conscientiously, and, I think, effectively to reach the conclusion which it did.

Mr. MORSE. I say to the chairman of the subcommittee that he is entitled to any evaluation of his committee work that he wants to put on it; but when he was doing that committee work he was working as an agent of the whole Senate. As the senior Senator from Oregon, I am entitled to evaluate the work of the committee. I think the committee did a poor job. I want the RECORD to show that evaluation. I submit that the language on the reversionary clause is clear proof of what a poor job the committee did, because the committee brought to the Senate language in the bill which led Senator after Senator to believe, in my opinion, from the language in the debate on the bill, that the United States was going to get a reverter of the property if the property ceased to be used by the State of Illinois for wildlife and recreational purposes. Yet the language which the committee wrote into the bill authorized the State of Illinois, at its request, at any time it desires, to get the reverter clause removed through payment of whatever is the fair market value. I submit that—

Mr. MUSKIE. May I comment—

Mr. MORSE. Not until I have finished.

I submit that the purchase price of \$286,000-plus, which has been written into the bill on the basis of the contentions throughout the debate, is treated as fair market value for this property, and, therefore, there would be no value assignable to the reversionary clause. The only thing we have is a procedure which would permit the State of Illinois, once transfer was made, at any time thereafter to request to have the reversionary clause removed and to pay fair market value. I say that would be zero.

I say to the Senator from Maine that I do not know of another piece of legislation which has ever come before us with such a reversionary clause included, when a property transfer involving the Morse formula was under consideration.

Mr. MUSKIE. I should like to comment on that point; and my remarks will be brief.

Mr. MORSE. I yield.

Mr. MUSKIE. Not once in my discussion of the bill on the floor have I referred to the reversionary clause or suggested what its meaning was, nor have I ever held it out as an attraction to the Senate. All the technical language of the bill, as it relates to the reversionary clause, and to oil and gas rights, and so forth, was provided by the General Services Administration, on the

basis of its practices, procedures, and policies. So, Mr. President, if the Senator from Oregon takes issue with those provisions, he takes issue with the General Services Administration.

Mr. MORSE. No, Mr. President; I take issue with the committee, for the committee—not the General Services Administration—reported the bill to the Senate; and the bill is the baby of the committee, not the baby of the General Services Administration; and the committee, not the General Services Administration, clothed the bill in this language.

This part of the bill makes it seriously defective, in my opinion, insofar as the reversionary clause is concerned; and I think this part of the bill tends to mislead the Senate into believing that a State park will be established for recreational and wildlife purposes, whereas, in fact, Illinois has had included in the bill a provision which will make it possible for Illinois to get rid of the reversionary clause whenever it wishes to do so, and then proceed to use the property for any purposes, other than wildlife purposes, that it might desire.

One of the arguments, made during the debate, about including these 1,500 acres, instead of 1,500 acres across Highway 66, which the Army has been offering to Illinois, was that Illinois wanted contiguous property, not property in two parts, with the result that the pheasants would have to walk across the highway. But that was not my argument; it was made by the proponents of the bill, and was used by them during the debate, as shown by the CONGRESSIONAL RECORD. They want contiguous property to be provided, because they want the 946 acres, plus the 1,500 acres, to be used together for wildlife refuge and recreational purposes.

But now we find that under this bill the Congress would be giving to Illinois authority to eliminate the 946 acres whenever it wished to do so. The only provision in regard to a reversionary clause is in connection with the 1,500 acres.

I think that would be a very serious and very dangerous precedent, and I do not believe it should be established. Certainly the Senate should not pass a bill which contains such a reversionary clause provision, because if such a bill were passed, it would rise to plague the Senate time and time again, in connection with future legislation.

Now I turn to some of the suggestions which were made by the Senator from Colorado [Mr. CARROLL], in regard to whether the Senate should pass the bill in its present form, because of some practices which apparently the General Services Administration has been following in Colorado, where some private housing developers apparently have taken over a piece of property and have used it for private housing developments—if I correctly understood what the Senator from Colorado said—when, in his opinion, it would have been better used for park purposes.

I have two things to say about the comment made by the Senator from Colorado. First, if the Senator from Colorado thinks the present Surplus

Property Act should be amended, he should propose amendments to it, and should not be taking this approach to the problem of disposing of surplus property. Second, I suggest to him that he give consideration to what the law already provides.

In that connection, I refer to title 50 of the Federal Code appendix, at page 7646. I now read title 50, appendix, section 708, subsection (h):

(h) Public parks, recreational areas, and historic-monument sites

(1) Notwithstanding any other provision of this Act [former sections 1611—1614, 1615—1622, 1623—1632 and 1633—1646 of this Appendix], any disposal agency designated pursuant to this Act [said sections] may, with the approval of the Administrator of General Services, convey to any State, political subdivision, instrumentalities thereof, or municipality, all of the right, title, and interest of the United States in and to any surplus land, including improvements and equipment located thereon, which in the determination of the Secretary of the Interior, is suitable and desirable for use as a public park, public recreational area, or historic monument, for the benefit of the public. The Administrator of General Services, from funds appropriated to the War Assets Administration, shall reimburse the Secretary of the Interior for the costs incurred in making any such determination.

(2) Conveyances for park or recreational purposes made pursuant to the authority contained in this subsection shall be made at a price equal to 50 per centum of the fair value of the property conveyed, based on the highest and best use of the property at the time it is offered for disposal, regardless of its former character or use, as determined by the Administrator of General Services. Conveyances of property for historic-monument purposes under this subsection shall be made without monetary consideration: *Provided*, That no property shall be determined under this paragraph to be suitable or desirable for use as an historic-monument except in conformity with the recommendation of the Advisory Board on National Parks, Historic Sites, Buildings and Monuments established by section 3 of the Act entitled "An Act for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 666) [section 463 of Title 16], and no property shall be so determined to be suitable or desirable for such use if (A) its area exceeds that necessary for the preservation and proper observation of the historic monument situated thereon, or (B) it was acquired by the United States at any time subsequent to January 1, 1900.

That is the law; but not one word about it is included in the committee report; and not one reference to that law has been made before now in the debate.

That law, which now is on the statute books, and the finding of the General Services Administration make perfectly clear that any surplus property which is to be used for park purposes, and is to be turned over to any State or to any subdivision of a State, shall bring a price of 50 percent of the fair market value.

Mr. President, I do not believe that section of the code should be repealed indirectly, in respect to one piece of property. I believe in uniform application of the law. Basic to American jurisprudence is the precious concept that in this country there shall be uniform application of the law; and in my opin-

ion, this section of the code is four square with the Morse formula, in respect to the transfer to a State of property to be used for park purposes.

As to use of the property for wildlife purposes, title 16, section 667, subsection b applies.

Let me state for the record that I am under no illusions about what will happen, for I have been in similar positions, time and time again, during my 15 years in the Senate; and I am accustomed to have to stand here and fight for the application of a principle such as the one for the application of which I am fighting now—the principle of uniform application of the law to all the people and all the States. I do not intend to support an attempt to make an exception in the case of Illinois, in regard to this matter.

Title 16, section 667, subsection b, provides the following:

§ 667b. Transfer of certain real property for wildlife conservation purposes; reservation of rights.

Upon request, real property which is under the jurisdiction or control of a Federal agency and no longer required by such agency, (1) can be utilized for wildlife conservation purposes by the agency of the State exercising administration over the wildlife resources of the State wherein the real property lies or by the Secretary of the Interior; and (2) is chiefly valuable for use for any such purpose, and which, in the determination of the Administrator of General Services, is available for such use may, notwithstanding any other provisions of law, be transferred without reimbursement or transfer of funds (with or without improvements as determined by said Administrator) by the Federal agency having jurisdiction or control of the property to (a) such State agency if the management thereof for the conservation of wildlife relates to other than migratory birds, or (b) to the Secretary of the Interior if the real property has particular value in carrying out the national migratory bird management program. Any such transfer to other than the United States shall be subject to the reservation by the United States of all oil, gas, and mineral rights, and to the condition that the property shall continue to be used for wildlife conservation or other of the above-stated purposes and in the event it is no longer used for such purposes or in the event it is needed for national defense purposes title thereto shall revert to the United States. (May 19, 1948, ch. 310, § 1, 62 Stat. 240; June 30, 1949, ch. 288, title I, § 105, 63 Stat. 381.)

Mr. President, no such determination has been made; but it should be made before the Senate passes on this bill. No determination has ever been made that parcel 4 is chiefly valuable for use for wildlife purposes. If it is, Illinois should get it. In that event, under this section of the code, Illinois would be entitled to it without paying a red cent of consideration for it. I favor that. I favor following the law in this case.

But I respectfully submit, that the bill in its present form seeks to circumvent existing statutes in several respects. It would circumvent title 50, appendix, to which I have referred, if the transfer were made for use for park purposes. The bill would circumvent title 16, to which I have referred just now, if the transfer were to be made for use for wildlife purposes.

Why does not the bill call for following the law which now is on the statute books? Why does the bill call for making such an exception? It would be most dangerous to make such an exception; and certainly it will be in the long-term interest of the people of Illinois to follow the law.

Mr. President, to summarize the provision of title 16, section 667(b), it simply provides that if there is a finding by the General Services Administration that the chief value of parcel 4 is for wildlife purposes, Illinois could get the land for nothing; and I think we ought to get the finding.

Mr. LAUSCHE. Mr. President, will the Senator yield? I should like to put a question to him.

Mr. MORSE. May I complete this argument first, and then yield, because I think it is important for continuity in the RECORD?

I desire to close, Mr. President, by saying I think that the position which the Senator from Oregon has taken is not only within the framework of existing law, not only in keeping with the formula he has applied to all transfer of property bills on the unanimous-consent call of the calendar; but the Senator from Oregon also thinks it is a desirable course of action for the Senate to follow tonight, unless we are willing to make a grab bag of Federal surplus property.

I am at a loss to understand why the Administrator of the General Services Administration ever sat down and entered into any such negotiations on the basis of which the committee has submitted its report. I say most respectfully, Mr. President, in my judgment, the Administrator of the General Services Administration was acting beyond his power and legal right until he first made the determinations heretofore mentioned.

I submit, Mr. President, that, as a matter of law, the Administrator of the General Services Administration had no legal authority to enter into negotiations concerning parcel 4, because it is not surplus. He had no jurisdiction over it. I think the Administrator of the General Services Administration is deserving of criticism for the course of action he has followed in this matter, because the law is perfectly clear as to his duties. His duties are to make findings as to what the chief value of the property is. He does not have the right to sit as a David Harum, disposing of the taxpayers' property in this country.

Mr. President, on any one or on all of the grounds I have raised in opposition to this bill, I am willing to rest my case.

As to my future course of action in this matter, it is my desire to cooperate with the leadership and also my opponents in this debate. I intend to follow this course: I intend to ask, after a quorum call, provided a sufficient number of Senators can reach the floor so that it can be said there is a representative group of Senators voting on this bill, to ask for a vote on my amendment.

I said yesterday—and my word is my bond—that I would not ask for a year-

and-nay vote except on the motion to recommit. I cannot bind anybody else in the Senate. I shall not ask for a yea-and-nay vote, but I shall ask for a voice vote if there is a reasonable number of Senators on the floor of the Senate. I would feel that I had not carried out my trust and duty if a vote were to be taken with only 10 or a dozen Senators present on the floor. If I lose on my amendment, I intend to offer two additional amendments.

I intend to offer an amendment to the gas and oil reservation, and I intend to offer an amendment on parcel 3 for 50 percent of its appraised fair market value, with a real reversionary clause attached to it. I shall do this because I do not think the people of Illinois should have to pay for its full value, irrespective of whether the Senate agrees with me or not. I do not think it is fair to charge the people of Illinois for the full value of parcel 3.

I shall offer those two amendments. Then, so far as I am concerned, unless I become interested in some other comment made during the course of the debate, I shall have concluded.

Mr. LAUSCHE. Mr. President, will the Senator yield? I should like to ask a question.

Mr. MORSE. Suppose I yield the floor, and let the Senator from Maine take the floor.

Mr. LAUSCHE. The Senator from Oregon has pointed out that on page 6 of the bill there is a condition (2) which reads:

That the reversionary interest of the United States, at the request of the State of Illinois, be relinquished to such State by the Administrator of General Services upon payment to the United States of the fair market value thereof at the time of relinquishment.

The Senator from Oregon has made the statement that the value of that reversionary interest will be nil, because it has now been declared that the total value of the land is the amount that has been designated.

I should like to ask the proponents of the bill what their interpretation of this provision is concerning the determination of fair value of the reversionary interest.

Mr. MUSKIE. Mr. President, I shall be happy to answer the question of the distinguished Senator from Ohio. It is the full intention of the State of Illinois to use parcel No. 3 for wildlife and recreational purposes. There is the possibility in the future, remote though it may be, that circumstances may change so that some other purpose may be more valuable. Representatives of the State of Illinois felt that because they were paying what they believed to be the full value of this piece of land, they should have the right, at their request, to utilize it in anyway that the future might indicate they should use it for.

So far as the subcommittee or the sponsor of the bill is concerned, it is not a "killing" matter. If it seemed objectionable, we were sure that the two views could be accommodated.

Mr. LAUSCHE. I appreciate very much the statement of the Senator from Maine.

Mr. MUSKIE. I may say that this, too, was done at the recommendation of General Services Administration.

Mr. LAUSCHE. Frankly, when I voted against the motion to recommit, I assumed the reversionary right was complete. I am glad to hear the statement of the Senator from Maine that this matter is not of consequence, and that the State of Illinois contemplates using the land as recreational ground and as a refuge.

Does the Senator suggest he would be willing to accept an amendment that would strike subsection (2)?

Mr. MUSKIE. I would be happy to accept such an amendment. I would also be happy to accept an amendment with respect to the reservation to the United States of the oil and gas rights in parcel No. 3. Neither seemed to be a "killing" matter, but seemed to be consistent with the price that was being paid.

Mr. MORSE. Mr. President, if the Senator will yield, I thank the Senator from Ohio and the Senator from Maine for this discussion. The discussion does substantiate every word I have said about the reversionary clause. I am satisfied, and the Senator from Maine can disagree with me to his heart's content, that if this matter had ever been called to the attention of the committee, he would have taken the same position then that he takes now, because I do not think it was ever the intention of the committee that this land should be transferred to be used by the State of Illinois except for wildlife and recreational purposes. May I say to the Senator from Ohio that the statement that the State of Illinois at the time intends this land to be used for wildlife and recreational purposes is undoubtedly true.

The Senator knows that administrations come and go. We do not know who will be in control of the State of Illinois 10, 15, or 20 years from now. I say that so far as the reversionary clause value is concerned it is very difficult, after one has paid what would be considered and could be proved, I think, before a jury, to be the value of the land on a fee simple title basis, to get anything for the reversionary clause, because the average juror would say, "After all, they got a good price for the land at that time and it was contemplated it was the full market value, so they are not entitled to any more."

Mr. LAUSCHE obtained the floor.

Mr. MUSKIE. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. MUSKIE. I wish to make one or two comments.

The fact that I am willing to accept an amendment to a provision of the bill which I do not think is a killing matter either to the Senator from Illinois or to the Senator from Oregon does not seem to me to justify the conclusion that this indicates the committee and I gave no attention to this provision of the bill in the committee. If it is impossible to compromise except to suggest such implications, then what is the point in undertaking to accommodate points of view?

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

Mr. LAUSCHE. I yield.

Mr. MORSE. There is no such implication in my remarks at all. I assume that as the result of the discussion on the floor of the Senate the Senator from Maine has recognized this language I have been objecting to in the bill is language which some Members of the Senate did not fully comprehend, because they thought they were getting in perpetuity a wildlife recreational center, subject to reversion to the United States in case the State of Illinois did not want to use the land for that purpose.

Mr. MUSKIE. If that was the Senator's intention in his remarks, I withdraw my comments.

Mr. KUCHEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KUCHEL. Is the amendment offered by the Senator from Oregon now pending?

Mr. LAUSCHE. Mr. President, I believe I have the floor. I am willing to yield for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. KUCHEL. All I wish to do is propound a parliamentary inquiry, to ask whether the amendment offered by the Senator from Oregon is the pending question.

The PRESIDING OFFICER. It is.

Mr. KUCHEL. Then I ask my friend from Ohio if he will yield.

Mr. LAUSCHE. I yield.

Mr. KUCHEL. I am thinking about the procedure and any accommodation which might be made for the benefit of Senators. If the Senator from Ohio desires to offer an amendment which will be accepted by the chairman of the subcommittee and which is in line with what the Senator from Oregon suggested would be something he would favor, I should like to know, thinking of the problem of two more amendments which the Senator has in mind offering in connection with the bill, what action might be agreed upon.

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

Mr. LAUSCHE. I yield.

Mr. MORSE. I should like to have the attention of the Senator from Illinois [Mr. DOUGLAS], the Senator from Maine [Mr. MUSKIE], as well as of the acting majority leader [Mr. MANSFIELD], the acting minority leader [Mr. KUCHEL], and the Senator from Ohio [Mr. LAUSCHE].

I should like to cooperate procedurally in any way I can at this point, so I desire to raise a parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. Would I be in order if I were to propose at this time to withdraw temporarily the Morse amendment, which is now under consideration, and to offer, as a cosponsor with the Senator from Ohio, as the author of the amendment, an amendment relating to the gas, oil, and mineral rights reservation; then,

following that, to offer an amendment which would strike the language on page 6 of the bill starting after the semicolon on line 7, going down through line 11; which would leave us with a direct issue of voting on the amendment; I would then offer regarding 50 percent of the appraised fair market value for parcel No. 3. I am perfectly willing to take the 50 percent amendment separately, with a final amendment which I would offer—and I am all through discussing the amendments, I will say to the Senators from Maine, Illinois, and Ohio—regarding 50 percent of the appraised fair market value for parcel 4?

I think we could get rid of the bill in 10 minutes, if we follow that course of action, if it would be in order.

Mr. MUSKIE. If we have the appropriate language to consider.

Mr. LAUSCHE. Mr. President, I think I have the floor.

The PRESIDING OFFICER. The Senator from Oregon propounded his request in several sections. It is the opinion of the Chair that the Senator from Oregon, since the yeas and nays have not been ordered on the amendment, may follow the courses of action he has outlined.

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

Mr. LAUSCHE. Mr. President, I think I have the floor.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. LAUSCHE. I wish to say to the Senator from Oregon and to the Senator from Maine that I contemplated offering an amendment which would achieve exactly what the Senator from Oregon has suggested. It would reserve to the U.S. Government the minerals under parcel 3 and would strike from the bill as it is now written that language which requires the relinquishment of reversionary interest if and when the State of Illinois pays the reasonable value.

I am willing to facilitate the matter.

Mr. MORSE. Mr. President, I withdraw my amendment temporarily, with the understanding on my part that I am not estopped later from offering it or any part of it which I may wish to offer. Will the Parliamentarian advise me if I can withdraw the amendment, and if my withdrawal does not stop me from later offering another amendment which may include part of this amendment?

The PRESIDING OFFICER. The Chair advises the Senator from Oregon that he could not offer an amendment to any amendment which has been agreed to unless the vote is reconsidered.

Mr. MORSE. I am not proposing that. I am simply proposing to withdraw my total amendment, to let the Senator from Ohio offer his amendment. Then I will decide what other parts of my amendment I may wish to offer as separate amendments.

The PRESIDING OFFICER. As to another section of the bill, amendments would be in order.

Mr. MORSE. Mr. President, I withdraw my amendment.

Mr. LAUSCHE. Mr. President, I offer an amendment to the committee amendment to provide that on page 6, line 7,

there be stricken out "and (2)" and that there be inserted in lieu thereof the following:

(2) That all oil, gas, and mineral rights in the property conveyed shall be reserved to the United States; and (3).

Also, that on page 6, line 7, beginning with the semicolon, at about the middle of the line, and going down through the end of the paragraph to the period, that the language be stricken, and that in lieu of the semicolon in line 7 there be substituted a period.

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

Mr. LAUSCHE. I yield.

Mr. MUSKIE. I think there would have to be one other technical amendment; that in line 2, on page 6, in the middle of the line, the figure "(1)" should also be stricken.

Mr. LAUSCHE. That is correct. I will include that in my amendment.

Mr. MUSKIE. Mr. President, the amendment, as proposed, is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment offered by the Senator from Ohio. [Putting the question.]

The amendment to the committee amendment was agreed to.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. MORSE. Mr. President, we have agreed to the oil, gas, and mineral rights reservation. We have stricken the language on page 6 in regard to the power of the State of Illinois to have the reversionary interest relinquished upon request.

Mr. President, I now desire to offer an amendment. If the clerk will take the amendment 8-4-59—A which I have at the desk he can follow it along with me as I now modify the amendment.

I now offer the following amendment: On page 5, line 18, strike out "the sum of \$286,638" and insert in lieu thereof "an amount equal to 50 per centum of the fair market value of the land conveyed as determined by the Administrator after appraisal of such land.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon to the committee amendment.

Mr. MUSKIE. Mr. President, there seems to be some doubt as to the position of the proponents. We oppose the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to the committee amendment. [Putting the question.]

The amendment to the amendment was rejected.

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

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

Mr. MORSE. Mr. President, I ask for a vote on my amendment.

The PRESIDING OFFICER. The Senator's amendment was rejected.

Mr. MORSE. No. Before the Chair announced that it was rejected I suggested the absence of a quorum. The Chair put the question; and before the Chair announced the result, I suggested the absence of a quorum.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the vote by which the amendment of the Senator from Oregon was rejected be reconsidered.

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

The question is on agreeing to the amendment offered by the Senator from Oregon to the committee amendment.

The amendment to the amendment was rejected.

Mr. MORSE. Mr. President, I now offer my final amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oregon to the committee amendment will be stated.

The CHIEF CLERK. On page 6, lines 19 and 20, it is proposed to strike out "without consideration."

On page 8, between lines 9 and 10, it is proposed to insert the following new subsection:

(c) The conveyance authorized to be made pursuant to subsection (a) of this section shall be conditional upon the payment by the State of Illinois to the Secretary of the Army as consideration for such conveyance of an amount equal to 50 per centum of the fair market value of the land conveyed as determined by the Secretary of the Army after appraisal of such land.

Mr. MORSE. Mr. President, I shall take a moment to explain my amendment. All it means is that a determination shall be made as to the value of the 1,500-acre tract known throughout the debate as tract No. 4, the value of which has never been determined, but the value of which, the Army says, is at least \$450 an acre. It is land which has not been declared surplus.

If we pass this bill we shall be saying that the Congress is taking it upon itself to declare land surplus which the Army says is not surplus to its needs.

If we are to do so, I say that whatever the land is worth—and I do not know what it is worth, and no one else knows what it is worth, because it has never been officially appraised—50 percent of the fair market value of the property, with the reversionary clause—which, of course, would reduce its market value, as every reversionary clause does—should be paid to the taxpayers of all the United States by the taxpayers of Illinois, in order to gain the property.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. MORSE] to the committee amendment.

The amendment to the amendment was rejected.

Mr. MORSE. Mr. President, the senior Senator from Oregon has made his case as far as this bill is concerned. As a law-

yer, I stand by the verdicts of court as far as the case in concerned, although at a time of rehearing or appeal or reconsideration, I always, as a lawyer, would be willing to stand on the record I made in the court below.

I want to say to the Senator from Illinois [Mr. DOUGLAS] and to the Senator from Maine [Mr. MUSKIE], it has been a vigorous debate. It has been a debate in which we have each expressed our sincere convictions about a matter of public policy.

In the course of the debate we used language that we all could understand, sometimes rather pointed language, but I want to say to the Senator from Illinois and to the Senator from Maine that the senior Senator from Oregon does not inject any personal animus or motivation or intent in any of his debate, although at times he judges from some of the replies he received from some of his colleagues that they feel a little bit hurt, but those hurts are not intentional. As I said last night in the debate, I hope that on the next issue the three of us will be standing shoulder to shoulder.

Mr. DOUGLAS. Mr. President, I am very happy that this debate has resulted as it did. I assure the Senator from Oregon that I have only the kindest feelings toward him, and I hope that our affairs of friendship may join and continue to join and we may continue to be very close to each other and cooperate together on many matters of common interest.

The PRESIDING OFFICER. The question is on the committee amendment, as amended.

The amendment as amended was agreed to.

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

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

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subject to the provisions of subsections (b), (c), and (d) of this section, and section 3, the Administrator of General Services is authorized and directed to convey, by quitclaim deed, to the State of Illinois, for wildlife conservation or recreational purposes, all right, title, and interest of the United States in and to the following described lands, together with all buildings and improvements thereon, situated in Will County, Illinois:*

All that part of fractional sections 29, 32 and 33, township 34 north, range 9, east of the third principal meridian, in Will county, Illinois, described as follows: Beginning at a point of intersection of the west line of Route 66 (Federal Aid Route 77), as monumented and fenced and a line 1,000 feet south of and parallel to the north line of said section 33 (said point of intersection is 167.4 feet west of the east line of said section 33); thence south 885 feet; thence south 4 degrees 1 minute 10 seconds west 2,961.68 feet; thence south 00 degrees 15 minutes 20 seconds west 416.81 feet; thence south 1 degree 2 minutes 40 seconds west 33.42 feet to the south line of said section 33, all of the above dimensions taken on the westerly line of said Route 66 as monumented and fenced (said last point is 352.7 feet west of the southeast corner of said section 33);

thence west along the south line of said section 33 and fractional section 32, 10,082.43 feet to the southwest corner of said fractional section 32; thence northerly along the west line of said fractional section 32, 4,486 feet more or less to the southeasterly edge of the Des Plaines River; thence northeasterly along the south easterly edge of said river to a point on a line described as follows: (Beginning at a point of intersection of the west line of Route 66 and a line 1,000 feet south of the north line of said section 33; thence westerly along a line 1,000 feet south of and parallel to the north line of said section 33 and fractional section 32, 5,300 feet; thence northwesterly along a line forming an angle of 115 degrees with said parallel line from east around north to northwest 4,800 feet more or less, to the southeasterly edge of the Des Plaines River); thence southeasterly along the previously described line 4,800 feet to a point on a line 1,000 feet south of and parallel to the north line of said section 33 and fractional section 32, said point being 5,300 feet west of the west line of said Route 66; thence easterly along a line 1,000 feet south of and parallel to the north line of section 33, 5,300 feet to the place of beginning (excepting therefrom those portions lying along said river as deeded to the State of Illinois and recorded in the recorder's office as document numbered 414965, book 691, page 31; document numbered 414965, book 691, page 34, and document numbered 414965, book 691, page 35; also excepting those portions deeded to John Flom and recorded in the recorder's office as document numbered 458161, book 759, page 38; also excepting that portion deeded to Three Rivers Yacht Club and recorded in the recorder's office as document numbered 695487, book 129, page 625; also excepting therefrom that portion deeded to Robert Berglund and Hugh Black and recorded in the recorder's office as document numbered 846871, book 1698, page 303; also excepting that portion included within the lines measured 100 feet outward from the existing high bank on both sides of Grant Creek Cutoff and Grant Creek) containing 946 acres more or less.

(b) The conveyance authorized to be made pursuant to subsection (a) of this section shall be conditional upon the payment by the State of Illinois to the Administrator of General Services as consideration for such conveyance of the sum of \$286,638.

(c) The land authorized to be conveyed pursuant to subsection (a) of this section shall be conveyed subject to such easements for railroad rights-of-way as shall, in the determination of the Administrator of General Services, be necessary or appropriate to provide railroad service for the purchasers of adjoining tracts of land from the United States.

(d) The instrument of conveyance authorized by this section shall expressly require (1) that in the event the property conveyed by such instrument ceases to be used for wildlife conservation or recreational purposes, all right, title, and interest therein shall immediately revert to the United States to be held in the same manner as it was held prior to such conveyance; and (2) that all oil, gas, and mineral rights in the property conveyed shall be reserved to the United States.

(e) The property authorized to be conveyed pursuant to subsection (a) of this Act has been declared to be surplus to the needs of the United States.

SEC. 2. (a) Subject to the acquisition by the State of Illinois of the property described in the first section of this Act, the Secretary of the Army is authorized and directed, notwithstanding the provisions of section 2662 of title 10 of the United States Code, to convey, by quitclaim deed, without consideration, to the State of Illinois, for wildlife conservation or recreational purposes, all right, title, and interest of the United States

in and to the following described lands, together with buildings and improvements thereon, situated in township 33 north, range 9, east of the third principal meridian, Will County, Illinois, containing 1,500 acres, more or less:

All of section 4;

All of section 5;

All of section 8 lying north of the Kankakee River; and

All of section 9 lying north of the Kankakee River.

(b) The instrument of conveyance authorized by this section shall (1) reserve to the United States all oil, gas, and mineral rights in the property; (2) reserve such improvements, rights-of-way, easements, and other interests as the Secretary of the Army determines should be retained in the public interest; and (3) contain provisions expressly requiring that (A) in the event the property conveyed by such instrument ceases to be used for wildlife conservation or recreational purposes, all right, title, and interest therein shall immediately revert to the United States to be held in the same manner as it was held prior to such conveyance, and (B) whenever the Congress of the United States declares a state of war or other national emergency, or the President declares a state of emergency, and upon the determination by the Secretary of Defense that the property conveyed under this section is useful or necessary for military, air, or naval purposes, or in the interest of national defense, the United States shall have the right, without obligation to make payment of any kind, to reenter upon the property and use the same or any part thereof, including all buildings and improvements thereon, for a period not to exceed the duration of such state of war or national emergency plus six months, and upon the termination of such use by the United States, the property shall be returned to the State of Illinois, together with all buildings and improvements thereon.

SEC. 3. The authority contained in this Act shall expire one year from the date of enactment of this Act if the State of Illinois has not during such one year period, made commitments, satisfactory to the Administrator of General Services, with respect to the acquisition by such State of the property authorized to be conveyed under the first section of this Act.

The title was amended so as to read: "A bill to provide for the conveyance of certain lands which are a part of the Des Plaines Public Hunting and Refuge Area and the Joliet Arsenal Military Reservation, located in Will County, Illinois, to the State of Illinois."

Mr. MUSKIE. I move to reconsider the vote by which the bill was passed.

Mr. JOHNSON of Texas. I move to lay that motion on the table.

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

The motion to lay on the table was agreed to.

Mr. MUSKIE. Mr. President, I simply want to add my comments to those made by the Senator from Oregon and the Senator from Illinois.

This has been an interesting experience for me. I would not have recommended to myself that I indulge in debate with the Senator from Oregon in my first experience with the Senator. I should have known better, but I did not, and it has been an interesting and enjoyable experience. I look forward to the next time we indulge in debate on the floor, whether we are on the same side or on opposite sides.

Mr. CARROLL. Mr. President, I should like to say that I have listened to this debate through many hours. The Senator from Maine has distinguished himself, not only with his clarity of vision but his sincerity and earnestness of purpose. The Senator from Illinois, as always, has expressed himself in the public interest; but by the same token the Senator from Oregon has highlighted some of the legal problems involved in this sort of legislation.

I should like to have this serve as a precedent, that when the Congress of the United States delegates power to the General Services Administration, it is not a power that is absolute, but is a power which can be withdrawn in the public interest, as it was in this case. It will serve for the junior Senator from Colorado as a precedent for action that may be taken in the future.

One of the most interesting parts of the debate was when the Senator from Oregon said that the chief value of these projects should have been determined by the Administrator. They were not, but the important point is the question, who gave him the power to determine the chief value? Did the Congress? If Congress could give him the power, it could withdraw the power, and this is what it has done by its action. This ought to serve notice on the General Services Administrator that as we delegate power, we also have the power to withdraw the delegation, and Congress could do so in the public interest.

I agree with the Senator from Oregon, and I think the Senator from Maine agrees with me, that what we ought to do is to establish new standards. When we delegate a particular authority to the executive branch, it does not mean that there is no power to control that at all. It means the power is reposed within this body, and if we seek to withdraw that power for a specific purpose, we can do it, as we have done here today.

I would recommend to whatever committee has jurisdiction that we ought to change the standards. We ought to change the guidelines and tell the executive branch that when we have a statutory power delegated to them, the real power resides in the Congress itself.

On many points the Senator from Oregon is absolutely right, but notwithstanding the brilliant legal argument—the power resides in us to determine, in the public interest, what we call the chief value, and that is what we have done today in the public interest. I hope the General Services Administration will take into consideration the fact that we are not talking about a financial power, a monetary power. There are some things which transcend that power, and one is the public interest, the national interest, the interest of a State, or a county, or an area.

This debate has been very valuable to all of us, and I commend the distinguished Senator from Oregon for his valiant effort, and wish to say that he should not be discouraged about the Morse formula. I make only one last comment. Let us not restrict it to a financial formula, but think of it in terms of the general public interest in the field of recreation.

Mr. DOUGLAS. Mr. President, I pay tribute to the junior Senator from Maine for the care which he has shown in the conduct of the hearings and the preparation of the bill for the floor.

Intrinsically the measure was not of transcendent importance and the Senator from Maine was very unselfish in devoting time and attention and skill to it.

He has had his baptism of fire here on the floor in countering the Senator from Oregon, who has the sharpest legal mind in the Senate, and the Senator from Maine has acquitted himself magnificently. We can now see at firsthand what we formerly took on trust, that there was good reason why a Democrat of the type of Senator Muskie was twice elected Governor of Maine, and then elected Senator from Maine. It so happens that I grew up in the State of Maine, and as a Yankee Democrat who was rather lonely as a boy in the State of Maine, it is a great joy to see so brilliant and fine a Democrat as the Senator from Maine come to represent that old Yankee State.

Mr. MANSFIELD. Mr. President, I wish to add my words to those already spoken in praise of the distinguished junior Senator from Maine [Mr. MUSKIE] for the fine leadership he displayed in the Senate this afternoon. He was caught between two giants, in the form of the Senator from Oregon [Mr. MORSE] and the Senator from Illinois [Mr. DOUGLAS]. The Senator from Maine conducted himself in the finest traditions of the Senate. He has made an auspicious start to what I believe will be a remarkably fine and outstanding career in the Senate.

#### YOUTH CONSERVATION ACT OF 1959

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 533, Senate bill 812.

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

The CHIEF CLERK. A bill (S. 812) to authorize the establishment of a Youth Conservation Corps to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment, to strike out all after the enacting clause and insert:

#### SHORT TITLE

SECTION 1. This Act may be cited as the "Youth Conservation Act of 1959".

#### STATEMENT OF PURPOSE

SEC. 2. The purpose of this Act is (1) to provide the opportunity for healthful training and employment of young men in carrying out such programs of conservation planned and designed by, and under the immediate supervision of, the various governmental agencies charged with the responsibility of planning and carrying out such programs; and (2) to enable the governmental agencies charged with the responsibility

of conserving and developing natural resources to accelerate programs planned by such agencies to fulfill such responsibility.

#### ESTABLISHMENT OF A YOUTH-CONSERVATION CORPS

SEC. 3. In order to carry out the purposes of this Act, there is hereby established within the Department of Labor a Youth-Conservation Corps (hereinafter referred to as the "corps") which shall be administered and directed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and whose annual salary shall be \$20,000.

#### AUTHORITY OF SECRETARY OF LABOR

SEC. 4. The Secretary of Labor (hereinafter referred to as the "Secretary") shall, with the advice of the Commission hereinafter provided for, have authority—

(1) to formulate rules and regulations for the operation of the corps;

(2) to appoint, in accordance with the civil service laws and regulations, such personnel as he deems necessary for the efficient and economic discharge of the functions of the corps, the compensation of all such appointees to be fixed in accordance with the Classification Act of 1949, as amended;

(3) to establish adequate standards of safety, health, and morals for enrollees of the corps;

(4) to enter into agreements with Federal and State agencies charged with the responsibility of conserving, developing, and managing the natural resources of the Nation, and of developing, managing, and protecting recreational areas, whereby the enrollees of the corps may be utilized by such agencies in carrying out, under the immediate supervision of such agencies, programs planned and designed by such agencies to fulfill such responsibility. Any such agreement with a State agency shall provide that the State will defray one-half of all costs incurred with respect to any enrollees utilized by such State;

(5) to enter into agreements with, and otherwise cooperate with, other governmental departments, agencies, and instrumentalities in carrying out the purposes of this Act;

(6) to provide a system of educational services to enrollees of the corps, in addition to the regular program of work and on-the-job training;

(7) to formulate such other rules and regulations, establish such other procedures, enter into such contracts and agreements, and generally perform such functions as he may deem necessary or desirable to carry out the provisions of this Act;

(8) to authorize the performance by the Director of any functions of the Secretary under this Act.

#### YOUTH-CONSERVATION COMMISSION

SEC. 5. There is established a commission to be known as the Youth-Conservation Commission (hereinafter referred to as the "Commission"). The Commission shall be composed of four members as follows: The Secretary of Labor who shall be Chairman, a representative of the Department of Health, Education, and Welfare, a representative of the Department of Agriculture, and a representative of the Department of the Interior, each of whom shall be appointed by the Secretary of the department of which he is a representative. Members of the Commission shall be reimbursed for actual and necessary traveling and subsistence expenses incurred while engaged in the authorized functions of the Commission.

#### FUNCTIONS OF THE COMMISSION

SEC. 6. (a) The Commission shall consult with and advise the Secretary with respect to all phases of the operation of the corps.

(b) Each member of the Commission shall act in a liaison capacity between the agencies of the Federal department represented by him and the Youth-Conservation Corps in

carrying out any agreement between such agency and the corps.

#### ADVISORY COMMITTEE

SEC. 7. (a) There is established an Advisory Committee of nine members, including the Secretary who shall be the Chairman. The Advisory Committee shall meet semiannually in order to review the operations of the corps, in general, the kind of work performed, and the training provided the enrollees.

(b) The members of the Advisory Committee shall serve without compensation for their time and expenses if any spent in fulfilling their duties. Eight members shall be appointed upon recommendation by appropriate organizations.

#### COMPOSITION OF THE CORPS

SEC. 8. (a) The corps shall be composed of male individuals who are citizens of the United States of good character and health, and who are not less than sixteen nor more than twenty-one years of age. The number of enrollees in the corps shall not exceed in the case of the fiscal year ending June 30, 1960, 50,000; in the case of the fiscal year ending June 30, 1961, 100,000; and in the case of the fiscal year ending June 30, 1962, or any succeeding fiscal year, 150,000. The Secretary, in accepting applications for enrollment in the corps, shall, subject to the provisions of subsection (d), give priority to applications submitted by any Indian on tribal rolls for work to be performed on a reservation of such tribe, or lands adjacent thereto.

(b) In order to enroll as a member of the corps an individual must agree to comply with rules and regulations promulgated by the Secretary for the government of members of the corps.

(c) Enrollment in the corps shall be for a period of six months; if permitted by the Secretary, an individual may reenroll, but his total enrollment shall not exceed two years.

(d) For purposes of accepting enrollment in the corps in any year, (A) 50 per centum of the total number of the authorized enrollment of the corps for such year shall be allocated to the various States on the basis of the ratio that the total population of each State bears to the total population of the United States, and (B) 50 per centum of the total number of the authorized enrollment of the corps for such year shall be allocated throughout the United States, within the discretion of the Secretary, taking into account areas of substantial unemployment. The population categories referred to above shall be determined in accordance with the most recent statistics available from the Bureau of the Census and the Department of Labor.

#### COMPENSATION, QUARTERS, SUBSISTENCE, AND SO FORTH FOR ENROLLEES

SEC. 9. (a) (1) The base compensation of enrollees shall be at a rate of \$60 per month for the first enrollment and an additional \$5 per month for each subsequent enrollment. Up to an additional \$10 per month may be paid on the basis of assigned leadership responsibilities, or special skills.

(2) The Secretary shall establish procedures whereby each enrollee may make an allotment to his parent, dependent, legal guardian, or any fund established for his benefit of part of the periodic compensation to which he is entitled under this Act, and such allotment shall be paid directly to the person or fund in favor of which it is made.

(b) In addition to compensation authorized in subsection (a), enrollees shall be furnished with such quarters, subsistence, transportation (including travel from and to the place of enrollment), equipment, clothing, medical services, and hospital services as the Secretary may deem necessary or appropriate for their needs. Such quarters, subsistence, and equipment shall be furnished to enrollees of the corps through the

governmental agencies under the direction and supervision of which such enrollees are working under agreements between the Secretary and such agencies which provide for reimbursement to such agencies from funds appropriated for the corps.

SEC. 10. Existing provisions of law with respect to hours of work, rate of compensation, sick leave, vacation and unemployment compensation shall not be applicable to any individual because of enrollment in the corps.

SEC. 11. (a) Enrollees shall for the purpose of the administration of the Federal Employees' Compensation Act (39 Stat. 742, as amended) be deemed to be civil employees of the United States within the meaning of the term "employee" as defined in section 40 of such Act and the provisions thereof shall apply to enrollees except as hereinafter provided.

(b) For the purposes of this section—

(1) The term "performance of duty" in the Federal Employees' Compensation Act shall not include any act of an enrollee—

(A) while he is on authorized leave or a pass; or

(B) while he is absent from his assigned post of duty, except while participating in an activity authorized by or under the direction or supervision of the corps.

(2) In computing compensation benefits for disability or death under the Federal Employees' Compensation Act, the monthly pay of an enrollee shall be deemed to be \$150 a month.

(3) The term "injury" as defined in section 40 of the Federal Employees' Compensation Act shall not include—

(A) mental disease or illness except where such disease or illness is caused by a disabling physical injury sustained while in the performance of duty; or

(B) any other disease or illness which does not arise naturally out of service in the corps or naturally or unavoidably result from a physical injury.

(4) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is discharged from the corps.

#### SUPPLIES, MATERIAL, AND EQUIPMENT

SEC. 12. The Secretary may expend such amounts as he deems necessary for supplies, materials, and equipment for enrollees to be used in connection with their work, instruction, recreation, health, or welfare.

#### APPROPRIATIONS AUTHORIZED

SEC. 13. For the purpose of carrying out the provisions of this Act, there is authorized to be appropriated for the fiscal year commencing July 1, 1959, and for each succeeding fiscal year such amounts as the Congress may determine to be necessary to carry out the provisions of this Act.

#### REPORTS

SEC. 14. Not later than ninety days after the close of each fiscal year the Secretary shall prepare and submit to the Congress a full and complete report on the activities of the corps during such year, and not later than ninety days after the close of the third fiscal year that the corps has been in existence the Secretary shall prepare and submit to the Congress a full complete report on the activities of the corps during the preceding three fiscal years, together with recommendations for such legislation as he may deem desirable.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, in view of the fact that a time limitation is attached to the pending measure, I ask unanimous consent that the pending business be temporarily laid aside, so that no time can be applied under the agreement already reached by unanimous consent.

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

#### INFLATION AND SPENDING BY THE FEDERAL GOVERNMENT

Mr. MOSS. Mr. President, the new crusade to which the Eisenhower administration has dedicated itself becomes more blatant and astonishing every day. This crusade seeks to convince the American people of two facts: First, that inflation is almost entirely caused by excessive Government spending and an unbalanced budget; and second, that the Democrats in Congress are solely responsible for that unbalanced budget.

The Republican Party seems to believe that if this thesis is repeated often enough by leading spokesmen, and bolstered with stern enough purpose by the propaganda mills of satellite organizations, it will emerge, in the 1960 political campaign, as resplendent truth.

Mr. President, I do not believe the American people are that gullible. They will label the campaign for what it is—a violent, desperate propaganda effort of a two-term administration which in 6½ years has failed to keep the promises it made to the American people to reduce Government spending and balance the budget, and which is deeply frightened by the continuing drop in party popularity as evidenced by the public opinion polls.

The people know that under our Constitution, the President not only has the veto power over legislative actions, but he also can refuse to spend funds appropriated by the Congress if he does not approve of the amounts and the uses for which they were designated. They also know that most of the money which the Congress has appropriated during the past 6 years has been requested by the President himself. As a matter of fact, the Congress has consistently appropriated less than the President has asked for. In the last 5 years the Congress has cut the President's budget requests by \$10½ billion.

The propaganda, however, has been so misleading that I am sure most of the American people would be surprised to learn that the net budget deficits for the 6 Eisenhower years have been \$22.1 billion, as compared to a deficit of \$2.1 billion for the 6½ peacetime years under President Truman. In other words, almost 10 times as much.

Because I have had many letters from Utah commenting on the budget and Government spending, and because it is not possible to give a full reply in a letter, I wish to discuss the problem here in more detail, and to explain my approach and some of my thinking on it.

I propose to look first at the inflation issue, at the insinuation which, in the hands of unskilled exponents, often becomes the bald charge, namely, that the inflation which is hurting so many Americans has been brought on by Government spending.

A good sample of the propaganda designed to frighten the people is the series of studies on the economy released by the National Association of Manufacturers, and the special feature releases

which accompany the studies. One of the studies, "The High Cost of Inflation in the 11 Western States, 1947-59," came to my desk the other day together with a release entitled "The Case of the Missing Millions." The release begins:

One of the cleverest, most sinister sneak thieves to operate in the State of Utah is still at large, despite the fact that millions and millions of dollars have been stolen from savings accounts and salary checks over the past 12 years. No one knows exactly how much money has been pilfered as complete records are impossible to obtain. But it is known that between the years 1947 to 1955, the total is roughly \$855,800,000.

The release continues by pointing out that the money has been taken from the pockets of every citizen in Utah—and that the missing millions are over 4.9 times the amount spent for public schools in Utah over the past 12 years; 21.7 times the total worth of all of the hospitals, and 2.5 times Utah's share of the interstate and defense highway system.

A few days later a copy of a prominent Utah weekly newspaper reached my office. The lead editorial, frankly based on the study released by the National Association of Manufacturers, pointed out how many millions of dollars the State has lost through inflation—lost in terms of new homes and new cars and college educations—and then concluded:

Inflation can be halted through reduction of wasteful Government costs and services, by employment of a balanced budget, and,

as Government economies take effect, through reduced taxation, the NAM stated.

Thus the crusade runs rampant across the country.

Mr. President, inflation is like sin—we are all against it. We know how the cheaper dollar has cut into the life savings of our senior citizens, and made it impossible for many of them to live in decency. We know what it has done to life insurance policies and rainy-day funds.

But to tell the American people that their Government, simply by spending less money and balancing the budget, can halt inflation and restore to them the value of their dollar is cruel and deceitful.

And to use a table of current monetary value of incomes on which to calculate the "loss" suffered by inflation is downright dishonest.

What this table does is to say, "Utah, your income for 1955 was \$967 million. But these were 1955 dollars which had gone down in value. If that \$967 million income had been in 1947 dollars, you would have had another \$175 million to spend in that one year alone."

The catch here, of course, is that the number of dollars available as spendable income would not have been as great had there been no economic acceleration and growth. These same people constantly tell us that increased wages are a cause of increased prices. If this is true, a good portion of this increase in the

cost of goods has gone to wages, hence more dollars in workers' pockets or more spendable income. We all have more dollars to spend—many more.

The most interesting thing about the NAM figures is a comparison that they do not make. That is between Utah's spendable income in 1947 and 1955 showing both years in terms of 1947 dollars. This, using their own chart, shows that Utah had 173 million more 1947 dollars to spend in 1955 than we had in 1947. Is this being robbed of income?

Again, I reiterate, the American people are too smart to buy the argument. They know something about the causes of inflation themselves. They have been experiencing it now for 10 or 12 years in a serious form. They know that the inflation which occurred immediately after World War II was so-called classic inflation which is primarily caused by too much money chasing too few goods. However, there is no shortage of consumer or any other type of goods now, so why, they ask, should Government spending, by itself, cause inflation?

I ask unanimous consent to have printed at this point in the RECORD two tables taken from the U.S. Council of Economic Advisers Economic Report of the President for 1959. The first is a table of consumer price indexes from 1929 to 1958, and the second a table of wholesale price indexes, 1947-48.

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

TABLE D-37.—Wholesale price indexes, by stage of processing, 1947-58  
[1947-49=100]

Period	Finished goods					Special groups of industrial products <sup>1</sup>			
	Total	Consumer finished goods			Producer finished goods	Crude materials <sup>2</sup>	Intermediate materials, supplies, and components <sup>3</sup>	Consumer finished goods excluding foods	
		Total	Foods	Other non-durable goods					Durable goods
1947	95.9	96.8	97.0	97.4	94.8	92.8	92.9	95.3	96.6
1948	103.5	104.1	105.8	103.5	101.3	101.1	108.5	103.7	102.8
1949	100.6	99.2	97.2	99.2	104.0	106.1	108.6	101.0	100.6
1950	102.4	100.9	99.2	100.8	105.0	108.7	109.9	105.7	102.1
1951	112.1	110.3	111.3	108.5	112.1	119.3	120.8	118.5	109.6
1952	111.5	109.0	110.4	105.9	113.0	121.3	109.3	114.7	108.0
1953	110.4	107.1	104.6	106.9	113.8	123.1	108.5	116.2	108.9
1954	110.7	107.1	103.8	107.2	114.7	124.7	103.3	116.7	109.4
1955	110.9	106.4	101.1	107.8	115.9	128.5	113.4	120.1	110.2
1956	114.0	108.0	101.0	109.9	119.7	138.1	120.0	128.0	112.8
1957	118.1	111.1	104.5	112.4	123.3	146.7	118.3	129.3	115.7
1958	120.8	113.5	110.5	111.7	125.0	150.3	113.7	129.1	115.8
1957	116.7	109.9	102.3	111.8	122.9	144.3	123.5	128.7	115.2
1957	117.0	110.2	101.8	112.9	123.0	144.7	121.2	129.0	115.9
1957	116.9	109.9	101.3	112.7	122.9	145.1	119.7	129.0	115.8
1957	117.4	110.5	102.7	112.8	122.7	145.3	117.1	129.1	115.8
1957	117.4	110.5	103.1	112.5	122.7	145.5	117.6	129.0	115.5
1957	117.6	110.7	104.2	112.0	122.7	145.5	121.4	128.9	115.3
1957	118.5	111.6	106.2	112.2	122.9	146.4	121.3	129.5	115.4
1957	118.6	111.6	106.2	112.2	123.1	147.2	121.2	129.8	115.5
1957	118.8	111.6	106.0	112.4	123.0	147.8	118.3	129.3	115.6
1957	119.0	111.8	106.2	112.4	123.5	148.4	114.4	129.8	115.7
1957	119.6	112.2	106.8	112.3	124.7	149.8	112.1	129.8	116.1
1957	119.9	112.5	107.2	112.6	124.9	150.1	112.5	129.8	116.3
1958	120.6	113.3	109.2	112.5	125.1	150.1	112.2	129.7	116.3
1958	120.6	113.3	110.1	111.8	124.9	150.1	112.9	129.2	115.8
1958	121.4	114.4	113.1	111.5	124.9	150.0	112.0	128.8	115.6
1958	120.9	113.7	111.9	111.1	124.8	150.1	110.2	128.6	115.3
1958	121.0	113.9	112.5	110.9	124.7	150.0	109.7	128.5	115.2
1958	120.7	113.6	111.6	111.0	124.7	150.0	111.2	128.5	115.2
1958	120.8	113.7	111.5	111.4	124.7	150.0	112.4	128.5	115.5
1958	120.6	113.3	110.0	112.0	124.7	150.0	114.7	129.1	115.8
1958	120.9	113.7	110.8	112.2	124.6	150.1	115.9	129.4	116.0
1958	120.6	113.3	109.6	112.2	125.0	150.3	117.8	129.6	116.1
1958	120.6	113.0	108.5	112.0	126.0	151.6	118.5	129.7	116.3
1958	120.5	112.8	107.7	112.1	126.2	151.9	116.5	129.8	116.5

<sup>1</sup> Includes, in addition to subgroups shown, processed fuels and lubricants, containers, and supplies.

<sup>2</sup> Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

<sup>3</sup> Excludes intermediate materials for food manufacturing and manufactured animal feeds.

<sup>4</sup> Preliminary.

NOTE.—For a listing of the commodities included in each sector and their relative importance, see Monthly Labor Review December 1955.

Source: Department of Labor.

U.S. Council of Economic Advisers Economic Report of the President, 1959.

TABLE D-38.—Consumer price indexes, 1929-58, for city wage earner and clerical-worker families

[1947-49=100]

Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1929	73.3	65.6	(1)	117.4	60.3	(1)	(1)	(1)	(1)	(1)
1930	71.4	62.4	(1)	114.2	58.9	(1)	(1)	(1)	(1)	(1)
1931	65.0	51.4	(1)	108.2	53.2	(1)	(1)	(1)	(1)	(1)
1932	58.4	42.8	(1)	97.1	47.5	(1)	(1)	(1)	(1)	(1)
1933	55.3	41.6	(1)	83.6	45.9	(1)	(1)	(1)	(1)	(1)
1934	57.2	46.4	(1)	78.4	50.2	(1)	(1)	(1)	(1)	(1)
1935	58.7	49.7	71.8	78.2	50.6	69.6	71.4	54.6	58.1	67.2
1936	59.3	50.1	72.8	80.1	51.0	70.2	71.6	55.3	59.1	67.0
1937	61.4	52.1	75.4	83.8	53.7	71.3	72.3	58.5	60.8	68.8
1938	60.3	48.4	76.6	86.5	53.4	71.9	72.5	59.8	62.9	69.4
1939	59.4	47.1	76.1	86.6	52.5	70.2	72.6	59.6	63.0	70.6
1940	59.9	47.8	76.4	86.9	53.2	69.8	72.7	59.5	64.1	72.8
1941	62.9	52.2	78.3	88.4	55.6	72.2	73.1	61.0	66.4	74.2
1942	69.7	61.3	81.8	90.4	64.9	78.5	75.1	66.9	69.5	76.3
1943	74.0	68.3	82.8	90.3	67.8	78.2	78.7	73.8	75.3	80.2
1944	75.2	67.4	84.7	90.6	72.6	78.2	81.2	79.0	83.4	82.4
1945	76.9	68.9	86.1	90.9	76.3	78.1	83.1	81.5	86.8	85.7
1946	83.4	79.0	88.3	91.4	83.7	82.1	87.7	87.4	89.7	88.6
1947	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1955	114.5	110.9	120.0	130.3	103.7	126.4	128.0	115.3	106.6	120.2
1956	116.2	111.7	121.7	132.7	105.5	128.7	132.6	120.0	108.1	122.0
1957	120.2	115.4	125.6	135.2	106.9	136.0	138.0	124.4	112.2	125.5
1958 <sup>1</sup>	123.4	120.4	127.7	137.7	106.9	140.1	144.1	128.6	116.7	127.2
1957: January	118.2	112.8	123.8	134.2	106.4	133.6	135.3	122.1	109.9	123.8
February	118.7	113.6	124.5	134.2	106.1	134.4	135.5	122.6	110.0	124.0
March	118.9	113.2	124.9	134.4	106.8	135.1	136.4	122.9	110.5	124.2
April	119.3	113.8	125.2	134.5	106.5	135.5	136.9	123.3	111.8	124.2
May	119.6	114.6	125.3	134.7	106.5	135.3	137.3	123.4	111.4	124.3
June	120.2	115.2	125.6	135.0	106.6	135.3	137.9	124.2	111.8	124.6
July	120.8	117.4	125.6	135.2	106.5	135.8	138.4	124.7	112.4	126.6
August	121.0	117.9	125.7	135.4	106.6	135.9	138.6	124.9	112.6	126.7
September	121.1	117.0	126.3	135.7	107.3	135.9	139.0	125.1	113.3	126.7
October	121.1	116.4	126.6	136.0	107.7	135.8	139.7	126.2	113.4	126.8
November	121.6	116.0	126.8	136.3	107.9	140.0	140.3	126.7	114.4	126.8
December	121.6	116.1	127.0	136.7	107.6	138.9	140.8	127.0	114.6	126.8
1958: January	122.3	118.2	127.1	136.8	106.9	138.7	141.7	127.8	116.6	127.0
February	122.5	118.7	127.3	137.0	106.8	138.5	141.9	128.0	116.6	127.0
March	123.3	120.8	127.5	137.1	106.8	138.7	142.3	128.3	117.0	127.2
April	123.5	121.6	127.7	137.3	106.7	138.3	142.7	128.5	117.0	127.2
May	123.6	121.6	127.8	137.5	106.7	138.7	143.7	128.5	116.6	127.2
June	123.7	121.6	127.8	137.7	106.7	138.9	143.9	128.6	116.7	127.2
July	123.9	121.7	127.7	137.8	106.7	140.3	144.6	128.9	116.6	127.2
August	123.7	120.7	127.9	138.1	106.6	141.0	145.0	128.9	116.7	127.1
September	123.7	120.3	127.9	138.2	107.1	141.3	146.1	128.7	116.6	127.1
October	123.7	119.7	127.9	138.3	107.3	142.7	146.7	128.8	116.6	127.2
November	123.9	119.4	128.0	138.4	107.7	144.5	147.0	129.1	117.0	127.3

<sup>1</sup> Not available.<sup>2</sup> January-November average.

Source: Department of Labor.

Mr. MOSS. Mr. President, from these tables it may be seen that there is little or no direct year-to-year relationship between periods of particularly great price rises and periods of budget surpluses and deficit. Using annual data, the years following World War II in which there were the greatest price increases were the last half of the fiscal year 1946, all of fiscal years 1947 and 1948, the first half of the fiscal year 1949, the last half of the fiscal year 1951, and the first half of the fiscal year 1952. During fiscal years 1946, 1949, and 1952 there were budget deficits. During fiscal years 1947, 1948, and 1951 there were budget surpluses.

This would seem to indicate that in the past the extent to which Government expenditures were kept in line with Government income had no relationship to whether inflation was increasing at a gallop or slowed down to a walk.

This fact has been borne out again recently. During the past 12 months of the fiscal year 1959 when the budget deficit was nearly \$13 billion, prices have been as stable as they have been for a long time.

There are many theories on what is causing the new inflation, but it seems obvious that inflation is related not only

to Government monetary and fiscal policies, but also to wages, productivity and profits. There are those who maintain that wage increases won by organized labor, and the administered price policies of industry, which push prices up without direct relationship to supply and demand, are both key factors in spawning inflation. This is one of the thorniest problems of current economic analysis, and I am glad to note that the Joint Economic Committee of the Congress, and several other groups, have announced plans to study it. Inflation is a complex problem, born of many factors, and there is no simple, single answer.

It appears beyond question, however, that the administration is fostering policies in the name of dollar stability which are actually not keeping prices down. The tight money policy, first applied in 1953 and 1954, and now being reactivated, is a good example.

We all remember back in 1955, when those who were directing our national economic policies decided that we were moving too fast, and that inflation was our greatest danger. High interest rates were applied as a brake. They struck first and hardest at the homebuilding industry, since it cost more to finance mort-

gages. As a result thousands of buyers were kept out of the market. The slow-down in the building industry chain reacted to the lumber industry, and associated building industries, and from there to factory towns. The recession of 1956-57 was the result.

It was not until the Democratic Congress seized the initiative from the administration, and enacted a series of public works measures, including an acceleration of the highway construction program—that the country began to pull out of the slump. During this period, however, prices did not drop, but continued to inch upward.

Now that we are in high gear once more, administration leaders are again making hard money and budgetary retrenchment the order of the day on the basis that it will slow us down and curb inflation. The Nation's money managers in the Federal Reserve seem bent on pushing interest rates to their highest point in modern history.

The President has asked for, and gotten, an increase in VA and FHA interest rates, and has requested the removal of the 4½ percent interest rate ceiling on long-term Government bonds. Interest on money is going up for the home buyer, for the farmer who needs new machinery,

for the small businessman who must buy a new truck—for anyone who buys on credit. The school district which is going to build new classrooms and the community which is going to construct a new hospital must increase the amount of their bond issue to pay the extra interest costs. All of this hardship will be heaped upon America because the administration is again trying to curb inflation with an experiment which fizzled out like a malfunctioning missile several years ago—an experiment which did not stop inflation, but did contribute to a slump.

Mr. President, it is time we differentiated between inflation and economic growth. The question at issue is whether, by playing skillfully upon our fear of inflation, the administration will keep the Nation from pursuing those goals which will assure a stable and long-range economic growth. The question at issue is whether by trying to force dollar stability through a reduction in certain types of Government spending, we, as a nation, will fail to make reasonably full use of our manpower and plants and new technology, whether we will fail to develop our vast heritage of natural resources, whether we will adequately provide for our national defense.

Even today, when the administration feels we are moving upward too fast, more than 5 percent of our population is unemployed, and another 1 percent is limited to part-time work. Even without the steel strike our industry is not operating at full capacity. Surely it is obvious that only an expanding economy can provide jobs for the thousands of new workers who pour into the labor market each year, and whose numbers will greatly increase as the wartime and post-wartime crop of babies reaches maturity.

Now let me turn briefly to the premise that it is the Democrats who are the Federal "spenders" and "budget busters."

It becomes increasingly clear each day that in the eyes of the Republicans only the Government spending which they propose is good spending. If the project has the blessings of the administration—even though it has not been budgeted, it is highly desirable. Administration foreign aid requests, for example, are untouchable. On the other hand, if the Democrats recommend more money than the President has deemed necessary for housing, for flood control or new irrigation starts, for medical research, airports or hospitals, that is bad spending and it will somehow start a whole new wave of inflation.

One of the most amusing facets to the whole controversy is that of back-door spending. Some of the propagandists infer that the Democrats are slipping into bills spending items which the President has not requested, and that as a result of this maneuver millions of extra dollars are being squandered on programs the Democrats favor and the administration does not. Most high school political science students know that no spending bill can become law until the President signs it.

Again I point out that the President has both the veto power, and the power not to spend appropriated funds if he so desires. It is hard to see how Congress

is slipping spending through the back door when the President has either approved or vetoed every bill which has come before him, and no veto has ever been overridden.

This year particularly the propagandists are working overtime to try to convince the American people that a Democratic Congress is responsible for the \$13 billion deficit, which I mentioned earlier, for the fiscal year 1959 which has just ended.

A careful examination will show that a great slice of that deficit—\$6 billion to \$7 billion—results from the falling off of Federal receipts because of the recession. This recession—born principally of the hard money policy—also caused an increase in Government expenditures—in unemployment compensation and welfare payments, in price supports and expenses of the Department of Agriculture. Defense spending also increased during this fiscal year.

During the past fiscal year, according to Chairman CLARENCE CANNON of the House Appropriations Committee, "the Government has levied more taxes, has incurred the greatest national debt, has lost more gold, has incurred the greatest deficit, and is tonight in the greatest financial distress in any peacetime period in the history of the Nation."

Small wonder the administration propagandists are looking for a devil to blame for the mess in Washington.

Mr. President, the well-organized attempt to lay the blame for inflation and an unbalanced budget on the Democrats is the first shot of the presidential campaign—the Republicans' cross-continental ballistic missile for 1960. The best defense against it is the truth, and we should start giving it to the people now.

Again I emphasize that all of us recognize that inflation causes great tragedy, and that a sharp upward spiral of prices must be prevented. The administration, however, would gain greater stature in the country if the President and his Budget Bureau would take a more responsible position in trying to cut back military fat and waste, in carefully evaluating the enormous increase in the cost of administering the farm program, and in rooting out laxity and maladministration in the foreign aid and domestic programs, rather than in trying to shift the blame for any deficiencies which have occurred in the past 6 years to the backs of the Democrats in Congress, who have not had the authority to administer the funds.

And we in Congress should continue to do what we can to see the purposes for which we appropriate money are carried out and that the money is wisely and honestly disbursed. We cannot be indifferent, nor can we trust blindly in the good faith and performance of the executive departments in administering these programs.

We shall make our greatest mistake, however, if we allow the great emphasis which is being placed on inflation to blind us to the total economic picture—if we let ourselves be sold the line that we are in worse shape, instead of better. The propagandists constantly tell the people how much has been "stolen" by

inflation since World War II. Much more important is the progress we have made—the measure of the well-being our people have been able to buy, even though the dollar is worth less than it was. In terms of goods, how does the present situation compare?

I noted the recent story, published in the U.S. News & World Report, based on the Department of Labor pamphlet entitled "How Buying Habits Change." The pamphlet details the transformation which has taken place in America in the past 50 years, turning it into a land of high productivity, high incomes, and the highest living standard in the world.

This transformation has given the American worker more pay for less work—18 cents an hour, in 1900, for a 72-hour week, compared to \$3 an hour today, for a 40-hour week, with overtime, paid vacations, pensions, and other fringe benefits.

In 1900, only 1 out of every 5 workers owned his own home, whereas today 3 out of 5 do. In 1918, only 1 out of 18 families of city workers had cars; today, 2 out of 3 families do.

The key to the whole picture, however, is this paragraph from the Labor Department report:

Although the rise in prices cut the purchasing power of each dollar by 66 percent between 1901 and 1950, for example, incomes rose enough to support the purchases of 2½ times as many goods and services in physical-quantity terms.

Some of this increase in abundance and comfort and good living has come to the American people since the end of World War II. The figures used by the Labor Department in its analysis of purchasing power in physical-quantity terms cover this post-World War II period.

Obviously, in order to maintain this high standard of living for our rapidly increasing population, America must have a high rate of economic growth. It should be the policy of both the Congress and the administration to obtain this high rate without cutting the value of the dollar.

Inflation vitally affects every American family. I deplore the efforts of the administration to make a political football of inflation. We in the Congress and those in the administration should be working together to find a solution to the most important economic question of the day—namely, How can we stabilize the value of the dollar, and at the same time enjoy the high rate of economic growth which is essential to the well-being of our people?

This cannot be done effectively unless we root out waste and inefficiency in the Government. The apparent indifference of officials of various branches of the executive arm of the Government to the value of the dollar, and the failure of administrative officers to apply sound economic practices, contribute far more to unbalancing the budget than do some of the efforts of the Democratic Congress to conserve and develop our human and natural resources and keep our economy functioning at a high level.

For example, I refer to the inefficient and wasteful noncompetitive practices

followed by the Department of Defense in its purchasing activities, as recently discussed on this floor by the chairman of the Select Committee on Small Business [Mr. SPARKMAN], and the stories of maladministration of foreign-aid funds in Laos, Vietnam, and Bolivia. These examples are currently in the limelight. Six months ago, I would have pointed to others.

I am also concerned about the millions of dollars which are lost to the Federal Government through tax loopholes, such as those which allow nightclub tabs, the cost of theater-party tickets, and the cost of African safaris to be deducted as business expenses, and the failure to provide for withholding dividend income at the source.

Since I came to the Senate, I have supported amendments to control foreign aid, through an end to blank-check spending; and I have voted to close some of the more flagrant tax loopholes. I shall look for other opportunities to take further action in these fields. We must cut waste, and we must assure tax revenue on the basis of a fair formula.

Mr. President, a reduction in Government spending, a reduction in the national debt, and the eventual reduction in taxes which such an accomplishment would make possible, are not exclusively the property or the goal of the Republican Party. Everybody is for them. The question is how we can best get them. The American people want action—not political propaganda. Instead of calling names, let us work for stability and growth in America.

#### ORDER FOR RECESS UNTIL 9:30 A.M., TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, instead of the order for the Senate to adjourn until 9:30 tomorrow, it be ordered that when the Senate conclude its business this evening, it stand in recess until tomorrow at 9:30 a.m.

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Is there objection? Without objection, it is so ordered.

#### ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is Calendar No. 610, Senate bill 1514, to amend the act of August 9, 1955 (69 Stat. 618).

#### COMMITTEE MEETING DURING SENATE SESSION TOMORROW

On request of Mr. MANSFIELD, and by unanimous consent, the State Department Subcommittee of the Foreign Relations Committee was authorized to meet during the session of the Senate tomorrow.

#### RECESS UNTIL 9:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, under the order previously entered, I now move that the Senate stand in recess.

The motion was agreed to; and (at 7 o'clock and 3 minutes p.m.), the Senate took a recess, under the order previously entered, until tomorrow, Thursday, August 13, 1959, at 9:30 o'clock a.m.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate August 12, 1959:

##### ATOMIC ENERGY COMMISSION

John H. Williams, of Minnesota, to be a member of the Atomic Energy Commission for the remainder of the term expiring June 30, 1961.

##### DEPARTMENT OF STATE

Robert D. Murphy, of Wisconsin, to be Under Secretary of State for Political Affairs.  
Livingston T. Merchant, of the District of Columbia, to be Deputy Under Secretary of State.

##### DIPLOMATIC SERVICE

Elbert G. Mathews, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Liberia.

##### U.S. DISTRICT JUDGES

John A. Field, Jr., of West Virginia, to be U.S. district judge for the southern district of West Virginia.

Ted Dalton, of Virginia, to be U.S. district judge for the western district of Virginia.

##### U.S. PATENT OFFICE

The following-named persons to be Examiners in Chief in the U.S. Patent Office:

James L. Brewrink, of Maryland.  
Malcolm F. Bailey, of Maryland.  
James E. Keely, of Maryland.  
Joseph C. Manian, of Maryland.

##### INDIAN CLAIMS COMMISSION

Arthur V. Watkins, of Utah, to be an Associate Commissioner of the Indian Claims Commission.

##### DIPLOMATIC AND FOREIGN SERVICE

The following-named persons, now Foreign Service officers of class 2 and secretaries in the diplomatic service, to the office indicated:

##### To be consuls general

Byron E. Blankinship, of Oregon.  
A. David Fritzman, of Kentucky.  
Max McCullough, of Texas.

The following-named person, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to the office indicated:

##### To be consul general

Weldon Litsey, of Texas.

The following-named persons for appointment to the offices indicated:

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service

Stanislaus B. Milus, of New York.  
Donald Kaye Palmer, of Michigan.

The following-named Foreign Service officers for promotion from class 6 to the offices indicated:

To be Foreign Service officers of class 5 and to be also consuls

William M. Kahmann, of Missouri.  
Miss Margaret Ruth Kelley, of California.  
David H. McCabe, of Maryland.  
Miss Irene L. Rossi, of Pennsylvania.  
Benjamin J. Ruyle, of Washington.  
Charles T. Warner, of West Virginia.

The following-named persons for appointment to the offices indicated:

To be Foreign Service officers of class 5, consuls and secretaries in the diplomatic service

Ramón S. Alfonzo, of New Jersey.  
J. Anthony Armenta, of California.

John Coffey, of Illinois.  
Randolph Dickins, Jr., of Virginia.  
Stanley H. Schaub, of Maryland.  
Anthony E. Sega, of New York.

The following-named person for promotion from Foreign Service officer of class 7 to office indicated:

To be Foreign Service officer of class 6

Julius W. Walker, Jr., of Texas.

The following-named persons for appointment to the offices indicated:

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service

Richard B. Andrews, of Illinois.  
James O. Belden, of New York.  
Eugene E. Champagne, Jr., of New York.  
Harold A. Church, of Massachusetts.  
Ellis V. Glynn, of Pennsylvania.  
Benjamin C. Goode, Ohio.  
Miss Hazel E. Gordon, of Minnesota.  
John W. Haigh, of New Hampshire.  
Reppard D. Hicks, of Florida.  
Stanley M. Howe, of Illinois.  
Samuel Karp, of Pennsylvania.  
Darold W. Keane, of California.  
Frederick J. Lindow, of Florida.  
Miss Olga Lukashewich, of New York.  
Mrs. Kathryn Z. McCoy, of Indiana.  
Miss Mary E. Mellette, of South Carolina.  
Mrs. Marian D. Miller, of Massachusetts.  
Arthur Parolini, of California.  
Miss Ruth E. Wagner, of New York.  
Miss Eleanor Frances Welch, of Ohio.  
Raymond S. Yaukey, of Maryland.  
Miss Betty Lou Zimmerman, of Texas.

The following-named Foreign Service officers for promotion from class 8 to the office indicated:

To be Foreign Service officers of class 7

Herbert Eugene Horowitz, of New York.  
Nelson C. Ledsky, of Ohio.  
Robert von Pagenhardt, of California.  
Howard L. Worthington, Jr., of Virginia.

The following-named persons for appointment to the offices indicated:

To be Foreign Service officers of class 7, vice consuls of career, and secretaries in the diplomatic service

Joe L. Alarid, of Colorado.  
Miss Elsie C. Bell, of California.  
Frank L. Berry, of Kentucky.  
Miss Anne L. Carroll, of Idaho.  
Ernst Conrath, of Wisconsin.  
Howard B. Crottinger, of Iowa.  
Miss Margot J. Fellingner, of New Jersey.  
Thaddeus J. Figura, of Illinois.  
Coradino E. Gatti, of Massachusetts.  
John O. Grimes, of Alabama.  
Thomas J. Grimes, of Illinois.  
Kenneth O. Harris, of West Virginia.  
Miss Lorraine C. Herron, of Minnesota.  
Frank P. Irwin, of Illinois.  
Don C. Jensen, of California.  
Mrs. Lucy N. Johansen, of Oregon.  
James Kidder, of Ohio.  
Thomas R. Kresse, of Ohio.  
Robert C. LaPrade, of Massachusetts.  
Miss Helen H. Larson, of Minnesota.  
Joaquin Mariota, of California.  
Miss Clare Ree Moore, of California.  
Wilbur N. Nadel, of New Jersey.  
Roy C. Nelson, of New York.  
William M. Nikolin, of Indiana.  
Joseph E. Olenik, of Pennsylvania.  
Edward B. Pohl, of Louisiana.  
Robert Prieto, of Wisconsin.  
Miss Mary K. Richmond, of Oregon.  
Valentine E. Scalise, of New York.  
Miss Constance V. Stuck, of Arkansas.  
Eugene S. Szopa, of Maine.  
James Richard Vandivier, of Indiana.  
Louis Villalobos, of California.  
Frank E. Wallace, of Pennsylvania.

The following-named persons for appointment to the offices indicated:

*To be Foreign Service officer of class 8, vice consul of career, and secretary in the diplomatic service*

Thomas D. Boyatt, of Ohio.  
 Thomas Stanley Brooks, of Wyoming.  
 Garrett C. Burke, of Iowa.  
 Francis B. Corry, of Wisconsin.  
 John James de Martino, of the District of Columbia.  
 Stamps Farrar, Jr., of Louisiana.  
 Norman H. Frisbie, of Massachusetts.  
 Robert E. Fritts, of Illinois.  
 Joseph M. Hardman, of Oregon.  
 Serge P. Horeff, of New Jersey.  
 Arthur V. Laemmerzahl, of New Jersey.  
 George A. McFarland, Jr., of Texas.  
 Richard R. Martin, of the District of Columbia.  
 Thomas R. Pickering, of Pennsylvania.  
 Peter Andrews Poole, of New York.  
 Pierre Shostal, of New York.  
 Michael B. Smith, of Massachusetts.  
 John W. Stahlman, of the District of Columbia.  
 Miss Sara Ann Stauffer, of Rhode Island.  
 William O. Sugg III, of Tennessee.  
 Donald P. Swisher, of California.  
 Richard W. Teare, of Ohio.  
 Olin S. Whittemore, of Michigan.  
 Michael G. Wygant, of Massachusetts.  
 John R. Yodzis, of Pennsylvania.

The following-named Foreign Service staff officers to the office indicated:

*To be consuls*

Richard T. Hamilton, of Virginia.  
 Abraham N. Hopman, of New York.  
 Walter H. Hummel, of North Dakota.  
 William Lipper, of Arizona.  
 Ralph S. Smith, of Maryland.  
 William H. Smith, of Maryland.  
 The following-named Foreign Service Reserve officers to the offices indicated:  
 David H. Cohn, of Florida.  
 Charles I. Cooper, of Massachusetts.  
 Harold I. Fiedler, of New Jersey.  
 Robert W. Hamerschlag, of New York.  
 Richard Linthicum, of Virginia.  
 Nestor D. Sanchez, of New Mexico.  
 Harry V. Scott, of Maryland.  
 Michael C. Sednaoui, of Colorado.  
 George W. Steitz, of Connecticut.

*To be vice consuls*

Robert C. Bodden, of Florida.  
 William C. Boner, Jr., of Massachusetts.  
 Paul R. Brown, of Pennsylvania.  
 John F. Murnane, of Virginia.  
 William J. Murray, Jr., of Washington.  
 Winston C. Oliver, of Pennsylvania.  
 Thomas B. Peck, Jr., of Virginia.  
 Jonathan D. Petry, of California.  
 Frank Rettenberg, of New York.  
 Samuel H. Rickard III, of Michigan.  
 Robert M. Schram, of Pennsylvania.  
 J. Bruce Scrymgeour, of New York.  
 Stephen J. Shuttack, of Wisconsin.  
*To be Secretary in the diplomatic service*  
 William Anderson, Jr., of Virginia.  
 Vincent J. Augliere, of Virginia.  
 Roger M. Bearce, of Maine.  
 William L. Clark, of the District of Columbia.  
 Benjamin C. Evans, Jr., of the District of Columbia.  
 Paul V. Harwood, of Pennsylvania.  
 Frank W. Jones, Jr., of Connecticut.  
 Thomas H. Karamessines, of Virginia.  
 William F. Miller, of Massachusetts.  
 Jean M. Nater, of Connecticut.  
 Donald M. Richardson, of Virginia.  
 Robert L. Skidmore, of the District of Columbia.  
 James R. West, of California.  
 Robert P. Wheeler, of the District of Columbia.  
 Oscar Zaglits, of the District of Columbia.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, AUGUST 12, 1959

The House met at 12 o'clock noon.  
 The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

II Corinthians 3: 5: *Not that we are sufficient of ourselves but our sufficiency is from God.*

Most merciful and gracious God, grant that during this day we may achieve a greater gain in helpful things and experience a more blessed joy in higher things.

We earnestly beseech Thee that the Members of this legislative body may be directed by Thy divine counsel for without Thy guidance their wisdom is folly and they labor in vain.

May their constituents daily commend them to Thy all-sufficient grace that in their deliberations and decisions they may be endowed with clear vision and right judgment.

Inspire the nations and their leaders to pursue the ways of peace and good will and seek to extend and enlarge the boundaries of the kingdom of righteousness.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

### INDEPENDENT OFFICES APPROPRIATION BILL, 1960

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7040) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1960, and for other purposes, together with Senate amendment No. 1 thereto and agree to the further conference requested by the Senate on the disagreeing votes of the two Houses thereon.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none, and appoints the following conferees: Messrs. THOMAS, YATES, CANNON, OSTERTAG, and TABER.

### COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on H.R. 7509, the public-works appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

### CALL OF THE HOUSE

Mr. BARDEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

	[Roll No. 128]	
Alexander	Davis, Tenn.	Kasem
Allen	Elliott	McDowell
Barrett	Flynn	Powell
Bowles	Gallagher	Shelley
Canfield	Gray	Whitten
Celler	Hoffman, III.	
Cramer	Jackson	

The SPEAKER. On this rollcall 415 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

### LABOR-MANAGEMENT REPORTING AND DISCLOSURE ACT OF 1959

Mr. BARDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 8342) to provide for reporting and disclosure of certain financial transactions and administrative practices of labor organizations and employers, to prevent abuses in the administration of trusteeships by labor organizations, to provide standards with respect to the election of officers of labor organizations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 8342 with Mr. WALTER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the gentleman from North Carolina [Mr. BARDEN] had 1 hour and 15 minutes remaining and the gentleman from Pennsylvania [Mr. KEARNS] had 1 hour and 34 minutes remaining.

The Chair recognizes the gentleman from Pennsylvania [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLT].

Mr. HOLT. Mr. Chairman, I shall make my remarks brief today because there is a shortage of time and so I will not yield for any questions.

Mr. Chairman, I would like to say that I was one of those who voted to get the committee bill out of the Committee on Education and Labor for the purpose of having it before the House so that House could work its will, because I feel very strongly, after 7 years on the Committee on Education and Labor, that labor legislation is necessary. I represent a district with many union members. I support the Landrum-Griffin bill now because I feel that it is in the best interests of our country and both union and management. My concern has been not for big business or big unions. My concern has been and is for the people of America. I have concern for small business. I feel that it is necessary that they do have some protection.

I also feel that due to some of the disclosures before the McClellan commit-