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sheet or profit and loss statement is a key professional accounting service. They are prepared from the financial data accumulated in the accounting records and are intended to tell the businessman, where his company has been, where it is now, and where it is likely to be heading.

Fourth:

The preparation of tax returns whether Federal, State, or local.

This activity depends upon accounting records and accounting principles for its foundation. While there is no present Federal regulation over persons or firms who may prepare a tax return for a taxpayer for a fee this is not an activity in which a bank should engage. Banks would not be prohibited under the bill in any way from preparing estate, inheritance, or fiduciary tax returns or any other tax returns which are necessary in connection with their lawful functions as trustee or agent.

Fifth:

The conduct of audits and the preparation of reports based on audits.

Audit is a procedure which examines records and statements to safeguard against fraud and error and to assure that the records and statements are in accord with accepted accounting principles. This assurance is vital to management, third parties, and particularly banks.

Often an accountant is called upon to express a professional opinion in his audit report about the firm's operation as reflected in its financial records. Training and experience is required to carry out this responsibility.

The bill recognizes that when a bank occupies a position of trustee or agent, it must necessarily have the authority to provide a wide variety of services. The bill does not interfere in any way with necessary activities when the bank is acting as a trustee or agent, even if such activities or services include those prohibited by this bill under other conditions.

The bill would apply to national banks, members of the Federal Reserve System, and those banks whose deposits are insured by the Federal Deposit Insurance Corporation. The act would be administered by the supervising agencies having jurisdiction over the banks.

The bill would also apply to insured members of the Federal Savings and Loan Insurance Corporation.

During the last Congress I introduced H.R. 9548, a bill to prohibit banks from performing clerical, administrative, bookkeeping, statistical, accounting, or other similar services for depositors, borrowers, or other customers, except to the extent necessary incident to the proper discharge of lawful functions of such bank as a depositor, lender, trustee or agent. Hearings were held on this bill by the Subcommittee on Bank Supervision and Insurance, House Committee on Banking and Currency, House of Representatives. Representatives of the Society of Public Accountants were heard in support of the bill and representatives of the American Banking Association

were heard in opposition. No further action was taken on the bill in that Congress. I have introduced H.R. 112 in this Congress, which is identical to H.R. 9548. These bills are broader in scope than H.R. 10529, which would prohibit banks from performing professional accounting services only.

Banks should not be allowed to perform professional accounting services for the business community. It is in the best interests of individuals, customers, business firms and the public accounting profession, and probably even the banks themselves, for banks not to perform professional accounting services.

I have introduced H.R. 10529 upon request of the National Society of Public Accountants.

ECONOMY IN GOVERNMENT: THE PRESIDENT'S EXAMPLE

(Mr. MULTER (at the request of Mr. GREIGG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MULTER. Mr. Speaker, no single person in the administration has taken the drive to stimulate the economy and eliminate waste as seriously as President Johnson himself.

The importance he attaches to this problem is clearly demonstrated by the steps he has taken to tighten up on operations involving the White House and its staff.

I commend to the attention of our colleagues the following article from the August 15, 1965, edition of the New York Journal-American outlining the example set by the President; it should inspire others to increase their efforts in this area.

The article follows:

D.C. CURRENT: L.B.J. SETS EXAMPLE IN GOVERNMENT ECONOMY

(By Marianne Means)

WASHINGTON.—President Johnson practices what he preaches. When he admonishes the Government to pinch pennies, he applies that parsimonious approach to himself as well as lesser officials. Nowhere in the administration has the budget been pared more ruthlessly than inside the White House.

The President's staff has 26 fewer members than a year ago; L.B.J. is now getting along with fewer special assistants and secretaries than President Kennedy employed. Johnson has also halved the number of black limousines available at the White House; their use is now restricted to special assistants.

As often as he can, especially on short trips such as weekends at his Texas ranch, the President travels in an eight-seat Jetstar instead of the huge, sleek Boeing 727 Presidential jet. Although he cannot carry as many friends with him, he spends one-fifth as much on the smaller plane as he would on the larger one.

Among other savings cited at the White House is an item of several thousand dollars a year achieved by cutting down on the number of copies of newspapers and magazines on order. The President still gets approximately 20 newspapers a day and a considerable number of magazines, and has not changed his reading habits. But daughters Lynda and Luci and Mrs. Johnson and individual staff members and secretaries no longer receive individual copies of every newspa-

per and magazine. Now one copy suffices for the Johnson family, one for each floor of offices and one for the President himself.

The President's successful efforts to save money in White House operating costs have enabled him to redecorate the staff offices without putting a strain on his budget. The offices were shabby, badly in need of refurbishing and were not laid out to make maximum use of the limited space.

The President, however, kept a close eye on the redecorating. He wanted furniture that would be modern and tasteful, as befitting the White House. But he wanted bargains whenever possible. The President insisted that the General Services Administration, which is in charge of providing Government office furnishings, install in the White House furniture from its surplus stocks when possible.

Under the President's prodding, GSA ordered some furniture from Federal prison carpentry shops instead of from retail or wholesale catalogs. A large, modern walnut table in the office of Press Secretary Bill Moyers cost \$125, for instance, because it came from a prison; a similar one would have cost \$800 from another source.

The President has also personally gone over each remodeling plan. The original plans to enlarge the press office were estimated at \$20,000. The President sent the plans back with a big "too costly" written on them. The planners came up with a different way to do essentially the same thing, but for \$10,000.

The President runs a taut budget in his own shop to demonstrate to the rest of his administration that he really means business when he talks about economy.

An as if all these examples weren't enough, he recently acquired, in a staff shuffle, a new secretary named Ginny Thrift.

(Mr. GONZALEZ (at the request of Mr. GREIGG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

[Mr. GONZALEZ' remarks will appear hereafter in the Appendix.]

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FOURTH ANNIVERSARY OF THE ALLIANCE FOR PROGRESS

(Mr. UDALL (at the request of Mr. GREIGG) was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. UDALL. Mr. Speaker, this week, the fourth birthday of the Alliance for Progress it seems advisable to review the overall impact the Alliance has had on the citizens of the United States. Broadly speaking, there are two relevant questions which arise in this connection: What is the scope of the total U.S. commitment to and involvement in the objectives of the Alliance, and has the United States benefitted either directly or indirectly from its participation in this hemispheric effort toward self-help and reform?

Today, 26 States in the United States are in active partnership with areas in 13 Latin American Republics. Within those States a host of private organizations and citizens contribute to the program of public agencies working in this field. For example, American voluntary organizations such as CARE and Catholic Relief Services, along with many other agencies, are distributing surplus agricultural products not only for relief but as part of food-for-work programs aimed at promoting long-term development.

In addition, over 3,000 Peace Corps volunteers are working in Latin America contributing 2 years of their lives to help the Alliance for Progress achieve its goals. A large number of individual firms, contractors and private universities under contract with AID are engaged in imparting U.S. know-how to help the people of Latin America help themselves.

Private U.S. foundations such as Ford, Kellogg, and Rockefeller provide funds and valuable technical assistance. The junior chamber of commerce has a program designed to aid community development projects in several Latin American nations.

And through a participant-training program, American labor unions, colleges, business firms, local government units and agricultural organizations have imparted advanced and specialized knowledge to over 3,000 midcareer people from Latin America. To give these trainees a feeling for life in the United States, a network of unpaid volunteers devote many hours as members of international hospitality groups.

Early last year, I had the privilege of helping to organize a partners program to assist El Salvador. Now, at the urging of the Ambassador to El Salvador, the Honorable Raul Castro, a distinguished Arizonan, the Arizona partnership has begun to expand into a statewide effort. This grassroots project, involving the University of Arizona as well as many public-spirited leaders in the rural school in El Salvador, plans to build a science laboratory in another school. The rural school will be constructed next summer by a Boy Scout troop from Tucson with funds already raised by a Tucson high school teacher, Mr. Edward Mazzarella.

Thus, the commitment of the United States to the Alliance for Progress reaches deep into the lives of a significant number of our citizens.

Apart from the personal satisfaction felt by the individuals concerned, has the United States benefited from the Alliance?

The answer is "Yes." For one thing, over 80 percent of the funds allotted to the Alliance for Progress by the Congress are used to purchase goods and services in the United States. Thus a large number of U.S. manufacturing firms receive direct benefits from the program. In addition, there is a direct correlation between the amount of economic development in the Latin American republics and an increase in U.S. exports to that area. Between 1959 and 1964, for example, total U.S. exports to the members of the Central American Common Market increased by 56 percent. Such an in-

crease naturally stimulates industrial production in this country.

The value of this program cannot be measured in dollars and cents, however, for it is based not on material help as such but rather on the concept of a two-way partnership at all levels of our society. In keeping with the two-way flow of the partnership, Costa Rica has sent 12 educators to Oregon to assist that State in upgrading the teaching of Spanish, and as a resource staff for social studies. One of our State universities is organizing a new department and has requested professional help from its Latin American partner which happens to have a strong cadre of technicians and professionals in the required discipline. The partners of the State of Parana, in Brazil, have sent a professor of Portuguese to introduce that language to high school teachers in their partner State of Ohio. Florida is developing a scholarship program with Colombia. The Alliance for Progress is a true partnership, not merely foreign policy.

Overall, the breadth of the base of our effort strengthens our contribution to the Alliance and affords an opportunity for some of our citizens to get to know Latin Americans and their problems.

(Mr. THOMPSON of New Jersey (at the request of Mr. GREGG) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

[Mr. THOMPSON of New Jersey's remarks will appear hereafter in the Appendix.]

THE RACIAL RIOTS IN CALIFORNIA

(Mr. WAGGONER (at the request of Mr. GREGG) was granted permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONER. Mr. Speaker, if it were not so tragic, the recent effort of the liberal social apologists to explain away the explosion of racial irresponsibility in California would be comic. Some of the leftwing moralists tried to persuade the people that the \$200 million rape of the Watts district had no racial overtones. The argument was so absurd that it got nowhere at all. An attempt was then made to blame it all on the ghetto conditions under which these insurrectionists lived, but television pictures of the tree-lined streets, neat lawns, and well-kept homes soon gave the lie to that verbal fraud. As a final resort, an argument has been hit upon that seems to satisfy all the apologists: blame it on the South.

As I say, this would be comic if it were not interwoven with the tragedy of 34 deaths and \$200 million in property destruction.

Columnist William Buckley, in his column in yesterday's Washington News, summarized the utter foolishness of this radical twisting, squirming, and frothing in a clear and lucid way. His column is worthy of everyone's attention and I make it a part of the Record:

The sociologists and moralizers are desperate to motivate the Los Angeles disaster

and well they might be, considering the emptiness of the flimsy hypotheses on which they instinctively relied. The Los Angeles explosion tests and explodes several of these. Very recently we were told in a national newspaper that interracial frictions at Los Angeles had substantially dissipated as the result of successful biracial diplomacy. Wrong.

The notion that the Negroes in Los Angeles expressed the frustration of the larger Negro community at the intransigence of American white society is hardly plausible. The explosion occurred just at the moment when a major civil rights bill was passed: a bill which should have brought to the Negroes whatever that satisfaction is that comes from having gotten an unconditional surrender from the enemy, namely the southern whites.

By orthodox standards, the Watts district in Los Angeles is not of the highest octave: it isn't an area in which the inhabitants suffer from unbearable overcrowding; from rats or lice or raging disease. In purely economic terms—for those who always look for that explanation—the people of the Watts area have been making do. Their economic privations—again in economic terms—were bearable, and people go to California in droves precisely because their expectations over the years have been realized; that livings are made, and there is progress year after year.

The average Negro moving into Los Angeles could—hope more realistically for material progress than could the refugees who trekked there during the depression period, whose hopelessness was written into literature by John Steinbeck in "Grapes of Wrath": to whom it did not, however, occur to go about shooting innocent people.

And yet they all, in the Watts district, or rather a substantial number of them, became animals. The statistics are widely known—30-odd dead, \$200 million in damage.

There is no discovering the single basic cause of such disruptions in civilization. Those who rush to make out of this episode a case for invidious racist generalizations have short historical memories. What happened in Los Angeles was at least spontaneous, as for example what happened in Nazi Germany and white Russia was not spontaneous.

What it does remind us is that a destructive lawlessness is lodged in every single one of us, and that a society that tolerates such indulgences in lawlessness oughtn't to be surprised when the destructive flame suddenly lashes out, tearing people's eyes out of their sockets and burning down \$200 million worth of property.

Less than a year ago, Mario Savio, hero of the anarchic beatniks, was defying, roughly speaking, the administration of the University of California, of the governing council of Berkeley and the legislature of California; and the wisemen on the faculty were in effect egging him on.

A year or so ago, the Supreme Court ruled that illegal sit-ins were not to be prosecuted for having defied laws that were unquestionably legal at the time they were broken, because in due course Congress passed laws rendering those laws illegal. Two years ago, Adlai Stevenson, giving a commencement address at a posh eastern college ventured the thought that the distinguishing attribute of the heroes of the future may be that they spent time in jail.

Martin Luther King never tires of informing us that those laws he believes to be unjust are laws that men ought not, if they believe as he does, obey. For such sentiments he gets Nobel Prizes and extreme editorial unctious.

If there is a point to be got out of this inscrutable tragedy, it surely is only this: that it can happen again, and very probably