

1962

CONGRESSIONAL RECORD — APPENDIX

A6697

U.S. Policy in Cuba

EXTENSION OF REMARKS

OF

HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Tuesday, September 11, 1962

Mr. THURMOND. Mr. President, there have been a number of editorial comments on the critical situation confronting us in Cuba and U.S. policy on Cuba. I have been impressed by editorials in the Columbia Record, of Columbia, S.C., of September 5, the Augusta Chronicle of September 4, the News and Courier, of Charleston, S.C., of September 8, and the Dallas Morning News of September 7. I ask unanimous consent that these editorials be printed in the Appendix of the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Columbia (S.C.) Record, Sept. 5, 1962]

TROUBLE BREWING IN CUBA

A technician is an expert in some specialized field, such as a science; military science, for example. In modern warfare, all soldiers are experts. So whether our Government's identification of the Russians in Cuba as technicians, or the private and semiofficial designation of them as fighting men, is correct may be just a question of semantics which boils down to the same answer.

In straight talk, they are troops from the Soviet bloc and they are there as part of a continuing Communist buildup.

They may be there because Castro fears rebellion and seeks protection against revolt of his own people and military forces. The people are restless and hungry, their crops are poor, the land that Castro seized for them is being taken back by the government, food is scarce, prices are rising, wages are frozen, machinery is being idled by breakdowns, black markets are flourishing.

Castro, who stole the Cuban nation and committed its people to Soviet captivity, admits the desperation of his position and tries to shift the blame to his industrial victims.

"They left us chaos and anarchy, which are the essence of the capitalist means of production," he ranted to a student congress. "They left us their waste. Not 100,000 tractors, but just a few thousand tractors and 300,000 cars. With them you cannot produce. With them you only spend tires, spare parts, gasoline. With that we cannot have more milk, more meat, no new clothes and shoes.

"At present, poverty, the one they left us; underdevelopment, lack of industries, hostility, blockade, aggression, saboteurs, criminals paid by Yankee millionaires." In attempting to shift the blame for his country's woes, he paints a sordid picture of its distress.

Yes, he may need those technicians to bring order out of "chaos and anarchy" and protect him from the wrath of the Cubans he betrayed. Or he may need them for some military sortie against another Latin American country to give him the aura of heroism he so sorely needs to regain.

"Where are the students in Venezuela?" he asked, as he dreamed across the sea to other triumphs. "In the street combating

it is Bonneville Power Administration itself which has supplied these dollars in the first place in the form of firm kilowatts of marketable power.

Proponents of the proposed contract between Bonneville Power Administration and Washington Public Power Supply System have consistently maintained that it is not the Nation's taxpayers but rather the customers of Bonneville Power Administration who will be required to pay for any possible losses from this arrangement through increased rates for Bonneville power. Mr. Charles Luce, Bonneville Power Administrator, consistently told the members of the Joint Committee on Atomic Energy during the hearings on these arrangements that should any loss occur it would be covered by an increase in the basic wholesale rates of the Bonneville Power Administration. This may sound good to some people, but, let's look at the record.

It has been obvious since World War II that new sources of hydroelectric power in the Pacific Northwest coming into the Bonneville Power Administration grid were relatively higher cost facilities that were the original Bonneville and Grand Coulee Dams. It was also obvious that at a date in the not too distant future Bonneville should increase its rates in accordance with sound business principles. Since 1947, Bonneville Power Administrators have been assuring members of the House of Representatives Committee on Appropriations that such increases in rates were imminent. Since that time, rate review periods came due in 1949, 1954, and 1959. But Bonneville rates have never been increased. In fact, since fiscal 1958 Bonneville Power Administration has been operating at a net deficit annually, and it is estimated that for fiscal 1963 this annual loss may run as high as \$16 to \$20 million. Even though Administrators have consistently assured members of the Appropriations Committee that rates would be increased to meet anticipated losses, such increases have never been put into effect. Therefore, despite assurances of Charles Luce that any potential losses from Hanford would be covered by a rate increase, it must be said that if the past has taught us anything at all it has taught us it is easier to promise rate increases than to actually deliver.

In order to keep the record straight, the following direct quotations are taken from hearings before the House of Representatives Committee on Appropriations over the past several years:

YEAR 1947

"I have taken this position about that matter, Congressman, that we are required by law to cover the cost of power development. We are doing it, as near as I can determine at the present time, and we will continue to do it for some time in the future.

"It may be that the additional costs under the higher price level that we have now of the new dams when they are built will indicate that those rates should be raised."—Dr. Paul Raver, Bonneville Power Administration Administrator.

YEAR 1948

"I do not think there are any of these operators, either private or public, represented in this group, who have any thought whatever that they are expecting the Federal Government to give them a handout. They are expecting to pay for this under whatever the rules are that the Congress sets up for paying for it. They will have to pass on to their own consumers, then, those costs, whatever they may be."—Dr. Paul Raver, Bonneville Power Administration Administrator.

"If current high-cost levels prevail

throughout construction of additional dams and transmission facilities relating thereto, it is possible that some increase in the wholesale rate will be required in order to maintain payout requirements."—Dr. Paul Raver, Bonneville Power Administration Administrator.

YEAR 1950

"In 1954 we think we have to make a rate increase * * *. The rates that we are charging now cover costs, in accordance with the requirements of law. And they will continue to do so in our opinion until 1954. They may continue to do so beyond that, but we are at least reserving, and on the basis of our estimates, notifying all of our customers, that there is a possibility of a rate increase in 1954, although we have notified all of them that in our opinion such an increase will in no event be more than \$5 per kilowatt-year."—Dr. Paul Raver, Bonneville Power Administration Administrator.

YEAR 1951

"We have notified all our customers that there will probably be a rate increase in 1954 on our wholesale power. In no event will it be more than \$5 per kilowatt-year * * * we do feel that by 1954, in order to continue showing a net income over and above all expenses, including interest, we will have to raise that wholesale rate."—Dr. Paul Raver, Bonneville Power Administration Administrator.

YEAR 1953

"Representative BEN JENSEN, Republican, of Iowa. In order to comply with the law and pay back the investment, that part which the Congress appropriates for those things that must be paid back, the present rates will not be sufficient because of the increased cost of construction and operation. Is that a fair statement?"

Dr. RAVER. That is correct * * * and 1954 is the year when we think we will have to begin raising these rates * * *. We run into a difficult period here for about 5 years, at least, to cover our total costs, and we are planning to make these rate changes do it in 1954."

YEAR 1954

"And we presently have under study the problem as to how much the rates are going to have to be increased and when. We have stated in our annual reports for the last 2 years that as the new dams come in, we will have to have increased rates, so the public has been told that. We have not kept it from them. And we are studying the matter right now to determine how much the increase will have to be and when it will have to be put into effect."—Mr. E. D. Ostrander, Bonneville Power Administration Controller.

YEAR 1955

"To really answer your question, briefly I would say there will probably be some change in our rate structure."—Dr. William A. Pearl, Bonneville Power Administration Administrator.

YEAR 1957

"About 2 weeks ago we announced there would not be an increase in rates for the year beginning December 1957. That is to say, there will not be an increase before December 1958."—Dr. William A. Pearl, Bonneville Power Administration Administrator.

YEAR 1962

"If our revenues are insufficient to do that, because of deliveries that we have to make under the conditions that you have assumed, Mr. Bates, then we would simply have to raise our rates."—Mr. Charles Luce, Bonneville Power Administration Administrator, hearings before the Joint Committee on Atomic Energy, 87th Congress, 2d session, page 88.

the reactionary and submissive government. Where are the students in Guatemala? In the street, fighting and dying against the puppet, Ydigoras. Where are the students in Colombia? On strike, fighting against reactionary power and unpopular measures. Where are the students in Peru? In the street, fighting against the military junta. Where are the Argentine students? In the street, fighting against the guerrillas." He saw them all as members of his team in a Communist revolution.

The Soviet technicians may be in Cuba to consummate the communism of the unhappy island and make it a fully integrated satellite. Or they may be there to defend it from disenchanted Cubans who plan to retake their homeland with assistance from the United States.

Soviet bloc shipments are arriving at Havana in unusually large numbers and under suspicious circumstances. A hotel in the capital, where the technicians were quartered, was shelled by small boats manned by Miami-based exile Cuban students. Cuban naval craft fired at a U.S. plane over international waters. Castro denied the shooting and rebutted the allegation with an array of charges of American military violations.

Whatever is happening in Cuba, it appears to portend even more startling and dramatic developments in the early future.

[From the Augusta (Ga.) Chronicle, Sept. 4, 1962]

OUR PUZZLING CUBAN POLICY

The new Democratic administration will also affirm our historic policy of opposition to the establishment anywhere in the Americas of governments dominated by foreign powers, a policy now being undermined by Soviet threats to the freedom and independence of Cuba * * * the United States under a Democratic administration will not be deterred from fulfilling its obligations and solemn responsibilities under its treaties and agreements with the nations of the Western Hemisphere. Nor will the United States * * * permit the establishment of a regime dominated by international, atheistic communism in the Western Hemisphere.—From the Democratic platform adopted July 12, 1960.

In light of the President's prompt dispatch of troops to Thailand when our interests in Laos were threatened, and the strengthening of our garrison in West Berlin in the face of warlike gestures by the Soviets, his dilatory tactics toward Cuba are puzzling.

In this instance we are not dealing with an isolated, little understood area of Asia, nor with a problem centered in Europe. Cuba is 90 miles from the coast of the United States, a stark and growing peril to this country. In fact, to quote the office wag, it's only about 550 missile miles from Broad Street.

We are not unaware that any overt act on our part to topple Castro could end by some American boys being killed or wounded. But we think it would be the height of naivete to continue to live in a fool's paradise and expect the menace of Castroism and Cuban communism to disappear of their accord.

Certainly, as Senator STROM THURMOND pointed out last week, the danger that the situation holds for the United States was recognized 2 years ago. "If the circumstances in 1960 and early 1961 justified decisions by two administrations that a U.S.-sponsored invasion of Cuba was essential, how can the far worse circumstances of today require less?" he asked.

Obviously, the Chronicle is in no position to know what steps the Kremlin might take to strengthen Cuban resistance to an invasion. In fact, there is no certainty that even the CIA is in possession of any firm

knowledge of Soviet intent. Yet, if past performances may be utilized as parallels, the danger of open Russian warfare appears inappreciable.

Since the Korean war we have moved forces into sensitive areas on several fronts without provoking the Soviets into combat. Information now, in fact, discloses that had the United States acted forcefully a year ago, the "wall of shame" separating East and West Berlin would never have been constructed.

It doesn't follow, of course, that nothing we do will continue to go uncontested, but we will make no gain if we take no risk.

This line of reasoning doesn't prompt us to hold, necessarily, with the young Cuban who led the hit-and-run sea raid on Havana that the United States should provide the Cuban exiles with military aid because Castro is receiving help from the Soviet Union. But it seems the height of folly to continue to do nothing and watch Castro's arsenal bulge with Communist arms and aircraft and his troops become combatwise under Soviet technical training.

The reluctance of President Kennedy to commit American men to the hazards of battle and the Nation to the dangers of war is understandable and appreciated. The eager young sea raider, however, may have a point. We encouraged the Cuban exiles in April of 1961—then let them down by less than an honest, cooperative effort on our part.

It seems logical, therefore, to believe that success would attend another try, provided we equip these eager beavers with proper materiel and furnish them with topflight leadership and American naval and aviation support.

No less an effort was promised in the Democratic platform—and the United States may not have to many more chances to eliminate this festering cancer on our southern shore.

[From the Dallas (Tex.) Morning News, Sept. 7, 1962]

REALITIES IN CUBA

From every indication, it seems that President Kennedy is about the only American citizen unwilling to face the realities of the situation in Cuba today. Unfortunately, he is the one American who must face reality. He is the only one with sufficient authority to deal with this situation.

On Tuesday the President warned Russia and Cuba that the United States would take "whatever means may be necessary" to prevent expansion of communism in the Western Hemisphere. The News commented that it was a welcome stiffening of our backbone—but was it a reaffirmation of the Monroe Doctrine?

The Monroe Doctrine pledges that this Nation will prevent extension of alien systems into the hemisphere. Can it be denied that the mere presence of Castro's regime in Cuba is a violation of the doctrine?

Khrushchev boasted recently that the doctrine is dead. In fact it has been dead for nearly 4 years—ever since we permitted Castro to set up a Soviet beachhead 90 miles from our shores.

Even the State Department reluctantly admitted, in a statement issued last December—long before there was evidence of a significant number of Soviet troops and weapons in Cuba—that "Cuba under the Castro regime represents a serious threat to the collective security of the American Republics."

This the President denies. He is still insisting that those Soviet troops are merely "technicians"—in spite of powerful and reliable evidence to the contrary, including boasts from Havana and the Kremlin. Moreover, Mr. Kennedy clings to the fiction that the Soviet weapons (which he admits are there) are purely defensive.

There is no such thing as a strictly "defensive" weapon—or at least there hasn't been anything of the kind since the body shield went out of fashion. Whether or not these weapons were designed for defensive purposes, they can be used with great effect in the hands of an aggressor. They can be used, for example, to protect the Castro regime at home from internal revolt, while the aggressor forces now used for that purpose are released to undermine neighboring countries.

In spite of these facts, the President pursues a timid course, promising only that we will try to "isolate" communism in the hemisphere to Cuba; that when Castro starts to drop bombs on the United States, or its neighbors to the south, we may call out the militia. Meanwhile, we are doing nothing to prevent subversion in the hemisphere.

What happens when the next Communist beachhead is established—in Brazil or British Guinea, for example? Will we then merely try to "isolate" these Red outposts, too?

When are we going to stop isolating communism and began to run it out of the hemisphere?

When are we going to get off the defensive? When, in short, are we going to take a few positive actions?

Thanks to Senator DIRKSEN, Republican of Illinois, we now know that our faithful NATO allies—Britain, Germany, Norway, and Greece—have been partially responsible for the Soviet buildup in Cuba. Ships from these countries have transported most of the weapons Castro has received recently from Russia and the East European satellites.

Months ago we tried to boycott Cuba so that this kind of thing would not happen. But typically we refused to do anything more than "request" our allies to assist in the boycott. Phil Newsome, foreign news analyst for the United Press International, stated yesterday that such a boycott "never can become truly effective without military measures."

The hour is late. It has become obvious that "military measures" have become a necessity to deal with the Cuban threat. This doesn't mean, necessarily, that we have to invade Cuba—though that may soon become essential. But at least we need a military blockade—a naval patrol—to surround the Red island outpost in the Caribbean.

This would have the dual effect of preventing a further arms buildup of Cuba by cutting off its supply line with the Soviets and also would truly isolate Castro from exporting his revolution elsewhere in the hemisphere.

[From the Charleston (S.C.) News and Courier, Sept. 8, 1962]

A TIME FOR DECISION

Wallowing in indecision over what to do about Red Cuba, the United States presents a sorry spectacle before the world. Here is this country, greatest power on earth—defender of liberty and guardian of free nations around the globe—incapable of removing a small thorn from its own side.

After spending hundreds of billions of dollars on national defense, Senator HOMER CAPEHART warns that the United States may have to call up Army Reserves by the end of winter to deal with communism in Cuba, a nation of 6 million population.

What kind of Government is it that embarks on major wars 10,000 miles from its shores in southeast Asia, yet sinks into hesitant confusion over dealing with a military threat 90 miles from our mainland? How real this threat is may be gaged from Senator STROM THURMOND's citation of "substantial evidence that there are now at least four intermediate-range ballistic missile bases in Cuba."

This climate of weakness reminds an older generation of the late 1930's, when Great Britain and France could not make up their

1962*

CONGRESSIONAL RECORD — APPENDIX

A6699

minds over Hitler's aggression in Europe. David Lawrence, in a syndicated column published in the Charleston Evening Post, has pointed out that "the situation strangely parallels the 1930's, which Winston Churchill describes in his book 'The Gathering Storm' published in 1948."

Churchill wrote of the "milestones of disaster" and of the series of appeasements in Hitler's aggressions in the Rhineland, in Austria and in Czechoslovakia, until finally the climax came in Poland.

The United States acquiesced in Cuba. It did more than that, for it helped Fidel Castro rise to power. While Russian arms pour into Cuba, President Kennedy, like Neville Chamberlain—the umbrella man in the days of Nazi invasion—finds the threat insufficiently grave for decisive action.

Under the British parliamentary system, it was possible for Chamberlain the appeaser to be replaced with the resolute Churchill. But the constitutional system of the United States affords no similar opportunity for changing leaders. The only way to halt the disaster in Cuba and to bolster the entire foreign policy is for public opinion to force the President into doing what must be done for the security—indeed for the survival—of the United States of America.

If the President feels that he needs a legal charter for decisive action against a threat to our territory, he can find it in the Monroe Doctrine. This is an American document that must be interpreted by Americans. Nikita Khrushchev has usurped the role of defining it, and he has defined the doctrine as out-of-date and meaningless. It is up to President Kennedy, as Commander in Chief, to scotch the peril facing the Nation in Cuba. He must make plain that the destiny of this hemisphere will be shaped by Americans, not Russians. These are the responsibilities that face our President in this time of decision.

Rocking Chair Economics

EXTENSION OF REMARKS OF

HON. THOMAS B. CURTIS

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1962

Mr. CURTIS of Missouri. Mr. Speaker, the Joint Economic Committee followed the Ways and Means Committee in holding hearings on the economic condition of our country and the arguments pro and con for a tax quickie to stimulate our economy. A byproduct of the Joint Economic Committee hearings was an article by economic columnist Mr. J. A. Livingston, who was one of the witnesses, entitled "Finance Tax Cut at Bureau of Engraving."

I enjoyed the column very much as anyone familiar with my economic views can well understand. However, Mr. Stanley Ruttenberg, director, Department of Research, AFL-CIO, another of our witnesses, did not. This, too, is understandable.

I want to help move the national debate along so I am setting out Mr. Livingston's column, Mr. Ruttenberg's reply to Mr. Livingston, a copy of which he generously sent to me, and my reply to Mr. Ruttenberg:

BUSINESS OUTLOOK: FINANCE TAX CUT AT BUREAU OF ENGRAVING

(By J. A. Livingston)

Representative THOMAS B. CURTIS, Republican, of Missouri, is short, stocky, and stubbornly matter of fact.

"But where are we going to get the money?"

Always politely, always quietly. Never did his voice rise. But oh, so persistently, did he ask that question.

The witness before the Joint Economic Committee was Stanley Ruttenberg, director of research of the AFL-CIO. Ruttenberg favored an immediate tax cut of "approximately \$5 billion," to terminate December 31. "The impact on the economy would be the equivalent of almost \$20 billion a year," he said.

How would Ruttenberg achieve this 4-for-1 fiscal tour de force?

He'd reduce "withholding taxes by \$10 a week for 10 weeks for each taxpayer, and taxpayers whose withholding tax is less than \$10 a week would be able to apply immediately for a tax refund that would permit them to have a total tax cut of \$100." A \$5 billion cut in one quarter would be tantamount to \$20 billion a year.

At this point, Representative WRIGHT PATMAN, Democrat, of Texas, suavely asked if Ruttenberg didn't feel that Federal Reserve Board Chairman William McChesney Martin Jr., could impose a "Russian veto" on the program by making money tight. Wouldn't a rise in interest rates run directly counter to tax-cut stimulation?

"I would hope," responded Ruttenberg adroitly, "that the Reserve Board would maintain a monetary policy consistent with economic expansion."

Then Representative CURTIS got in his licks. He hadn't noticed in Mr. Ruttenberg's prepared statement a plan for raising \$5 billion. "Do you think the Treasury could sell \$5 billion of E-bonds to the public?"

Ruttenberg allowed that might be difficult. "Well, then," repeated CURTIS, "where do we get the money? I'm a member of the House Ways and Means Committee. It's our responsibility to see that the Treasury has the funds necessary to conduct the Government's business."

"You, and other witnesses have appeared before this committee and the House Ways and Means Committee and suggested, 'cut taxes,' but you don't submit a plan of financing. One must be the counterpart of the other."

Ruttenberg promised to submit a proposal. But the committee wasn't through with him.

Senator WILLIAM PROXMIRE, Democrat, of Wisconsin, had misgivings about the 4-for-1 assumption. Did Mr. Ruttenberg feel certain that people would spend this money or would they save it? He, himself, suspected that a temporary tax cut wouldn't have the same impact as a permanent tax reduction that people could count on—year in and out.

Well, answered Ruttenberg, if you knew workers, and he thought he did, they'd spend the money, and fast.

But, countered Senator PROXMIRE, people couldn't employ a shortrun tax cut on longrun purchases. They wouldn't contact new installment debt on \$100.

"Maybe they'd use the money to pay off old debt," the Senator suggested.

"That would be fine," responded Ruttenberg, "then they could start all over again." [Laughter.]

Senator PROXMIRE, unconvinced, turned to a new subject.

"Do you think that once the Congress granted a 3-month tax reduction it could withdraw it? I'm thinking of the political

realities. Wouldn't people expect us to continue it?"

Said Ruttenberg: "I think the Congress could review the situation on January 5, 6, or 7, when it reconvenes."

All through Ruttenberg's testimony, through sheer force of character, I managed silence. As a witness, I was bursting with desire to help him out.

Why, he could have handled CURTIS and PROXMIRE in one fell razzle-dazzle. Why not just hand every taxpayer, whether he pays \$100 in taxes a year or not (for Ruttenberg didn't cover this point) a brandnew, fresh \$100 bill?

That would help employment at the U.S. Bureau of Printing and Engraving which would have to print 50 million new \$100 bills.

It would help to popularize the portrait of Benjamin Franklin, who graces the C note. And it would answer Representative CURTIS' question: "Where's the money coming from?"

Answer: From the printing press.

AUGUST 20, 1962.

Mr. J. S. LIVINGSTON,
The Washington Post,
Washington, D.C.

DEAR MR. LIVINGSTON: Your August 15 column, "Finance Tax Cut at Bureau of Engraving," prompts the old saying, "It's a shame to spoil a good story with the truth." But you owe your readers at least an accurate report of events you witnessed. The column falsifies facts.

No one could guess what happened at the August 10 Joint Economic Committee hearings. The transcript shows:

1. When Congressman CURTIS asked me to explain how to finance a deficit resulting from a tax cut, I described several technical methods for financing it. I did not, as you reported, promise to "submit a proposal." I did present sound, acceptable economic methods for financing the prospective deficit. A copy of my response is attached.

2. You attended and participated in the hearings and asked for a tax cut of a different kind. Your fictional account of how you "through sheer force of character" managed to contain your desire to "help" me "out" by indicating that the printing press could print money is, therefore, very funny, but it is not true. You merely advocated a different kind of tax cut from the kind I was advocating. You may find to your horror that the American people think that all tax cut advocates think money grows on trees if you make fun of any tax cut, just because labor supports it. Economists of every political hue are concerned right now about the need for tax cuts.

You have the right to disagree with me, to ridicule my views. However, you have no right to falsify the facts. It is too bad, it seems to me, not only that you should feel that you must resort to falsehood to argue against the kind of tax cut I was advocating, but also that you fail to allow your readers to understand that what I described as a means of financing was technically sound. This is true not only for the tax cut I suggested, but also for the tax cut you suggested. Any tax cut requires financing. Tax cuts of various kinds have been proposed to stimulate the economy. Until the stimulus results in additional revenue, deficit financing is necessary. The public should know that.

It should also know that the President of the United States, the Council of Economic Advisers, Members of Congress from both political parties, the chamber of commerce, and various business groups have all considered tax cuts as necessary means of spur-

A6700

CONGRESSIONAL RECORD — APPENDIX

September 11

ring the economy. Their suggestions have differed, but all would have required deficit financing until the necessary stimulus had been provided.

It seems too bad, therefore, for you to try to ridicule as nonexistent a very real economic problem which all of these groups do recognize. It seems very odd and strange for you to ignore the fact that all these other groups have asked for tax cuts and that you also have advocated them. Do you think the funny joke you make about printing press money applies to the thinking of the President of the United States, to the Council of Economic Advisers, to the Members of Congress, to the chamber of commerce, and to J. A. Livingston when they consider and sometimes advocate the necessity for a tax cut to spur the economy? Or is it only for labor spokesmen whose views you don't have the courtesy to report, whose colloquies with Congressmen you deliberately distort, that such ridicule is appropriate? And is this because you have decided, as you told the Joint Economic Committee that day, that you think the National Association of Manufacturers is now correct?

Sincerely,

STANLEY H. RUTTENBERG,

Director,

Department of Research.

CONGRESS OF THE

UNITED STATES,

HOUSE OF REPRESENTATIVES,

Washington, D.C., September 4, 1962.

Mr. STANLEY H. RUTTENBERG,

Director, Department of Research, American Federation of Labor and Congress of Industrial Organizations, Washington, D.C.

DEAR MR. RUTTENBERG: Thank you for sending me a copy of your letter to Mr. J. A. Livingston commenting upon his column of August 15, 1962.

I enjoyed the humor of the column, but perhaps that was because I was on the same side of his economic philosophy.

I think your reply misses the basic point in the national debate over the proposed tax quickie. The point is that those who advocate the theory that deficit financing per se stimulates an economy must assume the burden of proof, just as anyone who advances a novel theory should assume this burden.

To date, the professed followers of Lord Keynes' economic theory that deficit financing will stimulate an economy by increasing consumer purchasing power have been begging the question, and insulting those who refuse to adopt this theory by accusing them of being neolithic in their thinking.

I think it is time that this school of economic thinking started proving its point, if it can. You were one of a long line of witnesses appearing before both the Ways and Means Committee and the Joint Economic Committee, as I pointed out when I interrogated you, who advocated a tax cut to stimulate the economy but who did not come in with prepared remarks to discuss the vital issue—how would the deficit that this created be financed? What would the economic effect of marketing that additional amount of Government bonds have on our present economy, struggling as it is with a large deficit and with a balance-of-foreign-payment problem, and yet breaking new economic records as measured in gross national product and innovation of new products and services?

I appreciated your willingness to discuss the questions on this point I posed after you had made your prepared remarks, just as those who preceded you had proved willing. But in your instance, as in the others, it was obvious that the remarks were the result of improvisation rather than deep study.

You, along with your predecessors, fell back essentially to the supposition that the deficit would be financed by the increased economic

growth that the deficit would produce. As I pointed out, this begged the question. The question is, Will Federal deficits stimulate an economy, under any circumstances and, in particular, under the present circumstances. If so, how? Answering this, of course, requires full discussion of the economic problems involved in debt management. No witness for a tax cut quickie had one word to say in his prepared remarks about the problems of debt management.

Isn't it about time the theory of deficit financing be supported by straightforward argument and reference to economic history instead of the appeal to "authorities," as does your letter? This is the 20th century, not the Middle Ages. Facts and arguments, not "authorities," decide the points at issue.

There are many economists who do not scoff at a balanced Federal budget; there are many who do not believe that deficit financing stimulates an economy. President Kennedy asked for a national debate on the subject but, instead of a debate, we get a name-calling contest.

I think Mr. Livingston was on entirely sound grounds in spoofing the deficit financiers by pointing out that devoid of its sophistication the theory is no more than giving printing-press money to the potential consumers in the society. This theory has never worked in the past and there seems to be less logic to suggest that it might work in modern America. In fact, if anything, it would take us backward to the frontier days of the 1800's which seem to so fascinate our currently railing politicians in the White House.

I can't understand why it is so difficult for people to realize that our society has advanced economically to a point no society has ever reached before. Our economy is so dynamic that it is creating serious growing pains. Yet the New Frontier seeks to treat growing pains as if they were symptoms of a tired and rundown condition requiring rocking chair treatment. This kind of medication can stop the growing pains all right—by stopping growth. We will surely get stagnation and ultimate economic death through this kind of backward and forward motion, going nowhere.

However, I enjoyed your response to Mr. Livingston. Usually I am the one who complains that news commentators miss my points.

Sincerely,

THOMAS B. CURTIS.

Promotion of Sale and Use of Wheat

EXTENSION OF REMARKS

OF

HON. FRANK CARLSON

OF KANSAS

IN THE SENATE OF THE UNITED STATES

Tuesday, September 11, 1962

Mr. CARLSON. Mr. President, much is being written about our wheat surplus, but seldom do we get information regarding some of the outstanding work that is being done to promote the sale and use of wheat and wheat products.

In 1957, our State established the Kansas Wheat Commission. Its assignment was to find and develop new markets for wheat, and it has been most successful.

Recently Don Kendall, of the Hutchinson News, wrote an article in which he discussed the outstanding work of this group. I was unanimous consent that the article be made a part of these

remarks and printed in the Appendix of the Record.

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

KANSAS WHEAT COMMISSION AND GREAT PLAINS WHEAT, INC., ARE DOING THE JOBS THEY SET OUT TO DO

(By Don Kendall)

HUTCHINSON, KANS.—In the spring of 1957 a new State agency set up office in Hutchinson. Its name: Kansas Wheat Commission. Its job: Find and develop new markets for wheat.

In January 1959 what is now a five-State organization was formed at Garden City. Its name: Great Plains Wheat, Inc. Its job: Develop markets abroad as a foreign arm of the Kansas Wheat Commission.

The Kansas Wheat Commission was created by the 1957 legislature's Kansas Wheat Act which provided that farmers would pay a penny tax on each 5 bushels of wheat sold. This money would be used by the new agency to promote a crop which rapidly was developing into the Nation's No. 1 farm problem.

Today the wheat officials point with pride at what has happened:

1. Three out of five bushels of wheat produced in Kansas this year eventually will be sold in foreign countries.

2. Transportation rates have been reduced to some coastal points to enable more competitive movement of inland grain for export.

3. New food uses have been found and more are coming.

4. An international network of wheat offices has been established in Europe, Africa, South America and Asia to help acquaint buyers with Kansas wheat.

5. Hundreds of foreign grain men, flour millers and backers have been brought to the Great Plains to see for themselves the supply and quality of the area's chief crop.

6. The United States has emerged as the leading wheat exporter in the world and its reputation for quality, sagging a few years ago, is being bolstered.

The organizations don't claim their efforts alone have brought about these developments. But they have occurred, primarily since farmers organized to help promote their wares.

Walt Graber, 55-year-old Reno County farmer, who was hired as Kansas Wheat Commission administrator 5 years ago, comments:

"I think we can point to areas of progress that no one can argue with. It has been uphill all the way—don't mistake that—but I think our exports, as an example, speak for themselves."

In 1957 U.S. wheat exports reached a peak for the previous decade, around 525 million bushels, or about half an average U.S. crop. Then exports began to slide.

The Agricultural Trade Development and Assistance Act of 1954 has had tremendous impact on U.S. wheat exports. Basically, the law provides foreign aid to needy countries in form of surplus U.S. farm commodities, including wheat.

Under this law last year, more than 400 million of the 662 million bushels moved abroad. This, some critics say, is "dumping" on the world market and cannot be attributed to the work of any promotional group.

The facts remain that since 1953 U.S. wheat exports have increased from a low of 400 million bushels to an estimated 730 million bushels this year.

Cash markets—wheat sold for hard dollars—also have developed in this period. Last year cash sales of U.S. wheat rose by nearly 30 million bushels.

While domestic per capita consumption of wheat indicates a continuing decline, new wheat foods appear taking up some of the slack. Sale abroad of ready-to-eat wheat

1962

CONGRESSIONAL RECORD — APPENDIX

A6731

There should also be no hesitation on the part of the President in taking other necessary responses.

He should demand, not merely ask, that our NATO Allies cease allowing merchant vessels carrying their flags to aid our common enemy. It is an outrage that those nations whom we have helped to defend and to rebuild should repay us in this way.

He should in fact insist that NATO countries and the members of the Organization of American States immediately join us in collective action against the Cuban threat, including an effective embargo. It is late, yet, not too late.

If our friends are irresolute, we must act alone, reserving to ourselves the right to take any action necessary "against those who would endanger hemispheric peace and safety."

We will surely be accused of rattling our saber. We are not, but we have drawn it from its scabbard and it will stay unsheathed.

San Leandro's Sister City Is Explained by Brazilian

EXTENSION OF REMARKS

OF

HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 14, 1962

Mr. GEORGE P. MILLER. Mr. Speaker, one of the great programs currently being pursued throughout the Nation by municipal governments is the so-called sister city program of the Town Affiliation Committee, which is formed as a part of the people-to-people program for better international understanding.

Several of the cities in my congressional district have been pursuing this project with great enthusiasm. A new association is being formed between the city of San Leandro, Calif., and Ribeirao Preto, Brazil.

From past experience, I know that the results of such an affiliation between communities can be very productive of greater understanding between the citizens of the respective communities. The projects undertaken under the sister city program allow various facets of the community, such as church groups, chambers of commerce, employee associations, unions, schools, league of women voters, and businessmen to exchange ideas and to exchange visits with the cities concerned.

I am pleased to insert in the RECORD an account of San Leandro's first endeavor of town affiliation, in the visit of Walter B. McNealy, president of a Brazilian Baptist college, and his firsthand account of the activities in sister city Ribeirao Preto:

[From the Morning News, Aug. 28, 1962]

SAN LEANDRO'S SISTER CITY IS EXPLAINED BY
BRAZILIAN

(By Josephine Roberts)

"The most influential people in Ribeirao Preto, Brazil, are highly conservative with

family histories dating back to the earliest days of the South American nation's colonization," Walter B. McNealy, president of a Brazilian Baptist college in a nearby town, told Vice Mayor Valence Gill and a group of town affiliation committee members on Sunday.

The American-born educator, who has spent most of his adult life in Brazil, indicated that because the officials of Ribeirao Preto are inclined to move slowly in making important decisions, it is bound to take time to complete arrangements for a sister city program.

MORE FORMAL

"Brazilians are quite different in their attitudes which are far more formal than those of the breezy, informal North American," he said. "I have spent 25 years in Brazil and have returned only four times to the United States in those years, so I have a rather good idea how the officials of Ribeirao Preto would react to any new and revolutionary suggestion.

"The town affiliation or sister city program is entirely new to me and so I presume it is quite new to South Americans.

"The rather unpleasant image of the North American which has been a stereotype in South American history and political life has to be destroyed and this sister city program is an excellent start toward better understanding and harmony between North and South American countries," the visitor remarked.

"Ribeirao Preto is a beautiful city with an almost ideal climate," according to McNealy. "The city's population is quite cosmopolitan. However, its most important businessmen and officials are descended of good families of long residence and bearing names famous in Brazilian history."

STABLE GOVERNMENT

"The city has long had a stable government and economy. It is considered one of the wealthiest of the interior or feeder cities" through whose banks and mercantile establishments flow millions of dollars worth of commerce, raw materials, and finished goods."

The educator indicated that he was very much opposed to "giveaway programs" which he says are rarely ever appreciated.

"Exchange, if possible, high school and college students; invite a bank employee to come to San Leandro for 3 or 4 months and send a well-mannered, highly capable banking employee to represent you in Ribeirao Preto. Make contacts in other lines of business so that there is a real people to people program in operation."

Walter B. McNealy, who maintains a U.S. address at 196 Jules Avenue, New Orleans, La., or can be reached at Caixa Postal, 145, Est do Rio, Brazil, said he was most willing to help establish contacts with Ribeirao Preto.

FRIENDSHIP ESSENTIAL

"Sound friendships between South American countries and the United States are essential for the survival of the free world. This is a tense time in history and the sister city program could help foster international understanding which is so desperately needed these days."

The Baptist college president was introduced to Vice Mayor Valence Gill and town affiliation committee members by William Chandler of the Second Baptist Church on Pacific Avenue in San Leandro. McNealy had made a brief talk before members of the church. Chandler is a charter member of the sister city program.

Communist Cuba a Dagger at Our Throat

EXTENSION OF REMARKS

OF

HON. STEVEN B. DEROUNIAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, August 27, 1962

Mr. DEROUNIAN. Mr. Speaker, communism in Cuba has grown to the second most powerful military force in this hemisphere since President Kennedy has assumed office.

The President has no one to blame but himself for this. He cannot pass the buck anymore. Why he does not take action, I do not know. Where is his courage?

David Lawrence in the New York Herald Tribune for September 4 and 11, respectively, discusses this problem, as does Robert G. Spivack, in the newspaper's September 9 issue. Both show concern and pinpoint the urgent need to change this policy of appeasement by President Kennedy:

[From the New York Herald Tribune,
Sept. 4, 1962]

WHAT POLICY NOW ON CUBA? COMPLETE
BLOCKADE URGED

(By David Lawrence)

WASHINGTON.—The Soviets have political control of Cuba and now have openly acknowledged that they are supplying Castro with military aid. This action flagrantly violates and denounces the Monroe Doctrine. President Kennedy, however, said, in effect, 6 days ago that he will not "invade" Cuba at this or any other time. Does this mean that the Soviet Government can consider it has obtained a free hand to take over any Central American or South American country and can assume there will be no opposition by the military forces of the United States?

This is the dilemma in which the Washington Government finds itself today as news dispatches from Moscow tell of the issuance of a formal communique in which the Soviets inform the world they have agreed to comply with the request of the Cuban Government to supply it with "help by delivering armaments and sending technical specialists for training Cuban servicemen."

The Soviet Government contends that "all Cuba's true friends have every right to respond to this legitimate request" and that the Cuban Government has "every justification for taking necessary measures to insure its security and safeguard its sovereignty and independence."

HOW FORMULA WORKS

So the Soviet formula for conquest is at last made clear. The Communists infiltrate a country, get possession of the government there, and cause it to file with Moscow a request for military aid. This is supposed to be the legal justification for sending armament and military personnel to "train" the local troops. It so happens that the Monroe Doctrine, since the 1820's, has warned the world that no European country would be permitted to get a military foothold anywhere in this hemisphere.

President Kennedy may not realize it, but what he said at his news conference last Wednesday could be responsible for his present embarrassment. Had he not responded at the time to an impromptu question and had he consulted with the Secretary of State

A6732

CONGRESSIONAL RECORD — APPENDIX

September 11

before issuing any statement, it is doubtful whether Mr. Kennedy would have given the reply he did on the spur of the moment. A correspondent had asked the President to comment on the suggestion of Senator HOMER E. CAPEHART, of Indiana, that Cuba be invaded by the United States. Here is the verbatim reply as taken from the tape recording:

"The PRESIDENT. I am not for invading Cuba at this time. No, I don't—the words do not have some secondary meaning. I think it would be a mistake to invade Cuba—

"Question. Mr. President, the Soviets, as you well know—

"The PRESIDENT. Because I think it would lead to—that it should be very—could be very casually suggested; an action like that, which could lead to very serious consequences for many people."

Just previously in the same news conference, the President, in discussing possible action in Cuba, had referred to American "obligations all around the world, including West Berlin and other areas, which are very sensitive," and had added:

"Therefore, I think that in considering what appropriate action we should take, we have to consider the totality of our obligations and also the responsibilities which we bear in so many different parts of the world."

This comment could mean that the President is fearful that, if he takes action in Cuba, it might lead to greater pressures in West Berlin—a reaction which the Soviets doubtless are trying to foster. The Soviets, on the other hand, may be waiting to see whether the United States is hesitant to use military force even as close as 90 miles away from its shores. They could misconstrue the President's reluctance as implying that the United States might not even fight to protect West Berlin or any part of Europe when a showdown came.

The situation strangely parallels the 1930's, which Winston Churchill describes in his book, "The Gathering Storm," published in 1948. He speaks of the "millions to disaster" in the 1930's and of the series of aggressions in Hitler's aggressions in the Rhineland, in Austria, and in Czechoslovakia, until finally the climax came in Poland. Mr. Churchill writes:

"Here is a catalog of surrenders, at first, when all was easy and later when things were harder, to the ever-growing German power.

"Still, if you will not fight for the right when you can easily win without bloodshed; if you will not fight when your victory will be sure and not too costly, you may come to the moment when you will have to fight with all the odds against you and only a precarious chance of survival.

"There may even be a worse case. You may have to fight when there is no hope of victory, because it is better to perish than live as slaves."

NOW WHAT?

What could Mr. Kennedy really do now? He could order a complete naval and aerial blockade of Cuba and demand that all Russian advisers brought in by the Cuban Government to train military forces in that country be expelled at once. He could proclaim that no further shipments of any kind, either by air or by sea, military or nonmilitary, will be permitted to enter Cuba from any country until the Cuban Government restores to American citizens the properties taken from them in the last few years.

To apply this policy could lead to some fighting. But whatever sacrifices are made would achieve the patriotic purpose of preventing any misunderstanding as to the resoluteness of the West in and around Berlin. It could prevent a world war.

[From the New York Herald Tribune, Sept. 9, 1962]

ACTION ON CUBA AND BERLIN URGED TO BAR MAJOR WAR

(By David Lawrence)

WASHINGTON.—Vacillation, indecision, irresoluteness and a policy of wavering from day to day by the Western powers brought on World War I and also World War II.

History may be repeating itself. The West is again giving the impression of weakness. The United States, the most powerful military force in the West—without whose aid World War I and World War II could not have been won by the Allies—is wobbling in its policies. This could lead to a gross miscalculation by Nikita S. Khrushchev, just as indecisiveness on the part of Washington misled Kaiser Wilhelm in 1914 and Adolph Hitler in 1939 as each assumed that the United States would not go to war over any European question.

Today, the situation seems to be growing more serious, as it is being assumed in Moscow that the United States will not even go to war over an American question—the taking over of control in Cuba by the Soviets, who are supplying military equipment to the Cuban regime under an open agreement between the two governments.

This defiance of the Monroe Doctrine has been ignored by President Kennedy. He has made no public protest over Soviet policy. He has announced, in effect, that he agrees with the Soviet viewpoint that Cuba is merely engaging in a "defensive" operation with Soviet help.

CHANGE CALLED STARTLING

This startling change in America's historic policy has apparently been accepted by supporters of the administration in Congress, though here and there some exceptions are noted.

The President, in his public statements, shows that he considers the Cuban situation not to be an American question by itself, but as somehow directly related to the Berlin crisis. The Soviets may be interpreting this stand to mean that Mr. Kennedy is hesitant to do what he would perhaps like to do in Cuba for fear that the Soviets might intensify the East German problem and might be tempted to take chances on a belligerent move against West Berlin.

President Kennedy doubtless hoped to give an impression of resoluteness when he asked Congress for standby authority to call up 150,000 reservists. The trouble with the move is that it implies vaguely that some time in the future he might use the troops somewhere—he doesn't say whether in Berlin or in Cuba. The Reserves aren't actually being ordered up now. Mr. Kennedy says he might call them up if matters get critical somewhere.

This ambiguity in American policy implies that the United States isn't really acting on principle, but is feeling its way expediently from one crisis to another while it waits for its adversary to continue step by step with its aggressive course.

Senator HUBERT HUMPHREY, of Minnesota, assistant Democratic leader, gives the reasoning back of the administration viewpoint. In an interview quoted by the Associated Press, he says:

"I think it should be clearly understood that the President has no immediate intention for use of this authority. Prompt congressional approval will be a demonstration to our allies and our enemies that the elected representatives of the people are firmly behind our Commander in Chief."

But will the men in the Kremlin take this to mean that Congress approves inaction in Cuba? If the United States will not fight on a clear issue that arises 90 miles away

from its shores, will the passage of a resolution authorizing the call for Reserves produce the psychological effect which the administration intends to create? The resolution itself makes no mention of Cuba, and in all probability the regular Marine Corps—not the 150,000 reserves—would be used if there were any intervention in Cuba by the United States.

Not a word has been spoken publicly to Moscow, moreover, by the Washington Government about her violation of the Monroe Doctrine in shipping to Cuba arms and technicians. Does this mean that the administration acquiesces in the Soviet move and that all that's necessary now for the Communists to gain a foothold in a Latin American country is to infiltrate a government there, call the military buildup defensive, and the United States will not object?

OTHER MEASURES URGED

The same hesitation and vacillation that characterized American policy between 1914 and 1917 and between 1939 and 1941 are being repeated. The end result then was war, because America was believed to be unwilling or unable to fight. At least in those days, however—both with respect to protesting the violation of American rights on the high seas and in supplying destroyers to the British Navy—the United States wasn't entirely inactive or inarticulate, though at no time in the prewar period was the German Government convinced that the United States would fight.

Is entry into a world war the only way a nation's resoluteness can be expressed? There are many measures short of war—a sea and aerial blockade of Cuba and an economic boycott of East Germany and of the Communist bloc—which could multiply Moscow's troubles and prevent a major war.

[From the New York Herald Tribune, Sept. 9, 1962]

OCCUPIED CUBA

(By Robert G. Spivack)

WASHINGTON.—The Soviet invasion of Cuba poses a grave threat to the future of democracy in the Western Hemisphere and to the military security of the United States.

To pretend otherwise is to underestimate the dimensions of Soviet ambition, to misread Communist history and to delude ourselves about the potential of the Alliance for Progress.

President Kennedy's promise by "whatever means" to oppose the "aggressive purposes" of Castroism is a first effort to meet the Nation's and the hemisphere's present needs. It reads well and sounds tough, but is open to misinterpretation because it is too vague. The real question about the presence of Soviet "technicians" in Cuba is: Why are they there?

The overriding issue is no longer whether Castro plans aggression against his Latin neighbors; it is that Cuba herself is a Soviet-occupied satellite.

Soviet troops are not there to repel an attack from the United States. They are there to keep the restive Cubans from overthrowing their Communist dictatorship. If we continue to talk about defensive Soviet weapons and possible aggressive purposes we could wind up accepting the presence of the Red army much as we accepted the wall in Berlin.

Cuba has been a problem for American Presidents for more than 60 years. We have made many mistakes there from the time when we practiced dollar diplomacy through our close alliance in the Batista era with reactionary elements, political and clerical, right up to the abortive CIA-sponsored attempt to overthrow Castro.

1962

CONGRESSIONAL RECORD — APPENDIX

A6733

That long history helps to explain White House hesitancy in the present situation. But it is one thing for the President to proceed carefully in the troubled waters of the Caribbean. It is something else to proceed cautiously while the enemy is proceeding boldly.

If you proceed carefully the implication is that you know where you are going; while cautiousness could be interpreted throughout Latin America as timidity.

Recent developments force us to consider these questions:

How do we get Soviet troops out of Cuba, without delay?

How do we prevent future Soviet troops, as well as military equipment, from being landed on her shores?

What are we prepared to do to help Cuba free herself from Soviet domination?

None of these are easy questions and the President has declined to put the problem in these terms. Perhaps he is reflecting on his own comments during the 1960 political campaign when he castigated the former administration for failure to do anything about the Soviet menace "90 miles off the coast of the United States."

Undoubtedly he hopes to avoid the same kind of criticism. That's perfectly understandable. It was wrong in 1960 to oversimplify the issues posed by Castroism and it is just as wrong now to make a domestic political issue of Cuba.

But the problems remain. Second-guessing about the Russian reasons for indulging in their provocative demonstration of contempt for the Kennedy administration is, for now, a fruitless enterprise.

What should we do? A first step would be to blockade all shipments of materiel and men to Cuba, whether carried on Soviet or Allied vessels. The second would be to encourage with all means at our command a democratic Cuban revolution. Third, would be to bring before the Organization of American States the whole issue posed by the Soviet occupation of Cuba.

Fourth would be to intensify the work of the Alliance for Progress, setting target dates for starts on public works projects. Fifth, would be to let the world know we are ready and willing to work with reform-minded, genuinely democratic elements in all Latin nations, not with military juntas as in Peru.

Along with all these activities we should inform Soviet Russia that we regard the presence of her troops in Cuba as inimical to the welfare of the Cuban people and to our own welfare. The Soviet "technicians" must be given a deadline for departure. If they are not gone by deadline time then we must be ready by "whatever means" to oppose their "aggressive purposes" against the Cubans and all others of this hemisphere.

Latin American Problems and U.S. Action

EXTENSION OF REMARKS

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 10, 1962

Mr. ANFUSO. Mr. Speaker, the situation in Latin America remains confused and is no nearer a solution now than it was a year or two ago. Cuba, Brazil, and British Guiana represent a threat from the left. The situation in Argentina, the Dominican Republic, Peru, and other countries has not been resolved.

In recent months I have inserted several articles dealing with Latin American affairs by Fred A. Orleans, who is an expert in the field. These articles have aroused considerable interest. Mr. Orleans has lived in several Latin American countries for a number of years. A prominent international lawyer, he is a member of the Academia Mexicana de Derecho International—Mexican Academy of International Law—one of the leading organizations in that country to which not many U.S. citizens have been admitted to membership.

I have before me seven short articles written by Mr. Orleans in which he deals with such problems as the policy of nonintervention in Latin American affairs, the economic squeeze, a look at Brazil and Cuba, the need for a doctrine of self-preservation, and the need for qualified policymakers. Some of these articles have been written recently, others about a year or so ago, but they still remain timely in essence and the problems they raise are still unsolved. Developments over the past year, particularly in relation to Cuba, indicate the validity of the views expressed by the author.

Although I do not subscribe to all the views expressed in these articles, they are accurate and to the point, the criticism is nonpartisan, and the purpose is definitely constructive. I feel they are a worthy contribution in this field and should help bring greater clarity into our thinking on the subject. I commend these articles to the attention of my colleagues.

They read as follows:

NONINTERVENTION

(By Fred A. Orleans)

The word "nonintervention" has assumed major significance in the relations of the United States and the other nations of the Americas.

In 1936, at the Inter-American Conference for the Maintenance of Peace, held in Buenos Aires, Argentina, the United States agreed to subscribe to the doctrine of nonintervention in its most absolute form. The United States voluntarily deprived itself of the right to send American marines to any Latin American country, no matter how badly American property or American citizens were treated. The United States voluntarily relinquished the right to use her own judgment in dealing with violations of American rights and agreed to the establishment of mutual security arrangements.

This doctrine of nonintervention has been the main restraining force which has prevented the United States from unilaterally acting to rectify the Cuban situation. This doctrine of nonintervention has forced the United States to depend upon collective action by all nations of the Americas in regard to Cuba, and, accordingly, little action has been taken.

The glaring inconsistencies in our so-called policy of nonintervention in the internal affairs of Latin American countries comes into sharp focus when we allow a Communist dictatorship to exist a few short miles from our border and we are unable to do anything about it; when we maintain relations with, and aid governments in, Latin America which were not constitutionally elected by the people, but are in power as a result of uprisings, or governments which originally constitutionally elected by the people, but continue to maintain their position through dictatorial means.

But our Government does not hesitate to break relations with a friendly Peruvian

Government and deprive the people of Peru of badly needed Alliance for Progress programs because a military group stepped in to prevent a leftist government from taking power. Our Government chose to ignore the fact that the military takeover in Peru was not the result of a bloody revolution and that new elections and return to civilian rule was promised by the military group. Our Government chose to ignore the fact that the people of Peru are not objecting to the temporary change in government. If this is not intervention in the internal affairs of a friendly nation, then just what does constitute intervention?

If the United States feels justified in intervening in the internal affairs of Peru, then it should give more thought to many more "situations" in the Western Hemisphere which merit and cry out for active U.S. intervention. Some thought should be given to the unfortunate people of Cuba, shackled by the chains of international communism and deprived of the rights to which every human being is entitled; some thought should be given to freeing the many American citizens, including both men and women, who are still languishing in Cuban prisons.

Just what or who determines when the United States should or should not intervene in the affairs of a Latin American nation?

ECONOMIC SQUEEZE

(By Fred A. Orleans)

The writer has repeatedly stated for many years that one of the greatest motives which disturbs the cordiality of the relations between the United States and the Latin American nations is the exchange of our products. Latin America produces strategic materials and agricultural products of basic worldwide consumption. The United States, in turn, is the supplier to Latin America of machinery and industrial products needed for its economic development. This interchange takes place under conditions that are adverse to Latin America.

Briefly it can be explained as follows: The United States has had until now the power to set by itself the prices of its own products. These prices are fixed in accordance with costs of production, but in these costs the just and fair wages of its workers are strongly protected. Latin America, on the other hand, does not have the power to set its own prices. Until recently its principal consumer and practically only customer has been the United States. Latin America fixes prices also in accordance with production costs, but in these costs the wages of the Latin American worker lack equitable protection. The wage of the American worker on an average is 10 times higher than that of the worker in Latin America. This can be explained in accordance with the blind forces of economics, but we should not forget the new forces which are working throughout the world.

The weak foreign trade situation of the Latin American countries brought about by their poor earnings on basic commodities and the continuous rise in the cost of the manufactured goods they import has placed these countries in a serious economic squeeze.

Neither the Alliance for Progress nor any other U.S. plan to assist Latin America can succeed until the Latin American countries are able to develop a favorable balance of trade. Countries which are unstable economically and unable to earn enough from exports to pay for their imports and pay back their debts cannot successfully implement an Alliance for Progress program.

LET'S LOOK AT BRAZIL

(By Fred A. Orleans)

Earlier this year the Governor of Rio Grande do Sul State, Brazil, expropriated a

A6734

CONGRESSIONAL RECORD — APPENDIX

September 11

telephone company without offering adequate compensation, and then continued to make additional expropriations of U.S. investments in his State. At the time he complained that Brazil was like a sieve and Alliance for Progress funds will just flow back to the United States without material benefit to the people of Brazil.

This gentleman was obviously very confused in his presentation of the facts since a report by the Swiss Bankers' Association indicated that the total amount of Latin American deposits held by Swiss banking institutions are, according to a most conservative estimate, well in excess of \$10 billion. Swiss, United States, and other banking institutions probably hold at this time close to \$20 billion originating from Latin American sources.

In order to smooth the way for continued aid to Brazil, a plan was devised for "compensation" of the telephone company and other expropriations. However, no indication was made as to just how Brazil, which is on the verge of financial insolvency could pay for these companies. It is quite obvious that aid grants from the United States which should be used for the maximum benefit of the people of Brazil would have to be diverted to make the aforementioned payments for expropriated industries. Accordingly, the U.S. taxpayer would, in the final analysis, have to pay the U.S. companies for their property seized in Brazil. This in itself is the height of folly and can lead to many dangerous repercussions by setting a precedent which the governments of every other Latin American nation will feel free to follow.

The political philosophy of the President of Brazil is well known from his past actions and open acknowledgments demonstrating his leaning to the left. Recently a new Prime Minister, Francisco Brochado da Rocha was elected in Brazil. Mr. Brochado is a political protégé of the Governor of Rio Grande do Sul who expropriated the U.S. Telephone Co. It should be pointed out that the Governor, who is anti-American, is the brother-in-law of the President of Brazil, Joao Goulart, who has never indicated any displeasure or disagreement with his actions.

The new Prime Minister of Brazil was the chief legal officer of the State of Rio Grande do Sul and assisted in the expropriation of the U.S. companies. In his initial address to Congress, Prime Minister Brochado threatened to crack down on foreign investments, called for closer relations with the Soviet bloc and indicated his support for Communist Cuba in its dealings with the United States. With the Prime Minister, who was handpicked by the President and the President now voicing the same views, these views can very well become the official foreign policy of Brazil in the near future.

The big question remains as to why the United States was so completely unaware of what has been and is taking place in Brazil that President Goulart was invited to this country and wined and dined in New York, Washington, and Chicago, and addressed Congress. He then proceeded to "cash in" on this tacit support and approval from Washington by going to Mexico to be hailed and cheered by the leftist elements who could point to the prior welcome and reception he had received in the United States.

LET'S LOOK AT LATIN AMERICA—CUBA

(By Fred A. Orleans)

The plane incident involving a Pan American plane being forced to change its course of Mexico City to Guatemala City, to land in Havana, resulted in statements from Washington to the effect that the American people should not become too excited or concerned about the matter since it was not

actually Castro who was involved in this plane incident or previous ones, but psychopaths who were not even Cuban citizens.

The psychopaths were merely emulating the most successful psychopath of modern times, Castro, and the more he gets away with, the more others will try throughout Latin America to carry on an eventual wholesale takeover or expropriation of U.S. property.

By allowing Castro to go his merry way, the United States emphatically encourages many others of his ilk to try to do the same he has done. It is not important if the Cuban Government actually encouraged the attempted theft of the plane at El Paso and the theft of the Pan American plane since the important thing is that they forcibly hijacked an Eastern Airlines plane within the sovereign boundaries of the United States and they kept possession of that plane for over 3 weeks despite our State Department's "requests" for its return, and then only returned the plane on the so-called exchange deal for a Cuban "patrol boat" through which the U.S. Government provided Castro with his usual "out" and also headed off congressional demands for action on the Cuban situation.

The United States became the laughing stock of the world through these plane incidents.

This recent series of plane incidents, preceded by the drawn-out drama of tractors for prisoners, preceded by the series of expropriations, and all overlapped by a continuous series of insults, threats, and abuses from Castro and Cuba, have effectively distracted the people of the United States from what should be their primary concern and that is the occupation of the island of Cuba by those who are the sworn enemies of the United States and who are allied with those who are on the record to destroy our Government, country, and way of life.

The people of the United States have been so distracted that they lost sight of the fact that Cuba is daily becoming more and more a threat to the future survival of many countries in the Western Hemisphere and through the building of short-range missile bases, even an eventual threat to the United States.

We are losing sight of the fact that Czech technicians are in Cuba in ever-increasing numbers, surveying and planning the establishment of modern industries which can produce indirect competition with the United States and induce many countries of Latin America to forsake their trade ties with the United States and depend instead upon Cuba and its Communist bloc supporters.

We are losing sight of the fact that every day that the Cuban situation remains unresolved, more and more political leaders in Latin American countries, eye with a more covetous eye the U.S. investments and industries in their countries with the thought that if Cuba can get away with it, why can't they.

We lose sight of the fact that many countries in Latin America are inclined to blackmail the United States for more and more aid on the threat of turning to those who back Cuba, and also of expropriating U.S. property in their countries.

In the latter part of 1960, responsible experts in the United States recognizing the danger inherent in an uncorrected Cuban situation enumerated the minimum steps the United States must immediately take. We have finally taken step one, although most reluctantly, after unnecessary delay and only because Castro pushed us into it. We have been too indecisive, too timid, and too unnecessarily afraid of world opinion to take all the proposed and necessary steps.

The suggested steps were as follows:

1. Break diplomatic relations with the Cuban Communist regime.

2. Recognize a responsible Cuban government in exile.

3. Give the government in exile full support with arms and money.

4. Invoke a blockade of Cuba so that she would not be able to trade with the Communist nations and induce other countries to desist from trading with her.

5. Once the Communists have been driven out of Cuba, assist and guide the country back to freedom and constitutional representative government.

The simple fact remains that as long as Castro or his ilk remain in control of Cuba, the United States will continuously face problems in Latin America.

WHERE DO WE MAKE OUR STAND?

(By Fred A. Orleans)

The hijacking of an Eastern Airlines plane enroute from Miami to Dallas has sharply brought into focus the fact that the sovereignty of the United States has again been flaunted and the inviolable rights of its citizens again violated by a two-bit dictator.

Are we to assume that American citizens flying from or to Miami do so at their own risk in view of the proximity of Miami to Cuba? Is Miami now off limits to U.S. aircraft and have we finally reached the stage, despite all the brave talk of making a stand in Berlin and Laos, of not only being unable to cope with the Cuban situation, but to even protect U.S. citizens within the United States of America?

As a weak nation, not yet established as a world power, we went halfway around the world to meet and beat the Barbary Coast pirates in their own lair and defend the rights of American citizens to travel any place without fear of mistreatment and abuse by anyone.

In recent years, we have read about Americans being murdered, abducted and mistreated in faraway places as Korea, countries of southeast Asia, Africa, Egypt and Iraq.

All these places seemed distant and remote and the average American remained apathetic and unconcerned with this startling change in world attitudes towards the United States and its willingness and ability to protect the property and person of American citizens abroad.

Recently, the happenings in Cuba, including the wholesale theft of the property of all Americans working or residing in that country, including both the big companies as well as individuals owning small businesses and Americans who lived and worked in Cuba for many years as well as descendants of American families who have resided in Cuba for generations, has brought into sharp focus the tremendous decline of both the prestige of the United States abroad as well as respect for our country and its citizens by foreign nations and their nationals.

We have now arrived at the sad state of affairs where neither Americans nor their personal property are even safe in the United States itself from personal abuse or actual theft by any foreign government that seems so inclined.

Exactly where do we make our stand?

If Cuba is not close enough, will Miami do, or do we draw the line at Jacksonville, or do we give up Florida because it's close to Cuba and we do not want to antagonize Castro or his friends? Exactly what is to stop Castro or any like him from abducting American citizens from any part of the United States if they disagree with their views or oppose their acts?

When the United States ceases to be on the defensive and again becomes the vigorous and positive leader of the past, giving definite and firm leadership and acting with a purpose with policies both full expounded and backed up, then and only then will our growing international problems diminish and eventually disappear.

1962

CONGRESSIONAL RECORD — HOUSE

18039

This tactic seems to be a favorite one of those whom I would call the dominant pseudo-intellectuals of today. If you don't agree with their theories of handling social problems, you hate people. You are at war with welfare. It is the classic example of ad hominem argument, attack the motives and integrity of the adversary and avoid his set of facts and arguments.

I am convinced that this method of debate which has been condemned by all scholars from Socrates on down is doing more damage today toward our society reaching intelligent solutions to our social problems than anything I can think of. It does its harm in two basic ways: 1. It works against intelligent discussion of difficult issues. 2. It encourages excesses on the other side stemming from legitimate righteous indignation that "we have been smeared" and so the same kind of mud starts coming back. The more the mud is slung on both sides the more intelligence is driven from the forum of public debate. The radio and TV waves should not be licensed to programs which resort to this kind of deceit and mudslinging, however sophisticated it may be.

If you care to comment upon these observations, please do so.

Sincerely,

THOMAS B. CURTIS.

AUGUST 13, 1962.

MR. ROBERT SARNOFF,
Chairman of the Board,
National Broadcasting Co.,
New York, N.Y.

DEAR MR. SARNOFF: I want to acknowledge your letter of April 11, 1962, in reply to my letter of April 2, 1962. I held this matter in abeyance after receiving a reply dated April 16 from Chairman Minow of the FCC saying that it would be inappropriate for him to comment in view of the fact that the matter was in an adversary state.

I have now received a reply from Mr. Minow in which he encloses a copy of the Commission's letter to Joseph Mitchell, city manager of Newburgh, N.Y.

I have replied to Mr. Minow and I am enclosing a copy of this reply. I would be happy to receive any comments you would like to make on the observations I have made in this reply and in this present letter.

In the meantime, I was happy to receive from Robert Swezey, the director of the National Association of Broadcasters, the seventh edition of the television code of the National Association of Broadcasters, dated May 1962. I am impressed with section VI and section VII (controversial public issues and political telecasts) of this code.

Clause 3 of section VI states: "Programs devoted to the discussion of controversial public issues should be identified as such. They should not be presented in a manner which would mislead listeners or viewers to believe that the program is purely of an entertainment, news, or other character."

Section VII states: "Political telecasts should be clearly identified as such. They should not be presented by a television broadcaster in a manner which would mislead listeners or viewers to believe that the program is of any other character."

In my judgment NBC white paper No. 9 "The Battle of Newburgh" violates both of these provisions of the code. It was a political telecast designed to influence the public attitude to one side of a highly controversial issue while presented in the guise of being an objective presentation of the facts and arguments in this controversial public issue.

The reaction of both NBC and the FCC to this criticism convinces me that not only was this intended but when it is brought to the attention of the persons who make policy in NBC and FCC they intend to do nothing about it.

I trust even at this late date you will see the tragedy for America inherent in this attitude.

Sincerely,

THOMAS B. CURTIS.

AUGUST 13, 1962.

MR. ROBERT D. SWEZEY,
Director, the Code Authority, National Association of Broadcasters, Washington, D.C.

DEAR MR. SWEZEY: Thank you for your letter of June 15, 1962, enclosing a copy of the NAB television code prepared as your letter states after almost 2 years' study.

A code is only as good as its enforcement. I am enclosing for your consideration letters I have just written to Newton N. Minow, chairman of the FCC, and Robert Sarnoff, chairman of the board, National Broadcasting Co., concerning a television broadcast of NBC, Sunday, January 18, 1962, 10-11 p.m., e.s.t., entitled "NBC White Paper No. 9, the Battle of Newburgh."

In my judgment this broadcast violated your present code of ethics, possibly also the code of ethics in effect prior to the adoption of the new code.

I believe my two letters set forth the basis for my charge of violation. I would appreciate knowing what procedures the NAB has set up to enforce this code of "self regulation". Any comments you might care to make on the charges set forth in my two letters would be appreciated by me.

Sincerely,

THOMAS B. CURTIS.

FEDERAL COMMUNICATIONS
COMMISSION,
Washington, D.C., August 17, 1962.

HON. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR MR. CURTIS: I have your letter of August 13, 1962, to the Chairman, in which you express your views with respect to (a) the NBC program, "The Battle of Newburgh," and (b) the Commission's letter of July 18, 1962, to Mr. Mitchell, city manager of Newburgh, N.Y., concerning this program. In the absence of the Chairman from the city, I am taking the liberty of acknowledging your letter.

Due to the nature of the matters discussed by you, I believe that your letter should be referred to the full Commission for its consideration. As you may know, the Commission is in recess during the month of August, and will convene for its first meeting on September 5, 1962.

You may be assured that your letter will receive the Commission's attention at the earliest possible date during the month of September.

If I may be of further assistance, please do not hesitate to contact me.

Sincerely yours,

ROBERT E. LEE,
Acting Chairman.

NATIONAL BROADCASTING CO., INC.,
New York, N.Y., August 22, 1962.

HON. THOMAS B. CURTIS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN CURTIS: I have your letter of August 13, and I appreciate your sending me a copy of your letter of the same date to Chairman Minow commenting on NBC News' white paper presentation "The Battle of Newburgh."

I note with regret that you remain in disagreement with the conclusions supporting the program's fairness and integrity. Nor can we agree with your view that the presentation of the program was in any way inconsistent with the provisions of the NAB television code to which you refer. NBC adheres to the NAB code, and even predating that code, we have had our own

code of broadcast standards which contains provisions similar to those you quoted.

The provision dealing with controversial issue programs relates to a presentation in which time is sold or made available to an individual, group, or organization for a statement of the individual's or group's position on a controversial public issue. For such programs, the basic requirements—which we follow—are that fair representation be afforded to opposing views, and that the nature of the program should not be disguised so as to make it appear to be an entertainment or news program or a program of different character than it actually is.

"The Battle of Newburgh" was not a program of this type; it was in fact a news documentary, produced by NBC News and designed to report on and analyze the welfare system in Newburgh. It was clearly identified as a news documentary at the time of broadcast and in advance publicity. It dealt with a controversial issue in the news, and this, too, was made clear in advance and by the fact that it was a program within the NBC White Paper series, which by definition is devoted to the scrutiny of vital current issues and affairs, many of them controversial. In reporting and analyzing this issue, it adhered scrupulously to the standard of fairness in presenting opposing views on the issue. We follow this standard in dealing with such issues, whether the program is one such as is referred to in section VI of the NAB code, or is a news report and analysis such as "The Battle of Newburgh."

The other provision you cite—referring to political telecasts—has no application to the program in question. It deals with programs presenting political candidates—as is indicated by its reference to section 315 of the Communications Act which relates to such presentations—or with election campaigns. Clearly "The Battle of Newburgh" was not such a program, and it clearly identified the sort of program it was.

Contrary to your impression, Mr. Huntley's role in the program was not moderator or commentator or editor. Mr. Huntley appeared as a reporter. In line with this function he introduced the conflicting points of view City Manager Mitchell's administration of Newburgh's welfare system has generated and expressed accurately all the relevant facts assembled by the team of skilled, experienced journalists who spent 6 months studying the Newburgh welfare controversy at firsthand.

The excerpts you quote from Mr. Huntley's narration are based upon demonstrable fact, and his reference to Mr. Mitchell's attitudes are supported by Mr. Mitchell's own words on the program. The one exception I note is the assertion: "I apologize for stating the obvious. But it appears the obvious is being overlooked." This is a quotation from a speech by an official of the New York State Department of Social Welfare, and it was so described by Mr. Huntley.

As I pointed out to you in my earlier letter, the program was not presented as a debate or an exchange of opinion. Its purpose was to report accurately and impartially on a fair and thorough inquiry into ascertainable facts in the interest of presenting the truth. We believe this purpose was fulfilled.

Sincerely,

ROBERT W. SARNOFF.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 7, 1962.

MR. ROBERT SARNOFF,
Chairman of the Board,
National Broadcasting Co.,
New York, N.Y.

DEAR MR. SARNOFF: Thank you for your letter of August 22, 1962. I, too, regret that we are in such obvious disagreement on

18040

CONGRESSIONAL RECORD — HOUSE

September 11

what constitutes fair and ethical presentation of controversial issues to the public through the medium of television.

What I have to say in answer to your letter is largely repetition, but perhaps by repeating just a few points I may still get through to you.

You say Mr. Huntley was appearing as a reporter. Then what was Mr. Huntley doing commenting upon the statements of the people presenting different points of view?

I documented in my previous letters the type of comments Mr. Huntley made on the "news." Not only was he not filling the traditional role of the reporter, which is to report, not to comment; he was not filling properly the role of a commentator or editor by observing basic rules of fairness.

I think if NBC wants to use the terms "White Paper" and "news documentaries" it would be well to review whatever code of ethics and procedure it has established. Great public good can come from unbiased presentations of the honest differences of opinion that exist between equally well motivated and studious men. The western horse opera plot of the good guys against the bad guys exists only in never never land. True life reveals that all of us are a bunch of gray guys, some of our actions are good, some are bad. It becomes important to be ready to see when an ordinarily good guy acts bad and an ordinarily bad guy acts good. Only by sticking to specific actions can this be accomplished.

I am happy to be advised that my letters to the FCC in this matter are being referred to the full Commission for its consideration.

In the meantime I am anxious to get as much of the public in on this discussion as possible and, accordingly, I am placing my file on this matter in the CONGRESSIONAL RECORD, as I advised you I would do when I began our correspondence.

I shall be happy to send you a copy of the RECORD and to insert any further remarks you might like to make.

Sincerely,

THOMAS B. CURTIS.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., September 7, 1962.

Mr. ROBERT E. LEE,
Acting Chairman, Federal Communications
Commission, Washington, D.C.

DEAR MR. LEE: Thank you for your letter of August 17, 1962, advising me that my previous letters in respect to the NBC-TV presentation "Battle of Newburgh" would be referred to the full Commission for consideration.

I have decided it would be of value to place in the CONGRESSIONAL RECORD the pertinent parts of my file on this subject. I shall forward a copy of the CONGRESSIONAL RECORD with this material to the Commission when this has been done.

Sincerely,

THOMAS B. CURTIS.

Cuba file

BLOCKADE OF MILITARY SHIPMENTS TO AND FROM CUBA

(Mr. DEROUNIAN (at the request of Mrs. May) was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEROUNIAN. Mr. Speaker, last Tuesday I wrote the President recommending that the United States institute a blockade of all military shipments to and from Cuba:

SEPTEMBER 5, 1962.

THE PRESIDENT,
The White House,
Washington, D.C.

MY DEAR MR. PRESIDENT: In 1960, as Senator, you made the following statements:

"We must let Mr. Castro know that we do not intend to be pushed around. * * * We must let Mr. Khrushchev know that we are permitting no expansion of his foothold in our hemisphere * * * we should consider measures to prevent goods from being shipped to Castro via a third country."

This was good advice then and it is good advice now. Since you assumed the Presidency, not only has Castro pushed us around but he has kicked us in the teeth and is now spitting in our faces. His is the second most powerful military force in this hemisphere, where U.S. prestige has been shattered. It is a fact that Khrushchev is expanding his foothold; and it is certainly true that military men and materiel are being shipped to Castro directly and indirectly by the Soviet.

The Monroe Doctrine has been violated and we have done absolutely nothing heretofore. It is time to act now.

Mr. President, at one time you wrote very eloquently about courage. Now is the time to practice it. In this, the American people will overwhelmingly support you.

I, therefore, recommend that the United States institute a blockade of Cuba preventing any further military shipments to or from Cuba. Our national security is in danger.

I am sure you realize that appeasement of Hitler led to war and further appeasement of the demented, bearded dictator of Cuba will certainly eventually lead to war.

We must stop this Communist cancer now, with or without the cooperation of our sister states in this hemisphere.

Respectfully,

STEVEN B. DEROUNIAN,
Member of Congress, Second District,
New York.

Today, I have introduced a joint resolution authorizing the President to employ the Armed Forces of the United States for protecting the security of free nations in the Caribbean areas and in Central and South America:

Whereas the primary purpose of the United States, in its relations with all other nations, is to develop and sustain a just and enduring peace for all; and

Whereas threats and declarations have been and are being made which indicate that free nations in the Caribbean area and in Central and South America are in danger of armed attack; and

Whereas such events would gravely endanger the peace and security of the Western Hemisphere: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for: the specific purpose of securing and protecting free nations of the Caribbean area and of Central and South America against armed attack, this authority to include the security and protection of such related positions and territories now in free hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of free nations of the Caribbean area and of Central and South America.

This joint resolution shall expire when the President shall determine that the peace and security of the Western Hemisphere is reasonably assured by international conditions and shall so report to the Congress.

This is comparable to the Formosa resolution enacted by the Congress in 1955; and I trust it will have the effect of stiffening the back of our President so that he may, with courage, utilize the authority of the office he now holds; that he be less inclined to listen to the ivory tower theorists or the pacifist who has

been influencing our foreign policy heretofore.

We have all read of the military buildup of Cuba, the setting up of guided missile sites and other bases, 100 miles from the coast of Florida; of the continuing convoy of ships from the Communist bloc bringing men and military materiel to Cuba. It has been reliably reported that in a check period between July 26 and August 20, alone, some 60 Soviet vessels—twice the normal traffic—carried equipment to Cuba. And out of Moscow a statement has been issued clearly informing us that the Communists will give all the military and technical aid to Cuba they feel is necessary for their purposes.

The American people are sick and tired of covering before the Communist thug. They know that knuckling under to Hitler brought war; that weakness brings war and strength assures peace.

I hope my resolution will receive immediate and favorable consideration.

VIEWS ABOUT MEDICARE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. BELL] is recognized for 10 minutes.

(Mr. BELL asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. BELL. Mr. Speaker, few issues which have come before us during the two sessions of the 87th Congress have aroused as much concern and developed as much public interest as the subject of national legislation to provide medical care for our older citizens. Most impressive to me in my background reading on this subject were the following articles which, under permission, I am placing in the CONGRESSIONAL RECORD:

[From the Chamber of Commerce]

THE CASE AGAINST H.R. 4222, THE HEALTH INSURANCE BENEFITS ACT

1. IT'S MISLABELED

This proposal, better known as the King-Anderson bill, is not insurance because its benefits are not guaranteed.

2. IT'S NOT NECESSARY

The contention that this massive new program must be enacted to cope with a problem that is temporary and transitional cannot be supported in view of (a) the special tax concessions for the aged with modest incomes; (b) the rapid implementation (38 States, 3 territories) of the 1961 Kerr-Mills law, providing financial help to aged persons unable to afford essential health and medical care expenditures, and (c) the 200 percent growth of voluntary health insurance during the past 10 years. (More than 9 million aged now have such insurance, and both basic and major medical policies, with the right of renewal guaranteed, are now available to all the aged.)

3. ITS NEW CONCEPTS CANNOT BE JUSTIFIED

For the first time, social security taxes would pay for services, rather than pay benefits in cash—thus denying to every beneficiary the right to decide how to use his or her income. For the first time, it would provide a flat benefit—the same for every beneficiary—discarding the principle of relating benefits to previous earnings, social security taxes paid, and to presumed need.

4. IT'S UNFAIR

Millions of workers under social security—particularly young couples raising their children and buying their homes—would be