

mayors' committees across the land—as sort of “keepers of the keys” of what is truly great about America. Let me explain:

Do you want to know what I believe America is truly all about? What our flag means, flying overhead? Why we have gone to war three times in our own generation? Then look closely at the President's committee, and at Governors' committees and mayors' committees.

You will see for yourself that the work we do is tied up in something called the equality of man.

Our work furthers not just the cause of the handicapped, but the cause of all humans; the worth of all men and all women, able-bodied and handicapped alike. Our work doesn't just talk about it, but actually demonstrates the deep truth that indeed all men are created equal; that indeed all men are endowed with certain skills and talents; that indeed all men are fully entitled to hold their heads high, to lead lives of independence, to support their families.

Our work has to do with equality.

When you think of the President's committee, and of this entire movement of opportunity for the handicapped, in that light, you can see for yourself that it is not such an easy thing to assume the title of “Chairman.”

I have accepted the chairmanship in all humility knowing that I will gain strength from the heritage that Mel Maas and Ross McIntire left behind them—and from each and every one of you.

I have accepted the chairmanship because I cannot think of anything in this world more worth fighting for than the equality of man.

When he was alive, Mel Maas had a talent, actually a touch of genius, for putting his finger on the most urgent needs of the handicapped—both present and future. You have my pledge that I shall continue in the directions to which he pointed.

He was in touch with the times when he stressed the need to taken action in furthering job opportunities for the mentally restored and mentally retarded; in breaking down age-old prejudices against anyone who had ever set foot inside a mental hospital; in convincing the Nation that retardation of the mind doesn't necessarily mean retardation of skills.

I shall continue to stress that need. A need which was so important to Mel Maas and to our beloved martyred President John F. Kennedy.

Joined with others, he urged the elimination of architectural barriers—those high stairways, narrow revolving doors and other thoughtless devices that keep the handicapped out of the public buildings of America. This movement is gaining steam—largely, I think, because it makes such down-right good sense. I shall do what I can to help build that head of steam.

Mel Maas followed Ross McIntire's lead when he urged strong State and local action in furthering job opportunities for the handicapped; an approach that looked not to Washington for the solutions to all problems, but rather for grassroots resources, in the communities. He wanted to see stronger Governors' committees and stronger local committees as the real shock troops.

I, too, shall do all within my power to give strength to local action.

He believed in flexibility; in preventing hardening of the attitudes; in being able to spot problem areas; in taking action where and when needed. In this way he met such problems as airline travel for the handicapped, the rights of amputee truckers to drive across State lines; barriers against handicapped school teachers; and a host of others.

I pledge to you the flexibility of a Mel Maas.

He stressed the need to look ahead more

than to look behind; to see to it that the handicapped are prepared for the job opportunities of tomorrow, rather than the fast disappearing job opportunities of yesterday.

With your help, I shall bring to my job this same forward look.

Mel Maas pioneered in the President's people-to-people program and gave leadership to this exchange of friendship among those working with and for the handicapped the world over. He traveled across the globe in this mission; and it was my pleasure to accompany him to several international meetings where the handicapped were importantly involved.

I shall maintain my long-time interest in the international scene and shall continue the work of Mel Maas and Earl Bunting in people-to-people efforts for the handicapped, and in other groups with similar aims such as the World Veterans Federation and the International Society for Rehabilitation of the Disabled. In this, I am proud to be joined by Mel's lifetime friend, Dr. Frank Krusen, the new Chairman of the People-to-People Committee for the Handicapped.

I do want you to know that I hold certain beliefs about opportunities for the handicapped. Since this is my maiden appearance before you as Chairman, I want to share them with you.

I believe in ability; in an entire orientation toward the handicapped that stresses not what is wrong with them but what is right with them; that emphasizes not disability but ability; that faces the fact that the “can-do” in a man's life exceeds the “can't-do.”

I believe in the equality of man—and as I see it, this means a sincere respect for the differences between men, whether they be differences of color, of creed, of religion, of physical condition, of mental condition, or whatever.

I believe that, just as all men are born equal, all men are born different—and once we learn to accept this fact of life, we shall come to accept the handicapped as our fellow human beings in the fullest sense.

I believe there is a flame burning within each of us—some people call it a soul or a spirit—and that this flame is more important than the body that houses it.

Let the body or the mind be handicapped, but let the flame be free to burn brightly. This is the flame of our civilization, the flame that makes us men and not animals, the flame that has given us peace and justice and kindness and mercy and love.

When any man's flame is stifled by prejudice and misunderstanding and rejection, the whole world is the poorer. When any man's flame is allowed to burn brightly, the whole world is the richer.

There you have the true meaning of our work. The true meaning of this President's Committee and of your own Governors' committees and mayors' committee.

We have a stake in humanity. May God give us the courage and the strength to meet the challenge.

#### HELP FOR STRICKEN ALASKA

Mr. BARTLETT. Mr. President, much has already been done in and for Alaska following the March 27 earthquake and the destructive wave action which followed. Of course, what has been accomplished to date is but a bare beginning. It will take years to repair the damage and to build the new Alaska. Much, indeed, remains to be done by way of planning, aside from accomplishment. There are those in certain circumstances who suffered grievous losses who can be

helped little if any under existing programs, and it is they who invoke my chief concern.

However, the Alaska Reconstruction Commission, under the chairmanship of Senator CLINTON P. ANDERSON, of New Mexico, is working diligently and constantly with the cooperation of all Federal agencies concerned, and under the direction of President Lyndon B. Johnson, to get the big job underway with the least possible loss of time.

A sensible, illuminating editorial on this subject appeared May 20 in the Fairbanks, Alaska, Daily News-Miner. I ask unanimous consent that it be printed with my remarks:

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

#### RESULTS MOCK CRITICS

Most Alaskans are satisfied, grateful might be the better word, at the pace and amount of Federal assistance arising from the earthquake emergency. The few voluble critics on the other side of the fence would be enlightened, perhaps even silenced, if they bothered to read the periodic and frequent reports coming from the Alaska Reconstruction Commission.

The fifth report of Chairman CLINTON ANDERSON to President Johnson reveals that financial authorizations and actual work are moving forward at a fairly rapid clip. Disaster costs have been pared down to \$205,-811,771, and every agency that could possibly have an affiliation with this type of emergency is hard at work.

One note of gloom in Senator ANDERSON's letter to the President relates to the \$50 million bond issue authorized by the Alaska State Legislature. “Bond specialists report that the State, if it were to try to market these bonds now, would have to pay an interest rate substantially above the 3.5619 percent rate carried by the most recent issue of Alaska State bonds,” the Senator wrote.

“My personal feeling is that this would be a most heavy burden which the State cannot sustain.”

We will hear more about this when the legislature meets again next Monday. But meanwhile, excerpts from the commission's latest report are very encouraging. Examples:

The Small Business Administration will make loans up to 30 years at 3 percent interest for financing new homes for affected owners.

Of 92 million projected total for the Corps of Engineers recovery activities under Public Law 875, the Office of Emergency Planning now has authorized \$80,960,200.

In this category, the Valdez program for repair of water and sewer facilities and debris removal (\$179,400 total) is now nearly nine-tenths done as compared to two-thirds completed last week. (Date of this report is May 8.) Also in Valdez, the project to provide a temporary barge terminal (\$60,700 total) was more than one-third complete at the writing.

Contracts totaling \$698,500 have been awarded for soil studies in Anchorage, Seward and Valdez. Jobs like this are characterized by one of the Anchorage newspapers as the work of “long-hairs” and “so-called geologists,” but history is sure to mock this current fit of pique.

The SBA has been extremely active out of its Anchorage office. Applications are being processed for 58 homes and 113 businesses. This would add up to nearly \$10 million. Home and business loans approved so far are approaching the million dollar mark there.

Because of the longer steaming distance to the Anchorage port, Whittier will be increasingly used as a substitute until Seward port facilities are reconstructed.

A comprehensive 94-page report finished in record time by a group of leaders in the U.S. construction industry, at the request of the Anderson commission, sheds further light on the port problem and explains why no money should be spent on Anchorage harbor facilities until geological studies confirm that the area is stable.

Total damage at this port is still unknown. Piles were broken and sprung due to a lateral shift of the dock structure. Damage below low-tide elevation has yet to be determined.

"This constitutes a very grave situation," the construction men reported, "since the structural strength of the dock possibly may be seriously impaired."

On the brighter side, the estimated million dollars of damage to the port area may be considered to be only \$100,000 in replacement since the port is reported to have carried earthquake insurance.

Whatever happens there, reconstruction at Seward and rebuilding of the Port of Valdez, which is ice-free, will be key factors in restoring surface transportation on a fairly versatile basis.

Tying in the Alaska Railroad with the Canadian National Railway to facilitate inbound shipments from the mid-continent would prove another factor in providing versatility, competition and subsequent lower freight costs, although this is not a subject in the report at hand.

The Anderson progress report lists a number of additional progressive steps. Interest rates on rural housing loans in small communities and rural areas affected by the earthquake have been dropped from 4 to 3 percent. This program of the Farmers Home Administration could prove helpful to communities such as Valdez.

Urban Renewal offers assistance on a larger scale, with at least three-fourths of the total cost being borne by the Federal Government. The Government has estimated Federal grant requirements for proposed urban renewal projects at more than \$51 million. Anchorage would get about half; Valdez, \$7 million. These totals could increase.

Aside from the statistics, which in themselves are encouraging, for it appears almost as if various agencies are competing to help, the whole tenor of the Anderson report suggests that a big job is being done on a hard-hitting basis with no fooling around.

"Bureaucratic inefficiency" has become a cliché description of big government these days, regardless of which political party is running the show, but in the case of the Alaska reconstruction program this description is largely absent.

This doesn't mean that mistakes haven't been made, or won't be made, or that there have been no oversights. Also inequities exist in arriving at damage or repair costs which must be corrected.

But as total damage is assessed in a case-by-case basis, and more and more agencies pitch in, the total picture—so far at least—is one of results at a promising pace.

Doubters should keep current with the weekly reports of the Anderson commission, and the survey of the Alaskan Construction Consultant Committee, made up of leading construction industry representatives of the Associated General Contractors of America and the International Union of Operating Engineers.

#### SOME COMMUTER RELIEF COMING?

Mr. JAVITS. Mr. President, the news that the Rules Committee of the other body has, after more than a year, finally sent the Senate-passed mass transit bill

to the House floor is good news indeed for the beleaguered commuters in our major cities. I ask unanimous consent that there be printed in the RECORD at this point in my remarks an editorial which appeared in the New York Herald Tribune on May 23.

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

#### FAIRPLAY FOR THE COMMUTERS

Good mass transportation is what the big cities need and they aren't getting it. Why? Because practically all the Government succor goes to highways for the traffic-congesting automobile. And in this competition, as New York knows only too well, the commuter railroads have been steadily losing out.

The whole picture is out of balance. It makes no sense to build more roads for the encouragement of cars and simultaneously balk at assisting a complementary and efficient form of transit which is so essential to the great urban centers. For if we put the commuter trains out of business, the result can only be more and more automobile strangulation.

What's needed is equal treatment—namely, money to preserve and improve service for the commuters. The proposal for \$500 million Federal grants to encourage urban mass transportation is small enough, but at least it recognizes the compelling necessity. The Senate passed this bill early last year, and now at last the House Rules Committee, under President Johnson's urging, has allowed it to emerge.

We can understand that most Congressmen from around the country aren't particularly concerned about New York commuters. But they ought to be. For what is good for the cities is good for everybody. The health of national transportation is accepted policy; that's why highways are built at great national expense. But let's be fair about the spending. Give the commuters and their railroads the help that is essential.

#### VIETNAMESE POLICY

Mr. MORSE. Mr. President, I ask unanimous consent that there be printed in the RECORD an article published in the morning Times entitled "Six Papers Banned by Saigon Regime—Premier Also Arrests Nine of His Political Opponents."

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

#### SIX PAPERS BANNED BY SAIGON REGIME—PREMIER ALSO ARRESTS NINE OF HIS POLITICAL OPPONENTS

SAIGON, SOUTH VIETNAM, May 24.—Maj. Gen. Nguyen Khanh's military government banned six newspapers today and arrested nine political opponents who demanded the release of two generals he jailed in his coup d'etat last January.

Premier Khanh's move against the Vietnamese newspapers followed the banning of three others yesterday.

Three of the daily papers affected today were closed permanently. The three others were put under a temporary ban. One of those closed was Tien (Progress), which had just finished a 2-month temporary suspension.

Copies of Tien were seized throughout the city because its first issue described General Khanh's regime as a so-called democratic government.

#### WIDE RANGES OF CHARGES

Charges against the other papers ranged from libeling government officials to printing morally offensive stories. One paper

criticized the security failure that permitted Vietcong terrorists to bomb the U.S. aircraft ferry Card in Saigon harbor earlier this month.

Another was accused of having sown division between the people and the army, and another was suspected of having had financial support from the followers of the slain President, Ngo Dinh Diem.

Newspapers in Saigon have a short life for financial as well as censorship reasons, and the papers shut down had existed 2 to 109 days. The suspensions left Saigon with about 50 daily papers.

The Khanh government has closed a score or more of newspapers for various reasons since he took office, but never so many at once. Charges ranged from having made antigovernment statements to having endangered security.

#### NINE MEN SEIZED

General Khanh's political move was directed against nine men from the central Vietnamese city of Hue who had been agitating for the release of Maj. Gen. Tran Van Don, and Maj. Gen. Ton That Dinh. The generals have been imprisoned in the mountain resort city of Dalat since January following the overthrow and slaying of President Ngo Dinh Diem last November.

Gen. Tran Van Don was Defense Minister, and Gen. Ton That Dinh was Interior Minister in the military government of Maj. Gen. Duong Van Minh, which overthrew the Diem regime. But this junta was overthrown by General Khanh. He imprisoned some of its officials and permitted Gen. Duong Van Minh to remain as figurehead chief of state.

The nine men—two teachers, two civil servants, two businessmen, a student, a mechanic and a court secretary—were also accused of having formed a political party without government permission. Their party apparently had few members.

They were arrested and flown here for questioning. Authorities then decided they should be returned to Hue to see if courts there would try them for political offenses.

Mr. MORSE. It is an interesting story on the military dictatorship policies of the government headed by a tyrant military dictator whom the United States is supporting in Vietnam—I think to our great historic discredit.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the New York Times today entitled "Brandt Opposes Ties to Far East, Asserts Bonn Cannot Make Commitments in Asia." Mayor Brandt comments favorably upon the position taken by France in regard to the situation in Asia.

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

#### BRANDT OPPOSES TIES TO FAR EAST—ASSERTS BONN CANNOT MAKE COMMITMENTS IN ASIA

BERLIN, May 24.—Mayor Willy Brandt has warned against any immediate or large-scale involvement of West Germany in the Far East.

He said on his return from a 6-day trip to the United States that he had told American leaders that West Germany, because of its position in the world, could not undertake commitments with the United States in southeast Asia.

The concept of the Social Democratic mayor of West Berlin is of heightened interest because of his position as his party's chairman and candidate for Chancellor in next year's general elections.

He said he had emphasized in the United States that West Germany's interests were centered in Europe and had advocated a broad aid program for Eastern Europe. Ac-

According to an aid of Mr. Brandt, there was full agreement on this between Washington and the mayor.

#### PROJECTS SUGGESTED

This new policy should take the form of East-West projects to reach out beyond Western Europe's present eastern boundaries, Mr. Brandt said. The plans he mentioned included the construction of a common highway, canal, and electric power network throughout the Continent.

In Washington yesterday, President Johnson suggested a similar program of help—a sort of Marshall plan for rebuilding Eastern Europe as was carried out in war-torn Western Europe after World War II. He called for "bridges across the gulf which has divided us from Eastern Europe."

Mr. Brandt's warning against Far Eastern commitments was viewed as a cautious rejection of an effort by Secretary of Defense Robert S. McNamara to win the active support of West Germany for the U.S. operation in South Vietnam.

The Secretary of Defense, who came to Bonn 2 weeks ago on the first leg of his last trip to Saigon, was understood to have been disappointed by the lack of enthusiasm of Chancellor Ludwig Erhard's Government.

#### INTERESTS IN EUROPE

Mr. Brandt left no doubt that he sided with Dr. Erhard on the Far Eastern issue.

"I made it clear in the United States that Germany is no world power and that our main interests are in Europe and in the North Atlantic community," he said at a news conference after his return.

"Where new commitments arise outside of NATO they can only be undertaken in a larger framework and not bilaterally between the United States and ourselves alone," he said.

Mr. Brandt caused a storm within his party and among the ruling Christian Democrats with a speech last week before the Foreign Policy Association in New York in which he praised President de Gaulle for his courage "in thinking the unthinkable."

"Sometimes," he went on, "I ask myself as a German: Why should he be the only one?"

Mr. MORSE, Mr. President, I also ask unanimous consent to have printed in the Record an article written by Drew Middleton entitled "China's Intentions—United States-French Conflict on Vietnam Said To Stem From Clash on Reds' Motive."

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

[From the New York Times, May 25, 1964]

CHINA'S INTENTION: UNITED STATES-FRENCH CONFLICT ON VIETNAM SAID TO STEM FROM CLASH ON REDS' MOTIVE

(By Drew Middleton)

PARIS, May 24.—The contrast between the American and French approaches to problems in southeast Asia arises, most "neutral" diplomats believe, from a fundamental difference over what Communist China's intentions are in Asia.

President De Gaulle has proposed an international conference, attended by China, to restore peace and neutrality in Laos. This reflects the French President's opinion that settlement of the troubles of four countries on the Indochinese peninsula—Laos, Cambodia, North and South Vietnam—in accord with China, is the only practical goal.

The United States appears to be moving toward a more militant attitude toward North Vietnam, which the Johnson administration increasingly regards as China's ally and as a base for aggression in South Vietnam and Laos.

The French Government believes China's cooperation must be won if there is to be a long-term settlement. Such a settlement, the French believe, must be based on a clear Western desire to neutralize the area by withdrawal of all foreign forces and a desire to guarantee the neutrality. This, it is argued, would reassure the Chinese about American intentions.

These convictions, rather than any wish to annoy the United States, lie behind French policy as it has developed since the recognition of the Peiping regime in January.

#### CLOAK FOR TACTICS SEEN

But the convictions are based on an assessment of Chinese intentions and military strength that the United States and some other French allies do not agree with.

American policymakers appear to believe that the main impact of Chinese imperialism in Asia will be to the south and southwest for many years to come. They do not think the Chinese are prepared to push north and west toward Siberia and Soviet Central Asia.

Nor do Americans appear to think China can be induced to abandon its drive to the south and southwest by agreements on neutrality. On the contrary, the Americans believe, such agreements might make it easier for the Chinese to cloak their tactics.

Chinese communism is in an expansionist stage, American experts believe. The poorly armed underdeveloped countries of southeast Asia, this theory goes, suit the Chinese military preference for the use of lightly armed infantry trained in hit-and-run tactics.

The final American argument is that once the former Indochinese area falls, the position of every other state in southeast Asia, pro-Western or neutral, is in grave danger.

Misconceptions have aggravated the differences. The French, scarred by a long and unsuccessful struggle in the same area, ascribe unreal motives in South Vietnam to the United States.

#### SOME FACTS OVERLOOKED

There is a tendency, for example, to overlook the fact that Americans are involved in South Vietnam because the Communists began making guerrilla attacks.

There is also a willingness to believe that the U.S. military involvement is larger than it actually is. The French are also dubious about the connection between affairs in the peninsula and the fate of Malaysia or the Philippines.

On the American side, there is readiness to see the French eagerness for neutralization as a policy of appeasement rather than as a result of a sober analysis of how to meet Chinese fears of American "aggression" in a sensitive area.

Both the American and French Governments may be seeking the same goal. But until they can agree on what China's aims are, observers suspect, their policies will conflict.

#### CAN SMALL BUSINESS SURVIVE?

Mr. PROXMIRE, Mr. President, this week—beginning today, May 25, 1964—has been designated by President Johnson as Small Business Week. In his proclamation, President Johnson pointed out that 9 out of every 10 businesses that supply the needs of the American people are small and independently owned and operated. The President also noted that these small enterprises provide about one-third of all goods and services. They are a broad source of employment opportunities, and the development of new ideas, new methods, and new products stimulates our economy.

The presidential proclamation urged

chambers of commerce, boards of trade and other organizations during Small Business Week to participate in ceremonies "recognizing the great contribution made by the 4.6 million small businesses in this country to our prosperous society and to the well-being and happiness of our people."

Mr. President, I am sure that all of us are grateful that the President has seen fit to emphasize in this significant way the extremely important and key role which small business plays in our economy. This role has always been a matter of continuing and deep concern to me. I have been a small businessman myself, and I know the difficulties which small businesses face, as well as the great contribution they can make to the effective operation and growth of the national economy. Since coming to the Senate, I have had the rewarding experience of being chairman of the Small Business Subcommittee of the Senate Banking and Currency Committee. In this position, I have had an opportunity, as several of my colleagues have, to hear witnesses analyze the problems that confront small businesses, and the nature of the steps which the Government can take to assist and maintain small business.

The contribution of small firms to our national economic strength cannot be overstressed. In the purely economic sense, it is the small businessman who provides the most direct and immediate services and products to consumers. It is the small businessman who is closest to the needs of the consumers and who is most aware of the techniques and means to satisfy consumer wants.

It is the small business firm which is also most sensitive to the pressures of our competitive system. The small businessman is the one who can make the slight adjustments in prices, or the minor changes in quality of product, or the personalized assistance to the consumer which will differentiate his product from the impersonalized mass-produced item.

These are some of the immediate and direct economic benefits that this Nation obtains as a result of the existence of small business firms. But there is, in my judgment, a more important and more fundamental type of advantage which we derive from the small business firms in our country. This is the intangible spirit of enterprise, of free initiative, of aggressive independence that has made our Nation great.

It takes real, raw courage to strike out on your own, to commit your energies and your savings for the production of a commodity or service where the market is uncertain and depends in large part upon your own success as a businessman and, more fundamentally, as a person. Yet, this is the type of step which every small businessman must take. It is exactly this quality probably more than any other which has made our Nation great. The most valuable contribution made by every small businessman—including farmers—is spirit, the spirit of initiative, of courage and, in a very real sense, of adventure.

Small businessmen also contribute in another major way which is largely in-

tangible. Because of their closeness to their consuming public and because of their spirit of initiative and courage, small businessmen are probably our most active single group of inventors and innovators. Yet inventions and innovations, along with the spirit of initiative, are the fundamental ingredients of economic growth. If our Nation is to expand its ability to satisfy our wants, these ingredients must be preserved and cultivated.

Yet, the outlook for small business in this Nation is bleak. I am deeply concerned about the future of small business as we have known it in this country in the past. There is overwhelming evidence of the decline of small business.

The U.S. Bureau of the Census figures show that in the great New York metropolitan area, while retail sales were soaring between 1950 and 1960 the number of small businesses in the area actually dropped to one-half in 1960 what it had been in 1950.

I have felt this concern about the future success of small businesses so deeply that I have recently written a book on this subject. The title of this book raises the question: "Can Small Business Survive?" In the book I attempt to catalog a number of methods, devices, techniques and procedures by which small businesses, despite the overwhelming pressures against them, can survive and continue to contribute to our Nation. I believe it is essential that we, here in the Federal Government, help. At the same time, it is my strong conviction, bolstered by meeting and talking with thousands of small businessmen, both in my own State of Wisconsin and throughout the Nation, that the last thing most small businessmen want is subsidy, especially by the Federal Government. After all, this is not the type of man who goes into small business.

At the same time, small businessmen want and deserve an even break. Frankly, I do not believe they are getting this even break now. The deck is stacked in favor of big business financially, managerially, technically, and governmentally.

Where can we be of direct assistance? Certainly one of the major areas involves taxation. I think there is no doubt that there tends to be a net discrimination against small businesses in the area of Federal taxation, despite the fact that there are a number of special provisions in the law for small businesses. The reason the net balance is weighted in favor of large businesses is simply because there are so many provisions in the tax law which are of only real significance to large businesses. From the standpoint of legislation, therefore, much more must be done to take tax recognition of the heavier business burdens on small business.

Another major area concerns Government procurement. It is so easy for a Government procurement officer simply to deal with one large business firm, rather than recognizing the peculiarly advantageous arrangements that can be worked out with small businesses. All of our Government agencies should be far more aggressive and imaginative in finding ways in which small business firms

can more effectively serve their Nation by offering their commodities to the Government.

A third area which is extremely important is to make it easier for the small businessman to get the long-term money he needs with the same ease and at the same low interest rates as big business. Government loan procedures in the Small Business Administration and the affiliated small business investment companies needed to be simplified and streamlined. Congress must also urge and assist banks and other private lending agencies to shoulder more of the burden for small business investment. Ultimately, the private sector of the economy must do the job.

Another field concerns the question of competent management. The large range of management improvement programs offered by such agencies as the Department of Commerce and the Small Business Administration are, frankly, underused by the small business community.

In another area, I feel that both the Congress and the executive branch have fallen down. This has to do with the appropriate enforcement of our anti-trust laws. Small business can compete more effectively if big business is constrained within the laws that we have established on the books.

Finally, we in the Congress must insure that small business, as well as large, shall have the opportunity and incentive to go abroad. Export markets are available and the means by which to serve these markets should also be available. A surprisingly large number of small businesses have shown that they can sell abroad and make excellent profits in the process.

Mr. President, I yield the floor.

#### FOREIGN LOANS FOR ONLY A THREE-QUARTERS-OF-1-PERCENT SERVICE CHARGE: ALASKA DISASTER LOANS AT THE MAXIMUM RATE OF 3 PERCENT—WHY THE DOUBLE STANDARD?

MR. GRUENING. Mr. President, on Saturday, at the weekly meeting of the Alaska Reconstruction Commission, Mr. Eugene Foley, Administrator of the Small Business Administration, who also administers the Disaster Loan Act, announced that he was making loans to Alaskan earthquake disaster victims repayable at 3-percent interest rate, which is the maximum permitted under the Disaster Loan Act. He referred at this meeting to the 3 percent as a well-publicized rate, which seemed to be a reference to my hitherto unsuccessful efforts to get a lower interest rate for our Alaskan victims—people who have lost their home and its contents, often even the lot on which the home stood, who have also lost their business with its inventory and still have loans outstanding against these vanished possessions.

Mr. Foley then went on to say that the statement that foreign aid loans were made at a lower rate, namely, three-fourths of 1 percent, was incorrect—that these foreign loans were made at a rate of 5½ to 6 percent. This was

presumably to refute my plea that Americans should at least get as good a deal as we have been giving and continue to give to foreign private enterprise under our foreign aid program.

I felt obliged to correct this error on Mr. Foley's part by pointing out, as I had previously on the floor of the U.S. Senate, that in the first place, loans were made and had been made, to the extent of over \$1½ billion, and were continuing to be made at three-fourths of 1 percent with a moratorium of 10 years on the repayment of principal, and although these were technically made to foreign governments, those governments merely acted as conduits for our American dollars and handed the money on to private enterprises in their country. Actually, the three-fourths of 1 percent, in the case of foreign loans, is called a service charge. So really we are virtually making grants, because it is very doubtful whether the principal repayment of which does not begin for 10 years will ever be repaid. The officials who are making these generous commitments of our dollars will not be around at that time.

To be sure, our foreign aid program has permitted, quite unwisely, foreign governments which are the recipients of our taxpayers' dollars to collect a toll on our generosity and to reloan the money we lend them for private enterprise at three-fourths of 1 percent at reloan rates of 5½ or 6 percent. In other words, these foreign governments levy a toll before they bestow our dollars where our foreign aid administration has destined them to go. But that does not alter the fact that Uncle Sam and our taxpayers are lending our money at three-fourths of 1 percent, which to date has been denied the American victims of the disaster in Alaska, whereas the foreign beneficiaries, some of whom are anything but friendly to the United States, have suffered no disaster.

But, in addition to that, there are so-called development loans that have been made under our foreign aid program not through foreign governments but directly to private enterprise abroad; and even the wholly incorrect assumption that when a loan goes through a foreign government for private enterprise, it is somewhat different from a loan to private enterprise and therefore establishes no precedents for similar action at home is thereby further refuted. I gave a list of some of these foreign aid three-fourths of 1 percent interest-bearing loans to Mr. Foley on a previous occasion. After he had finished speaking at last Friday's meeting, I left the meeting and went to my office and brought the list to him again. Here it is, but it is only a partial list, illustrating the fact that under our foreign aid program loans do go directly to private enterprises:

|   |              |
|---|--------------|
| Ghana: construction of smelter project made to Volta Aluminum Co., Ltd.....                   | \$55,000,000 |
| Sudan: Sudan American Textile Ind., textile mill.....   | 10,000,000   |
| Greece:<br>Dow Hellenic Chemical Industry Ltd., construction of polystyrene plastics plant... | 20,000,000   |
| Mobil Oil Hellas A.E., service station construction.....                                      | 17,500,000   |