THE CONSEQUENCES

The important thing for investors to remember is that running into a regulatory ceiling need not mean catastrophe. Any intelligent regulatory commission will probably allow a certain premium for good management. Thus it might view more sympathetically a company that has cut its rates over the years than one that has raised them. And it would likely look with more kindness on a company with the lowest rates in the State than on the one with the highest.

Further, if a company is ordered to hold down or even reduce its total return on investment, this may not be reflected in the trend of earnings per share. The industry is generating some 62 percent of its capital needs internally versus only 32 percent 5 years ago. Thus net per share can continue growing on the basis of reinvested earnings. For it is no longer necessary for utilities to finance their expansion by issuing the new common that so regularly diluted earnings in years past.

THE COMMUNICATORS

By contrast with the electric utilities, rate cutting by the big communications companies—American Telephone & Telegraph Co., General Telephone & Electronics Corp., and Western Union Telegraph Co.—has never been particularly popular. But there were regulatory problems of a different sort. The FCC last year rejected A.T. & T.'s proposed rate structure for its wide area data service, but A.T. & T. had not given up hope that the Commission would accept its wide area telephone rate proposals. Main fly in the ointment: opposition from A.T. & T.'s prime competitor, Western Union.

A.T. & T. competition had already forced Western Union to cut rates on its private wire service—reductions that Western Union's slender margins could ill withstand, especially when Western Union desperately sought more revenues. To get them, last year it posted another increase on its public message (i.e., regular telegram) business, which will doubtless decline even faster as a result. But Western Union needed the added revenues to complete its $100 million transcontinental microwave network, which will help it compete more directly with A.T. & T. in several telecommunications areas.

Though still paying out most of its earnings in dividends, Western Union was pennypinching in some areas by cutting executive salaries 10 percent and eliminating most of its advertising. The effort seemed to be paying off at the 9-month mark, when WU reported earnings nearly doubled on a 7-percent rise in revenues. But some of the gain stemmed from tax credits, while WU still had some heavy payments to make to its pension fund. And even with the completion of its microwave system, it was uncertain whether WU could generate the revenues to offset its higher costs, and whether it has the financial muscle to stand up to one of the world's largest and richest companies.

BETTER MIX

If Western Union was no match for A.T. & T., General Telephone & Electronics was doing fine. In the last 5 years, GenTel's telephone revenues and profits have grown much faster than A.T. & T.'s, but its total profits have not. Reason: GenTel's net from manufacturing peaked out at $37 million in 1959 when Sylvania was bought, then declined so fast (to $24 million in 2 years) that rising telephone earnings could not plug the gap.

Since then GenTel's Chairman Donald Power has tidied up the Sylvania operation by selling the camera division, strengthening the dealer network and upgrading the semiconductor operation. Hence manufacturing profits last year were back to a more satisfactory $33 million, and GenTel had the biggest and best year in its history.

So, for that matter, did A.T. & T., which completed a $47 million addition to its oversea cable network, orbited a second Telstar satellite, introduced a new touch tone telephone, and cut its night rates on long-distance telephone service. But the real measure of A.T. & T.'s management was that no one was surprised at the record results. Like the man who did the difficult at once and took only a little longer for the impossible, A.T. & T. seems to have turned recordbreaking into a routine performance.

FBI DIRECTOR STAYS ON

Mr. HRUSKA. Mr. President, Lyle C. Wilson, the able syndicated columnist and vice president of United Press International, in a recent column takes note of the fact that President Johnson intends to waive the requirement that Federal Bureau of Investigation employees must retire at age 70 in order that the FBI's distinguished Director, Mr. J. Edgar Hoover, be allowed to serve past January 1, 1965.

President Johnson thus reflects the great trust and confidence the American public has in Mr. Hoover.

I ask unanimous consent, Mr. President, that Mr. Wilson's column, entitled, "FBI Director Stays On," be printed in the RECORD.

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

[From the Washington (D.C.) Daily News, Mar. 9, 1964]

FBI DIRECTOR STAYS ON

(By Lyle C. Wilson)

President Johnson has told White House callers he hopes J. Edgar Hoover will continue as Director of the Federal Bureau of Investigation. Mr. Johnson has said that he wants Mr. Hoover to direct the FBI at least as long as he remains in the White House.

That pleases Mr. Hoover who enjoys vigorous good health. He has no desire to retire so long as he can be of service to his country. Sometime before January 1, 1965, therefore, the President will sign an Executive order waiving with respect to Mr. Hoover the requirement that FBI employees retire at age 70. Next New Year's Day will be the Director's 70th birthday.

Mr. Hoover's age and the Federal retirement law had combined to arouse some speculation that the Director's distinguished career would end with this year. There was a bit of wishful thinking in the speculation, no doubt, because left wingers of American politics declared open season on Mr. Hoover long ago.

American Communists constantly have campaigned to retire Mr. Hoover. They had ample cause for their anti-Hoover crusades. Under his direction the FBI became an effective and genuinely feared opponent of Communist subversion. But Mr. Hoover's enemies were not limited to the American Commies.

The non-Communist left wing of American politics is a much more dangerous enemy of Mr. Hoover and of the FBI than are the Communists. The commies cannot do much beyond yapping their resentment each time the FBI turns over a Red rock to examine the insect life beneath.

The non-Communist lefties, however, often have connections in high places, sometime including the White House. They often hold high political positions themselves. From such power points in Washington the Hoover hunt has been directed for years. Lefties in and out of the Truman administration made a big hidden play against Mr. Hoover.

They hoped to persuade Mr. Truman to impose certain rules and regulations on the FBI, the idea being that Mr. Hoover would resign rather than preside over the destruction of the Bureau by Executive order. HST was too smart for his lefty friends who sought to enlist him in the anti-Hoover movement.

Mr. Hoover probably is the best known American civil servant. Many persons familiar with Government rate him the ablest administrator in public office. No public servant rates higher with Congress than does Mr. Hoover.

His direction of the FBI has not been openly challenged since the early New Deal years when the Democrats were back in power clamoring for jobs after many lean years. Chairman Kenneth McKellar, Democrat, of Tennessee, of the powerful Senate Appropriations Committee demanded FBI jobs for deserving Tennessee Democrats. Mr. Hoover balked, enraging Senator McKellar.

The Senator undertook to discipline the Director, bawling threats in a series of Senate speeches. Few men, including presidents, could cross McKellar and get away with it. Mr. Hoover could and did. The word that Mr. Hoover will stay on the job will get no cheers from the American lefties. All other Americans are likely to applaud.

VIETNAM: COMPLEX AND DIFFICULT

Mr. BARTLETT. Mr. President, on another subject—a subject in which the Senator from Louisiana [Mr. ELLENDER] expressed great interest on the floor the other day during the course of a discussion on this subject—I desire to say that last Saturday, March 7, it was my pleasure to address a conference on Vietnam at Wingspread, Racine, Wis. This meeting was sponsored by the University of Wisconsin in cooperation with the Johnson Foundation. Present were distinguished scholars and public servants.

Dr. Wesley R. Fishel, professor of political science at Michigan State University and one of the country's few recognized experts on South Vietnam, spoke on the U.S. role in that country. Speaking on strategic problems in southeast Asia was Col. Donald S. Bussey, a man with a scholastic record as extensive as his combat record. Richard Dudman, a St. Louis Post-Dispatch correspondent, who last year was denied reentry into Vietnam because of the Diem regime's displeasure with his reports, gave an observation on the present scene. Particularly illuminating was a round table discussion on alternate policies with Congressman HENRY S. REUSS, from Wisconsin, Benjamin V. Cohen, attorney and diplomat who served in many positions under the Roosevelt and Truman administrations, and Dr. Fishel.

In my own speech I tried to emphasize the complexity of Vietnam.

There are no easy answers.

We cannot, we should not accept defeat.

The military situation must be improved before there can be hope for a satisfactory negotiated settlement.

This does not mean we should close our ears to talk of such a settlement. We should not scorn the efforts of our allies to find solutions other than military in Southeast Asia.

Mr. President, I ask unanimous consent that my speech be made a part of the RECORD at this point.

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

VIETNAM

(Address of Senator E. L. "BOB" BARTLETT at Johnson Foundation Education Conference Center, Racine, Wis.)

I should start by explaining why I am here. I am here because recently I gave a speech on the Senate floor discussing America's role in South Vietnam. My speech, and one given on the same day by Senator MANSFIELD, have caused a good deal of heated controversy. This controversy has been not a little aided by the fact that most of those engaging in it have not had the time nor the opportunity to read what actually we said.

The policy that Senator MANSFIELD and I advocated on that Wednesday 2 weeks ago has been called a policy of passive surrender. It is neither passive nor surrender. It is more an attempt to combine active hope with cool realism.

I cannot, of course, speak for Senator MANSFIELD. I would, however, like to take this opportunity to clarify, if possible, my purpose in speaking out. If I do succeed in such clarification, it will be a remarkable achievement, for the situation in Vietnam is anything but clear. Misinformation, confusion, contradictions, and doubts abound.

It is, alas, sadly true that the only way to be really clear on Vietnam is to speak in such general terms as to render the points made practically useless in application to what is actually happening in Vietnam. The alternate approach is equally unhappy, for if I were to speak in detail, using only that detail of which I am absolutely sure and qualifying each point on which I am not completely certain, my talk would be tedious, hesitant, and largely irrelevant.

Let me start with a principle: for the foreseeable future we must stay in South Vietnam; we cannot pull out. As a nation we are committed to assisting South Vietnam in the preservation of its integrity and independence.

There is little doubt the recent succession of coup upon coup has weakened the morale of the army and that the military situation has deteriorated. Secretary McNamara's visit to Vietnam is testimony of this. The number of guerrilla raids—incidents as they are called—has increased markedly. The Vietcong has begun daylight forays. The number of desertions from the South Vietnam Army has increased; and, as one correspondent put it, only 3 percent of the South Vietnam Army's attacks over the last week actually made contact with the Communists.

Some have suggested that to save the situation we must take the war to North Vietnam. I fail to see that our national security is endangered enough by happenings in South Vietnam to warrant the risk of a major war. For, count on it: selective bombings of North Vietnam could be but the beginning of a very grave and hazardous game, a game which would give us little were we to win and which would cost us dearly were we to lose.

Perhaps there is an alternate policy, a policy leading to settlement of the Vietnam struggle. If there is, our position in seeking for it will not be improved by bombing Hanoi or even Shanghai.

The war in South Vietnam, although in many ways supported by the North Vietnamese, and for all practical purposes directed by the North Vietnamese, remains a South Vietnam war. The guerrilla fighters for the Vietcong are recruited from South Vietnam. Most of the equipment used by the Vietcong is American, stolen in raids. It is my understanding that what ammunition is not stolen from us is purchased across the border in Cambodia.

Recently Defense Department officials have said that they have captured sophisticated weapons of Chinese origin from Vietcong strongholds. However, the State Department has informed me that the principal means of bringing equipment from the north into the south is by way of the so-called Ho Chi Minh trail which is nothing more than a series of jungle paths. Only material which can be carried on the back of a man can be carried on this trail. There is a limit, obviously, to what can be carried in this way.

Even if we were to close the Ho Chi Minh trail and to blockade North Vietnam, and even if this did not cause further retaliation in kind from North Vietnam and China, what would we gain? The rebels are in South Vietnam now; they would still be there even then.

This guerrilla war in this little country is surely, as Secretary Rusk said this week, "mean, difficult, and frustrating." Guerrilla warfare is as different from conventional warfare as is night from day. Mao Tse-tung has said that the strength of his guerrilla fighters during the overthrow of China was that they were fish who could swim in the sea of the people. When guerrillas are not fighting, they fade into the landscape. They live on the land and among the people.

A guerrilla-type insurgent movement which has the support of the people has yet to be beaten. Such a movement which has succeeded in terrorizing the people into silence is extremely difficult to beat.

If guerrilla outbreaks are to be defeated by a central government, that government must have the confidence of its people. It must be able to protect them when they assist in tracking down the outlaws.

It is precisely this point which makes American participation in South Vietnam so difficult. Americans are not South Vietnamese. Americans cannot lose themselves in the people. They cannot swim in the sea of the people.

We can arm and train and equip the South Vietnamese troops but we cannot fight for them. The people of Vietnam fought the French from 1946 through 1954 to achieve their independence.

We must at all costs avoid being cast in the role of an imperialistic, colonial power. If, through misadventure or folly, we should allow the struggle in Vietnam to become one of Asian versus white intruders, we have lost a good deal more than South Vietnam.

The war in South Vietnam is a South Vietnamese war. It will be won only by the South Vietnamese themselves. It will only be won when they have something worth winning it for.

Our best hope appears, I believe, to hold and strengthen the military situation as best we can while at the same time to press hard for improvements in the central government. Unless the soldier and the peasant believe there is real hope for economic and social reform, we cannot win. If there is such hope, we shall not lose.

Let me list four examples of reforms which if instituted would have powerful effect:

1. The "sweep through" strategy so popular with the Vietnam Army must be changed. This policy has meant that a single valley or hamlet has repeatedly changed hands; first it is under Vietcong control, then central government, then Vietcong again. This has led to the repeated burning of villages in order to smoke out a few Vietcong. This causes great destruction and casualties among the peasants for nothing because as soon as the army sweeps by, the Vietcong moves back in.

What is needed is the far more arduous, far less flashy "clear and hold" policy developed and used successfully by the British in Malaya, although the British had an easier task because they were the legal government. After an area is cleared, it must be held. This is hard dirty work but it must be done and we must insist the Vietnamese Army do it.

Battles are demoralizing. Repeated battles over the same land lead not only to demoralization but to passiveness among the people. And this is what is happening now to the Vietnam peasants. Too many no longer care who wins: they just want the fighting to go somewhere else.

2. There must be a really visible and serious effort to end the corruption and stealing with which the central government has preyed upon the people. Soldiers should be paid; a peasant should have the benefit of his crops. Of course corruption is hard to stamp out. This does not mean, however, that a try should not be made. While it is important that corruption be eliminated, it is even more important now, at this stage, that the people see that someone is trying to eliminate it.

3. A really serious effort must be made to insure the continuing operation of local government functions.

A government, if it is to maintain the respect of its people, must provide schools, hospitals, and the safety of the streets. In guerrilla warfare, far more than in conventional warfare, it is vital that the basic governmental functions which touch each and every person must be sustained as strongly and as long as possible. This has not always everywhere been done in South Vietnam.

4. Lastly, real, and again visible, efforts must be made to find employment for the more than 40 percent of South Vietnamese men who are currently out of work; to establish a real land reform program in this agricultural country where 2 percent of the landowners hold close to one-half of the land, and most of them are absentee landlords.

All of this and the many more reforms that are needed as well, constitute a most difficult program to carry out at a time when the country is wracked by civil war. It must be done, for unless the Vietnamese people have something worth fighting for, they won't continue to fight, and they are the only ones who can win this war.

In talking about winning and victory, we must be quite clear about what sort of victory we can expect. I foresee the probability that we may, at some time in the future, go to the conference table in order to achieve something like a settlement in the Indo-Chinese Peninsula. We cannot go to the table until the military situation is improved. Guerrilla warfare is always an up and down affair, and right now, our side is in the down. We must improve our military position. We must avoid, however, that attitude of mind which maintains that although we are strong today, let us not open negotiations today, let us wait until tomorrow when we may be stronger.

For we will never be able to obtain a fortress South Vietnam armed and secure, resolutely anti-Communist, resolutely democratic. History, geography, and demography are against this happening. Southeast Asia, especially the Indochina Peninsula, is neither neat, tidy nor strong. Not one of these countries of the southeast will ever alone be in a position to defend itself completely against the forays of its huge and powerful neighbor, China. We cannot, as Secretary Dulles would have had us, assert that we intend to use massive retaliation whenever and wherever a Vietnamese or Laotian border is transgressed by a guerrilla or an insurgent band; for this is neither creditable nor necessary. The pressures and the turmoil in the subcontinent are ages old and they will cause trouble long after we have gone.

What we can work for in southeast Asia is responsible peace, responsible freedom, and responsible stability, not total security.

We can expect to keep the guerrilla menace under substantial degree of control, we should not expect to eliminate it everywhere.

There have been dissidents in the jungles of southeast Asia since 1941, in Malaya, Malaysia, Burma, Laos, and the Vietnams. By no means are they all Communist or all united. They are rebels against society and they must be kept at manageable size if society is to operate in these nations.

We must remember that when we went into the South Vietnamese conflict, our objectives were limited. They should remain limited still; we should resist any move to elevate these objectives and with them the war. Our objectives would be satisfied by a free Vietnam uncommitted to the West, balanced by a Communist North Vietnam uncommitted to the East, as part of a defused Indochinese Peninsula in which the great powers and the Indochinese powers undertake to maintain the integrity of the borders of each of the Indochinese countries. We should not reject out of hand any moves toward a diplomatic solution such as this.

It is for these reasons, and for many others, that I spoke out on the Senate floor that Wednesday 2 weeks ago.

The President of France, recalling France's 80 years of experience, knowledge, and interest in Indochina, had announced his intention to seek "a possible neutrality agreement relating to the southeast Asian states." I pointed out to the Senate that France has advantages here which we do not have. I felt strongly, I still feel strongly, that we should not spurn our allies' efforts in this matter.

I said, that Wednesday 2 weeks ago, in view of the long and incredibly costly struggle in Vietnam, "It would seem evident, Mr. President, that any possibility of obtaining a diplomatic solution should not be scorned; it is just this possibility which France now intends to explore." I said then, I say now, let us be rational, let us be flexible. We can no longer afford in men, in money, or in wisdom, to do otherwise.

COAST GUARD RESCUES CREW OF SINKING SHIP

Mr. BARTLETT. Mr. President, the Coast Guard was founded 173 years ago. It is the smallest of our Armed Forces. It numbers but 32,000 men.

In this year, when military appropriations will exceed $55 billion, the Coast Guard's appropriation is but $350 million.

The Coast Guard is small but it is important, important in many ways. It provides navigational assistance to ships of the world through its loran—long range aid to navigation—stations in both the North Atlantic and Pacific Oceans, in the Sea of Japan and the Philippine Sea.

It performs important research work in oceanography.

The maintenance of coastal security is its responsibility and its constant surveillance patrols are an important part of our Nation's defenses.

The most well known of the Coast Guard's duties is that of search and rescue. In the century and three-quarters life of the Coast Guard, many thousands of persons have been rescued, many thousands of tons of cargo have been saved. Last year alone, the Coast Guard answered 37,330 calls for assistance involving a total property value of $1 billion, almost 2½ times the entire Coast Guard budget for the year.

In 1963 the Coast Guard saved 1,900 lives, a remarkable record.

The bravery, the courage, the hard work of the Coast Guard was clearly demonstrated recently, Mr. President, when the weather ship, *Coos Bay*, went to the rescue of the crew of the British freighter, the *Ambassador*, which sank in seas running 40 to 50 feet high, 1,000 miles east of New York.

In spite of the high waves, the crew of the *Coos Bay* was able to extend a line to the deck of the sinking ship and laboriously to pull across, one by one, the *Ambassador* crew members.

All of the crew was rescued, with the exception of 14, who took to rafts which were swamped and lost, and the captain, the last to leave the ship, who gave his life for his ship.

Skipper of the *Coos Bay* is Comdr. Claud Bailey. He and his crew deserve our praise and our thanks. Particular congratulations should go to BM3c. David Bichrest. He has been recommended for the Coast Guard's Life Saving Medal, and rightfully so.

As the rescue operations were underway, observers on the *Coos Bay* noticed a rubber liferaft with two men on it, capsize and go under. Six men, led by Ens. Erwin Chase, volunteered to go after the two now at the mercy of the seas. They rescued both. As they were helping one of the two onto the deck of the *Coos Bay*, they failed to notice that the other had become entangled in a cargo net at water's edge and that he was drowning. Young Bichrest, ignoring the direct orders of the skipper, dived overboard without a lifeline and, using his own knife, cut the British sailor free. Young Bichrest disobeyed an order and saved a life.

Usually we say that ends do not justify the means. But this is, perhaps, an exception to the rule.

Senators will wish to congratulate Boatswain Bichrest, Commander Bailey and the officers and men of the *Coos Bay*.

They performed in the highest traditions of the Coast Guard, and there is no higher praise for them.

PROPOSED INCREASE IN HOURLY WAGE AND REDUCTION OF WORKING DAY SOUGHT BY CERTAIN UNIONS

Mr. LAUSCHE. Mr. President, I read from an article which appeared in the Cleveland press, issue of Monday, March 9, under the title "Two Building Unions Ask 7-Hour Day and Raise of 40 Cents an Hour."

The article reads in part:

A 40-cent hourly increase and 7-hour day are being sought by two major building trade unions in this year's contract negotiations.

The wage hike and 1-hour reduction in the work day are being sought by Structural Ironworkers Local 17 and Bricklayers Local 5.

I quote further:

The bricklayers obtained 42 cents in 1961 in their 3-year contract. Their hourly rate now is $4.30½ plus employer payments of 20 cents an hour for health and welfare and 10 cents an hour for pensions.

The ironworkers get $4.46 an hour plus 10 cents an hour for the health and welfare fund.

I have calculated that, on this basis, the daily pay now runs to about $39 a day.

The reason why I rise to discuss this subject is that I have been hearing on the floor of the Senate arguments that, in order to keep our people employed, the U.S. Government must spend money by way of public works, financing of housing construction, and otherwise.

That argument is very appealing, but I put this question: What are the labor leaders trying to do with respect to helping people find jobs? How is the little man earning a wage far below the approximately $40 a day going to get himself in a position to buy a house or have one built? What are they doing to put Americans to work?

It is ironic that, in view of what the Government is trying to do by way of helping individuals buy homes and helping people find jobs, we see practically annual demands for wage increases that would soon put houses beyond the reach of the ordinary worker to buy.

If this group should obtain the increase requested, it would mean that the carpenters, the electricians, the plumbers, the tinners, and the painters would likewise get their demands for increased wages.

I voted for the housing programs on a number of occasions. Now we are confronted, as we are practically every year, with demands for increased wages and less hours for the same pay when these construction workers are earning $40 a day.

How are we going to persuade people to study to be professors in colleges, or teachers in schools, or engineers, or nurses, when the most lucrative field of endeavor seems to lie in fields requiring less vigorous and lengthy training and preparation?

I shall await with interest the arguments that will be made when the housing bill comes before the Senate.

Can the taxpayers of the United States suffer this inordinate drain upon their finances? Can they suffer the vision of government trying to help in the development of an industry to provide homes for its citizens while those who profit most want more and more out of every dollar the government puts into it?

I realize that what I am talking about will mean bitter recriminations against me, but I would be a coward if I did not speak up.

Mr. President, I ask unanimous consent that the article from the Cleveland Press of March 9, 1964, to which I have referred, may be printed in the RECORD.

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

TWO BUILDING UNIONS ASK 7-HOUR DAY AND RAISE OF 40 CENTS AN HOUR

(By Antony Mazzolini)

A 40-cent hourly increase and 7-hour day are being sought by two major building trade unions in this year's contract negotiations.

The wage hike and one-hour reduction in the work day are being sought by Structural Ironworkers Local 17 and Bricklayers Local 5.

Other crafts are expected to make proposals similar to those of the ironworkers and bricklayers in negotiations covering nearly 40,000 construction workers in this area.

The contracts of all the building trades unions, except that of Electrical Workers Local 38, expire at midnight April 30.

Most of the 19 building trades unions are expected to be guided by negotiations between a policy committee of the AFL-CIO Building Trades Council and a committee representing the Building Trades Employers Association and the Cleveland chapter of the Associated General Contractors of America.

The BTC policy committee and employers' committee are expected to begin negotiations in late March, said Thomas McDonald, BTC business manager.

The 3-year contract that expires this year provided wage increases of 15 cents annually for all the unions, except the bricklayers who negotiate their own contract outside of BTC negotiations.

The bricklayers obtained 42 cents in 1961 in their 3-year contract. Their hourly rate now is $4.30½ plus employer payments of 20 cents an hour for health and welfare and 10 cents an hour for pensions.

The ironworkers get $4.46 an hour plus 10 cents an hour for the health and welfare fund.

The electrical workers will get 12 cents an hour May 1 to pay for holidays under a 3-year contract that expires in 1965.

THE AUTOMATION PROBLEM

Mr. BOGGS. Mr. President, it is encouraging that the President has decided to make a study of the impact of automation.

While I am sure the study he proposes will be worthwhile, I would be happier if he were following the approach I have proposed in my bill, S. 185, which provides for a White House conference on the impact of automation.

Besides combing the country for information and recommendations on automation, the White House conference method assures widespread kindling of interest in the problem itself. Since automation is a recent and generally misunderstood problem, the public needs to know more about it, and this is accomplished in the White House conference process which builds up from community to area to State levels. The data and recommendations finally considered in Washington are the end result of thousands of meetings in every section of the country. In this way the Nation speaks to Washington.

If the White House conference plan is well carried out, it is the best way I can think of for arriving at a national consensus on a problem of vital interest to us all. The problem is serious enough, and immediate enough, to require such a thorough study and then concerted action.

The Christian Science Monitor for March 11, 1964, carries a penetrating editorial entitled "The Priority Is People" which underlines importance of dealing with the automation problem and I ask unanimous consent that this editorial be printed in the RECORD.

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

THE PRIORITY IS PEOPLE

President Johnson's message on manpower defined the problem, suggested what should be done, and announced "two new major administration actions" that have been taken. One of the latter is the establishment of a Committee on Manpower to study the broad issues. Such study is obviously necessary. But no less urgent is the other more specific, and perhaps therefore more promising, administration action: a study of the impact of automation.

The whole message should serve as a warning, a spur to wise legislative action, and an encouragement to public discussion. But when the President says that his programs will succeed "only when we become determined that nothing is to take priority over people," the question of automation comes to mind with special force. Probably civil rights is the only issue that might outrank the automation employment equation as "the major domestic challenge, really, of the sixties," to use the Kennedy phrase. Even in civil rights the particular effect of automation on the employment of unskilled nonwhite workers heightens the problem.

Last year in the United States Secretary of Labor Wirtz said that "automation is absolutely essential to the preservation of the productive advantage which this country has always had." The solution then is not to stop the march of the machine, as attractive as this may sometimes seem, but to use it to the best human advantage.

Because of the speed of this march, planning—by labor, management, and government—is more essential than in previous ages of technological advance. Automation is not just a better mousetrap; it makes the mousetrap obsolete.

It also makes some workers obsolete. Not only the factory workers, who are estimated to be losing 200,000 jobs a year to automation, but the white-collar workers—even junior executives—who are confronted by computerization of their jobs.

At one extreme is the point of view that it is not automation that causes unemployment, but the minimum wage law which prevents the hiring of workers not considered worth the minimum wage. Another view is that of Henry Ford II, who said earlier this year that any loss of jobs was due not to too much technological progress "but too little."

Things have changed since the first Henry Ford brought more pay and more jobs to workers through a degree of mechanization. There was then a huge untapped market ready for the increased production.

The new situation requires new thinking. The International Labor Organization is planning a conference representing 12 countries this month. There have been others. Before the Senate is a proposal for a legislative "Hoover-type" commission on automation.

Meanwhile the administration study would seem to be the least that can be done. Labor has called for such study while expressing doubts about mere study.

Certainly the study must lead to action. It could decide, for example, that the present Manpower Development and Training Act, helpful as it is, should be made less cumbersome in operation and perhaps available to many more workers. There is the question not only of displaced workers but the "silent firings" of workers never hired for jobs no longer necessary. There is the question of identifying which industries will be hit with automation next, so plans for change can be made.

"We can no longer value a man by the jobs he does: We've got to value him as a man," says Norbert Wiener from his long experience with cybernetics.

This does not mean a return to 19th century "Taylorism," with its intricate plans for paying a man not according to the position he held but to the skill and devotion with which he filled it. But as jobs change overnight, the individual ability to adapt will probably be at a premium.

When the statistics are reeled off—the comparisons between a dwindling increase in jobs and a growing increase in labor force, for example—it becomes terribly clear that many people could get lost in the shuffle. We hope the problem will be seriously considered at the forthcoming United Nations Conference on world trade. We are glad the U.S. administration is taking steps now.

MANNED AIR AND AEROSPACE CRAFT AND NATIONAL SECURITY

Mr. SIMPSON. Mr. President, with the trained Air Force flying officer rapidly being replaced by a system of computers and missiles, I think it behooves us to reflect briefly upon the wisdom of the metamorphosis and also the efficacy of it. An article by retired Army Col. D. P. Yeuell in the National Security Council's Washington Report, issue of February 24, questions very seriously the dependability of our Nation's missile system and the defense philosophy which places total reliance on missiles as a strategic panacea.

The Yeuell article is an excellent corollary to a Washington Report on the same subject authored last May 6 by Dr. James D. Atkinson, associate professor at Georgetown University.

The article written by Colonel Yeuell, who since 1960 has been in advanced program planning in the aerospace industry and a consultant on military technological problems, was the subject of an editorial February 28 by James Flinchum, editor of the Cheyenne, Wyo., State Tribune.

Editor Flinchum notes, "The debate over missile reliability has been raging for several years," even while the United States has made great strides in weaponry.

Colonel Yeuell cautions, however:

> The blunt fact is that no operational missile or any prototype thereof has ever been married to a nuclear warhead for the complete test firing cycle from launch to target.

Editor Flinchum continues by underscoring this statement:

> Because of the Nuclear Test Ban Treaty, we cannot now or in the future completely test the ability of our present missile system to fire, deliver, and explode a nuclear weapon on target. We can only guess and hope they will do so. This is one of the severely limiting factors of the Nuclear Test Ban Treaty.

The frightening thought is that the Soviets have actually tested missiles with nuclear warheads from launch to target and we have not.

Mr. President, on March 6 I placed in the RECORD several lines of testimony given by Secretary of Defense McNamara during hearings of the Armed Services Committee, February 20, 1963. In that testimony, Secretary McNamara stated:

> I do not believe any of them (our missiles) are proven in the sense you (Senator STENNIS) are using the word. For statistical reasons based on the law of probability, we must carry out a specific number of launch-