

# House of Representatives

WEDNESDAY, AUGUST 18, 1965

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., prefaced his prayer with these words of Scripture: Psalm 121: *The Lord is thy keeper, the Lord is thy shade upon thy right hand.*

Almighty God, whose goodness never fails and whose truth does not grow old, we beseech Thee to sanctify us, cleansing all the stains of sin from our hearts and the darkness from our minds.

Order our whole life, our thoughts and aspirations in accord with Thy will and bring them into harmony with Thy holy plans and create within us those desires which Thou dost delight to satisfy.

May there arise within us strength, healing, and victory, overcoming all confusion of purpose and that self-love which keeps us from the larger life of service and sacrifice to which we have been called.

Humbly we offer our prayer, asking for nothing that we do not ask for others whose lives are haunted by hardship and struggle for the bare necessities that they labor for.

In Christ's name we pray. Amen.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7765) entitled "An act making appropriations for the Departments of Labor, Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to Senate amendment No. 1 to the above-entitled bill.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1648. An act to provide grants for public works and development facilities, other financial assistance, and the planning and coordination needed to alleviate conditions of substantial and persistent unemployment and underemployment in economically distressed areas and regions.

The message also announced that the Vice President, pursuant to Public Law 170, 74th Congress, had appointed Mr. MORSE in lieu of Mr. ROBERTSON, resigned, to attend the 54th Interparliamentary Union Conference to be held in Ottawa, Ontario, September 9 to 17, 1965.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## APPROPRIATIONS FOR DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, THE JUDICIARY, AND RELATED AGENCIES FOR FISCAL YEAR 1966

Mr. SLACK. Mr. Speaker, on behalf of the gentleman from New York [Mr. ROONEY], I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill H.R. 8639.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

### CONFERENCE REPORT (H. REPT. No. 807)

The committee of conference on the disagreeing of the two Houses on the amendments of the Senate to the bill (H.R. 8639) "making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1966, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 6, 7, 10, 15, and 18.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 4, 8, 9, 11, 16, 17, 19, 20, 21, 22, 23, 25, and 26, and agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,125,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,339,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$33,743,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$69,036,250"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "\$11,536,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,150,000"; and the Senate agree to the same.

JOHN J. ROONEY,  
JOHN M. SLACK, Jr.,  
NEAL SMITH,  
JOHN J. FLYNT, Jr.,  
CHARLES S. JOELSON,  
GEORGE MAHON,  
FRANK T. BOW,  
GLENARD P. LIPSCOMB,  
ELFORD A. CEDERBERG,  
*Managers on the Part of the House.*

JOHN L. MCCLELLAN,  
ALLEN J. ELLENDER,  
WARREN G. MAGNUSON,  
SPESSARD L. HOLLAND,  
JOHN O. PASTORE,  
J. W. FULBRIGHT,  
MARGARET CHASE SMITH,  
LEVERETT SALTONSTALL,  
KARL E. MUNDT,  
*Managers on the part of the Senate.*

### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8639) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies for the fiscal year ending June 30, 1966, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### TITLE I—DEPARTMENT OF STATE

##### *Administration of foreign affairs*

Amendment No. 1: Appropriates \$176,400,000 for salaries and expenses as proposed by the House instead of \$176,748,000 as proposed by the Senate.

Amendment No. 2: Appropriates \$19,125,000 for acquisition, operation and maintenance of buildings abroad as proposed by the Senate instead of \$18,125,000 as proposed by the House.

##### *International commissions*

Amendment No. 3: Appropriates \$2,125,000 for international fisheries commissions instead of \$2,025,000 as proposed by the House and \$2,300,000 as proposed by the Senate.

##### *Educational exchange*

Amendment No. 4: Appropriates \$5,800,000 for the Center for Cultural and Technical Interchange between East and West as proposed by the Senate instead of \$5,500,000 as proposed by the House.

#### TITLE II—DEPARTMENT OF JUSTICE

##### *Legal activities and general administration*

Amendment No. 5: Appropriates \$5,339,000 for salaries and expenses, general administration instead of \$5,289,000 as proposed by the House and \$5,389,000 as proposed by the Senate.

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## TITLE III—DEPARTMENT OF COMMERCE

## U.S. Travel Service

Amendment No. 6: Provides a limitation of \$3,500 for representation expenses abroad as proposed by the House instead of \$4,000 as proposed by the Senate.

Amendment No. 7: Appropriates \$3,000,000 for salaries and expenses as proposed by the House instead of \$3,200,000 as proposed by the Senate.

## International activities

Amendment No. 8: Inserts language for mobile trade fairs as proposed by the Senate.

Amendment No. 9: Appropriates \$10,750,000 for salaries and expenses as proposed by the Senate instead of \$10,400,000 as proposed by the House.

## Office of Field Services

Amendment No. 10: Appropriates \$4,200,000 for salaries and expenses as proposed by the House instead of \$4,285,000 as proposed by the Senate.

## Coast and Geodetic Survey

Amendment No. 11: Appropriates \$29,200,000 for salaries and expenses as proposed by the Senate instead of \$29,000,000 as proposed by the House.

## National Bureau of Standards

Amendment No. 12: Appropriates \$33,743,000 for research and technical services instead of \$33,000,000 as proposed by the House and \$34,548,000 as proposed by the Senate.

## Weather Bureau

Amendment No. 13: Appropriates \$69,036,250 for salaries and expenses instead of \$68,750,000 as proposed by the House and \$69,287,900 as proposed by the Senate.

Amendment No. 14: Appropriates \$11,536,000 for research and development instead of \$10,786,000 as proposed by the House and \$11,786,000 as proposed by the Senate.

## Maritime Administration

Amendment No. 15: Appropriates \$132,150,000 for ship construction as proposed by the House instead of \$124,850,000 as proposed by the Senate.

Amendment No. 16: Appropriates \$180,000,000 for operating-differential subsidies (liquidation of contract authorization) as proposed by the Senate instead of \$190,000,000 as proposed by the House.

## Bureau of Public Roads

Amendment No. 17: Appropriates \$200,000,000 for repayable advances to the highway trust fund as proposed by the Senate instead of \$225,000,000 as proposed by the House.

Amendment No. 18: Deletes language proposed by the Senate.

## TITLE IV—THE JUDICIARY

## Courts of appeals, district courts, and other judicial services

Amendment No. 19: Appropriates \$34,292,000 for salaries of supporting personnel as proposed by the Senate instead of \$34,220,000 as proposed by the House.

Amendment No. 20: Appropriates \$3,000,000 for fees and expenses of court-appointed counsel as proposed by the Senate instead of \$3,500,000 as proposed by the House.

Amendment No. 21: Appropriates \$4,910,000 for travel and miscellaneous expenses as proposed by the Senate instead of \$4,900,000 as proposed by the House.

## TITLE V—RELATED AGENCIES

## Department of Health, Education, and Welfare

## Office of Education

Amendment No. 22: Appropriates \$5,000,000 for civil rights educational activities as proposed by the Senate instead of \$4,000,000 as proposed by the House.

## Equal Employment Opportunity Commission

Amendment No. 23: Appropriates \$2,750,000 for salaries and expenses as proposed by the Senate.

## Federal Maritime Commission

Amendment No. 24: Appropriates \$3,150,000 for salaries and expenses instead of \$3,100,000 as proposed by the House and \$3,180,000 as proposed by the Senate.

## U.S. Information Agency

Amendment No. 25: Appropriates \$140,000,000 for salaries and expenses as proposed by the Senate instead of \$140,254,000 as proposed by the House.

Amendment No. 26: Adds language as proposed by the Senate.

JOHN J. ROONEY.

JOHN M. SLACP, Jr.

NEAL SMITH.

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Managers on the Part of the House.

## ESTABLISHING DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6927) to establish a Department of Housing and Urban Development, and for other purposes, with amendments of the Senate thereto, disagree to the amendments and request a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida? The Chair hears none, and appoints the following conferees: Messrs. DAWSON, HOLIFIELD, FASCELL, REUSS, ROSENTHAL, ERLBORN, and WYDLER.

## CORRECTION OF THE RECORD

Mr. OLSON of Minnesota. Mr. Speaker, I ask unanimous consent to make a correction in my remarks in the CONGRESSIONAL RECORD of yesterday, August 17, 1965, page 19947, paragraph No. 4, line 14, where it reads:

I think a transfer and selection base allowed here is going to result definitely in a kind of milk tax.

This line should be changed to read:

I think the transfer and sale of bases allowed is going to result in what might be referred to as a milk tax.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## CORRECTION OF THE RECORD

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent that the permanent RECORD be corrected on page 19976 near the bottom of the second column to read as follows:

Mr. FINDLEY. The gentleman said that the consumers have benefited under this cotton program. Looking at the "Cotton Situation Report" from the Consumer and Marketing Service of USDA I find that the price on 20 cotton constructions—the index showing product prices—has gone up each and every single month since the so-called one-price cotton program went into operation. On the other side of this same statistical table from USDA I find that each and every single month the mill margin—that is the gross profit of textile mills—has gone up. This despite the fact they had the price advantage of this program, which is costing the tax-

payers somewhere around \$900 million a year. I think it is shameful we have to consider any variation of a program which so adversely affects the taxpayers of the United States.

And on the same page correct the line reading "the buggy whip" to read "the buggy whip industry."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## CALL OF THE HOUSE

Mr. GRIFFIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 241]

Adair	Dowdy	Miller
Andrews	Duncan, Ore.	Moorhead
George W.	Dyal	Powell
Aspinall	Farnum	Reinecke
Blatnik	Gubser	Roudebush
Bonner	Irwin	Roybal
Brown, Ohio	Johnson, Pa.	Scott
Cabell	King, Calif.	Thomas
Cahill	King, N.Y.	Toll
Carter	Kornegay	Utt
Curtis	Lindsay	Younger
Dent	Martin, Mass.	
Dingell	Mathias	

The SPEAKER. On this rollcall 395 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## AUTHORITY TO FILE CONFERENCE REPORT ON H.R. 7750—FOREIGN ASSISTANCE ACT OF 1965

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the House conferees may have until midnight tonight to file a conference report on the bill H.R. 7750.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## CONFERENCE REPORT (H. REPT. No. 811)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: That this Act may be cited as the "Foreign Assistance Act of 1965".

## "PART I

## "Chapter 1—Policy

"Sec. 101. Section 102 of the Foreign Assistance Act of 1961, as amended, which relates to the statement of policy, is amended as follows:

(a) Strike out the last sentence in the seventh paragraph and substitute the following: 'It is the sense of the Congress that in furnishing assistance under this part ex-

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cess personal property shall be utilized wherever practicable in lieu of the procurement of new items for United States-assisted projects and programs. It is the further sense of the Congress that assistance under this part shall be complemented by the furnishing under any other Act of surplus agricultural commodities and by disposal of excess property under this and other Acts.

"(b) Add at the end thereof the following new paragraph:

"It is the sense of the Congress that assistance under this or any other Act to any foreign country which hereafter permits, or fails to take adequate measures to prevent, the damage or destruction by mob action of United States property within such country, should be terminated and should not be resumed until the President determines that appropriate measures have been taken by such country to prevent a recurrence thereof."

#### "Chapter 2—Development assistance

##### "Title I—Development Loan Fund

"Sec. 102. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to the Development Loan Fund, is amended as follows:

"(a) Amend section 205, which relates to the use of the facilities of the International Development Association, to read as follows:

"SEC. 205. USE OF INTERNATIONAL LENDING ORGANIZATIONS.—In order to serve the purposes of this title and the policy contained in section 619, the President, after consideration of the extent of additional participation by other countries, may make available, in addition to any other funds available for such purposes, on such terms and conditions as he determines, not to exceed 15 per centum of the funds made available for this title to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation for use pursuant to the laws governing United States participation in such institutions, if any, and the governing statutes thereof and without regard to section 201 or any other requirements of this or any other Act."

"(b) Add the following new section:

"SEC. 206. REGIONAL DEVELOPMENT IN AFRICA.—The President is requested to seek and to take appropriate action, in cooperation and consultation with African and other interested nations and with international development organizations, to further and assist in the advancement of African regional development institutions, including the African Development Bank, with the view toward promoting African economic development."

"Title II—Technical Cooperation and Development Grants

"Sec. 103. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to technical cooperation and development grants, is amended as follows:

"(a) Amend section 212, which relates to authorization, by striking out '1965' and '\$215,000,000' and substituting '1966' and '\$210,000,000', respectively.

"(b) Amend section 214, which relates to American schools and hospitals abroad, as follows:

"(1) Amend subsection (b) by striking out 'treatment, education,' and substituting 'education'.

"(2) Amend subsection (c) by striking out '1965, \$18,000,000' and substituting '1966, \$7,000,000'.

##### "Title III—Investment Guaranties

"Sec. 104. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, as amended, which relates to investment guaranties, is amended as follows:

"(a) Amend section 221(b), which relates to general authority, as follows:

"(1) Amend the introductory clause to read as follows:

"(b) The President may issue guaranties to eligible United States investors—"

"(2) In paragraph (1), strike out '\$2,500,000,000' and substitute '\$5,000,000,000'.

"(3) Amend paragraph (2) as follows:

"(A) In the first proviso, strike out ', and no such guaranty in the case of a loan shall exceed \$25,000,000 and no other such guaranty shall exceed \$10,000,000'.

"(B) In the third proviso, immediately after '\$300,000,000' insert the following: ', and guaranties issued under this paragraph (2) for other than housing projects similar to those insured by the Federal Housing Administration, shall not exceed \$175,000,000'.

"(C) In the fourth proviso, strike out '1966' and substitute '1967'.

"(b) Amend section 221(c), which relates to general authority, as follows:

"(1) Strike out 'actual earnings or profits' and substitute 'earnings or profits actually accrued'.

"(2) Immediately after 'guaranty' the third time it appears, insert 'of an equity investment'.

"(c) Amend section 222(b), which relates to general provisions, by inserting after '(exclusive of informational media guaranties),' the words 'and to pay the costs of investigating and adjusting (including costs of arbitration) claims under such guaranties,'.

"(d) Amend section 223, which relates to definitions, as follows:

"(1) In subsection (a), strike out 'and' at the end thereof and in subsection (b) strike out the period and substitute '; and'.

"(2) Add the following new subsection (c):

"(c) the term "eligible United States investors" means United States citizens, or corporations, partnerships, or other associations created under the laws of the United States or any State or territory and substantially beneficially owned by United States citizens, as well as foreign corporations, partnerships, or other associations wholly owned by one or more such United States citizens, corporations, partnerships, or other associations: *Provided*, That, the eligibility of a foreign corporation shall be determined without regard to any shares, in aggregate less than 5 per centum of the total of issued and subscribed share capital, required by law to be held by persons other than the United States owners."

"(e) Amend section 224, which relates to housing projects in Latin American countries, to read as follows:

"SEC. 224. HOUSING PROJECTS IN LATIN AMERICAN COUNTRIES.—(a) It is the sense of Congress that in order to stimulate private home ownership and assist in the development of stable economies in Latin America, the authority conferred by this section should be utilized for the purpose of assisting in the development in the American Republics of self-liquidating pilot housing projects, the development of institutions engaged in Alliance for Progress programs, including cooperatives, free labor unions, savings and loan type institutions, and other private enterprise programs in Latin America engaged directly or indirectly in the financing of home mortgages, the construction of homes for lower income persons and families, the increased mobilization of savings and the improvement of housing conditions in Latin America.

"(b) To carry out the purposes of subsection (a), the President is authorized to issue guaranties, on such terms and conditions as he shall determine, to eligible United States investors as defined in section 223 assuring against loss of loan investments made by such investors in—

"(1) pilot or demonstration private housing projects in Latin America of types similar to those insured by the Federal Housing Administration and suitable for conditions in Latin America;

"(2) credit institutions in Latin America engaged directly or indirectly in the financ-

ing of home mortgages, such as savings and loan institutions and other qualified investment enterprises;

"(3) housing projects in Latin America for lower income families and persons, which projects shall be constructed in accordance with maximum unit costs established by the President for families and persons whose incomes meet the limitations prescribed by the President;

"(4) housing projects in Latin America which will promote the development of institutions important to the success of the Alliance for Progress, such as free labor unions, cooperatives, and other private enterprise programs; or

"(5) housing projects in Latin America 25 per centum or more of the aggregate of the mortgage financing for which is made available from sources within Latin America and is not derived from sources outside Latin America, which projects shall, to the maximum extent practicable, have a unit cost of not more than \$6,500.

"(c) The total face amount of guaranties issued under this section outstanding at any one time shall not exceed \$400,000,000: *Provided*, That no payment may be made under this section for any loss arising out of fraud or misconduct for which the investor is responsible: *Provided further*, That this authority shall continue until June 30, 1967."

##### "Title VI—Alliance for Progress

"Sec. 105. Section 252 of the Foreign Assistance Act of 1961, as amended, which relates to the Alliance for Progress, is amended by inserting immediately after 'fiscal year 1965' the following: 'and \$75,000,000 in fiscal year 1966'.

#### "Chapter 3—International organizations and programs

"Sec. 106. Chapter 3 of part I of the Foreign Assistance Act of 1961, as amended, which relates to international organizations and programs, is amended as follows:

"(a) Amend section 301(c), which relates to assistance for Palestine refugees in the Near East, by adding at the end thereof the following: 'Contributions by the United States to the United Nations Relief and Works Agency for Palestine Refugees in the Near East for the calendar year 1966 shall not exceed \$15,200,000'.

"(b) Amend section 302, which relates to authorization, by striking out '1965' and '\$134,272,400' and substituting '1966' and '\$144,755,000', respectively.

#### "Chapter 4—Supporting assistance

"Sec. 107. Section 402 of the Foreign Assistance Act of 1961, as amended, which relates to supporting assistance, is amended by striking out in the first sentence '1965' and '\$405,000,000' and substituting '1966' and '\$369,200,000', respectively.

#### "Chapter 5—Contingency fund

"Sec. 108. Section 451 of the Foreign Assistance Act of 1961, as amended, which relates to the contingency fund, is amended as follows:

"(a) Amend subsection (a) as follows:

"(1) Strike out '1965' and '\$150,000,000' and substitute '1966' and '\$50,000,000', respectively.

"(2) Add the following new sentence: 'In addition, there is hereby authorized to be appropriated to the President for use in Southeast Asia such sums, not to exceed \$89,000,000, as may be necessary in the fiscal year 1966 for programs authorized by parts I and II of this Act.'

"(b) Amend subsection (b) by striking out 'this section' and substituting 'the first sentence of subsection (a)'.

#### "PART II

#### "Chapter 2—Military assistance

"Sec. 201. Chapter 2 of part II of the Foreign Assistance Act of 1961, as amended, which relates to military assistance, is amended as follows:

"(a) Amend section 503(b), which relates to general authority, by striking out the words 'in foreign countries'.

"(b) Amend section 504, which relates to authorization, by striking out '1965' and '\$1,055,000,000' in the first sentence and substituting '1966' and '\$1,170,000,000', respectively.

"(c) Amend section 505, which relates to utilization of assistance, as follows:

"(1) In subsection (a), strike out the colon and add the following: ', or for the purpose of assisting foreign military forces in less developed friendly countries (or the voluntary efforts of personnel of the Armed Forces of the United States in such countries) to construct public works and to engage in other activities helpful to the economic and social development of such friendly countries. It is the sense of the Congress that such foreign military forces should not be maintained or established solely for civic action activities and that such civic action activities not significantly detract from the capability of the military forces to perform their military missions and be coordinated with and form part of the total economic and social development effort.'

"(2) Strike out subsection (b) and redesignate the proviso of subsection (a) as subsection (b).

"(3) In redesignated subsection (b), strike out 'Provided, That except' and substitute 'Except'; strike out '(2)' and substitute '(1)'; or (2) for civic action assistance, or (3)'.  
 "(d) Amend section 507, which relates to sales, as follows:

"(1) In subsection (a), insert the following new sentence between the second and third sentences: 'Notwithstanding the provisions of section 644(m) (2), nonexcess defense articles may be sold under this subsection at the standard price in effect at the time such articles are offered for sale to the purchasing country or international organization.'

"(2) In subsection (b), strike out the period at the end of the first proviso, substitute a colon and add the following: 'Provided further, That the President may, when he determines it to be in the national interest, enter into sales agreements with purchasing countries or international organizations which fix prices to be paid by the purchasing countries or international organizations for the defense articles or defense services ordered. Funds available under this part for financing sales shall be used to reimburse the applicable appropriations in the amounts required by the contracts which exceed the price so fixed, except that such reimbursement shall not be required upon determination by the President that the continued production of the defense articles being sold is advantageous to the Armed Forces of the United States. Payments by purchasing countries or international organizations which exceed the amounts required by such contracts shall be credited to the account established under section 508. To the maximum extent possible, prices fixed under any such sales agreement shall be sufficient to reimburse the United States for the cost of the defense articles or defense services ordered. The President shall submit to the Congress promptly a detailed report concerning any fixed-price sales agreement under which the aggregate cost to the United States exceeds the aggregate amount required to be paid by the purchasing country or international organization.'

"(e) Amend section 508, which relates to reimbursement as follows:

"(1) After 'this part' the first time it appears, insert 'have been or'.

"(2) After 'United States Government,' the first time it appears insert 'receipts received from the disposition of evidences of indebtedness and charges (including fees and premiums) or interest collected'.

"(3) Strike out 'the current applicable appropriation' and substitute 'a separate fund account'.

"(4) Strike out 'furnishing further military assistance on cash or credit terms' and substitute 'financing sales and guaranties, including the overhead costs thereof'.

"(f) Amend section 509(b), which relates to exchanges and guaranties, by inserting '(excluding contracts with any agency of the United States Government)' in the second sentence between the last word thereof and the period.

"(g) Amend section 510(a), which relates to special authority, as follows:

"(1) In the first sentence strike out '1965' and substitute '1966'.

"(2) In the second sentence, strike out '1965' and substitute '1966'.

"(h) Amend section 511, which relates to restrictions on military aid to Latin America, as follows:

"(1) In subsection (a), strike out 'a part may be used during each fiscal year for assistance in implementing a feasible plan for regional defense', and insert '\$25,000,000 may be used for assistance on a cost-sharing basis to an Inter-American military force under the control of the Organization of American States'; and amend the proviso to read as follows: 'Provided, That the cost of defense articles supplied for use by elements of the Inter-American Peace Force in the Dominican Republic shall not be charged against the \$55,000,000 limitation provided by this subsection'.

"(2) Amend subsection (b) to read as follows:

"(b) To the maximum extent feasible, military assistance shall be furnished to American Republics in accordance with joint plans (including joint plans relating to internal security problems) approved by the Organization of American States. The President shall submit semiannual reports to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate on the implementation of this subsection.'

"(1) Amend section 512, which relates to restrictions on military aid to Africa, as follows:

"(1) Strike out 'programs described in section 505(b) of this chapter' and substitute 'civic action requirements'.

"(2) Strike out '1965' and substitute '1966'.

#### "PART III

##### "Chapter 1—General provisions

"Sec. 301. Chapter 1 of part III of the Foreign Assistance Act of 1961, as amended, which relates to general provisions, is amended as follows:

"(a) Amend section 605, which relates to retention and use of items, as follows:

"(1) In the section heading strike out 'ITEMS' and substitute 'CERTAIN ITEMS AND FUNDS'.

"(2) Add the following new subsections:

"(c) Funds realized as a result of any failure of a transaction financed under authority of part I of this Act to conform to the requirements of this Act, or so applicable rules and regulations of the United States Government, or to the terms of any agreement or contract entered into under authority of part I of this Act, shall revert to the respective appropriation, fund, or account used to finance such transaction or to the appropriation, fund, or account currently available for the same general purpose.

"(d) Funds realized by the United States Government from the sale, transfer, or disposal of defense articles returned to the United States Government by a recipient country or international organization as no longer needed for the purpose for which furnished shall be credited to the respective appropriation, fund, or account used to procure such defense articles or to the appropriate

ation, fund, or account currently available for the same general purpose.'

"(b) Amend section 612, which relates to use of foreign currencies, by redesignating subsection (c) as subsection (b), and by striking out the first sentence of the second paragraph of such subsection and by adding at the end thereof the following new paragraph:

"The President shall take all appropriate steps to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars. Dollar funds made available pursuant to this Act shall not be expended for goods and services when United States-owned foreign currencies are available for such purposes unless the administrative official approving the voucher certifies as to the reason for the use of dollars in each case.'

"(c) Amend section 613, which relates to foreign currencies, as follows:

"(1) Strike out the section heading and substitute the following: 'ACCOUNTING, VALUATION, REPORTING, AND ADMINISTRATION OF FOREIGN CURRENCIES'.

"(2) Add the following new subsection:

"(d) In cases where assistance is to be furnished to any recipient country in furtherance of the purposes of this or any other Act on a basis which will result in the accrual of foreign currency proceeds to the United States, the Secretary of the Treasury shall issue regulations requiring that agreements, in respect of such assistance, include provisions for the receipt of interest income on the foreign currency proceeds deposited in authorized depositories: *Provided*, That whenever the Secretary of State determines it not to be in the national interest to conclude arrangements for the receipt of interest income he may waive the requirement thereof: *Provided further*, That the Secretary of State, or his delegate, shall promptly make a complete report to the Congress on each such determination and the reasons therefor.'

"(d) Amend section 620, which relates to prohibitions against furnishing assistance to Cuba and certain other countries, as follows:

"(1) Amend the section heading to read as follows: 'PROHIBITIONS AGAINST FURNISHING ASSISTANCE.—'

"(2) Amend subsection (e) (2), which relates to the act of state doctrine, by inserting after the words 'other right' each time they appear the words 'to property', and by striking out ', or (3) in any case in which the proceedings are commenced after January 1, 1966'.

"(3) In section 620(1), which relates to the prohibition against furnishing assistance to countries which fail to enter into agreements to institute the investment guaranty program and providing protection against certain risks, strike out 'December 31, 1965' and substitute 'December 31, 1966'.

"(4) At the end of such section 620, add the following new subsections:

"(n) In view of the aggression of North Vietnam, the President shall consider denying assistance under this Act to any country which has failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1965—

"(A) to prevent ships or aircraft under its registry from transporting to North Vietnam—

"(i) any items of economic assistance,

"(ii) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, as amended, arms, ammunition and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, or items of primary strategic significance used in the production of arms, ammunition, and implements of war, or

"(iii) any other equipment, materials, or commodities; and

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“(B) to prevent ships or aircraft under its registry from transporting any equipment, materials, or commodities from North Vietnam.

“(c) In determining whether or not to furnish assistance under this Act, consideration shall be given to excluding from such assistance any country which hereafter seizes, or imposes any penalty or sanction against, any United States fishing vessel on account of its fishing activities in international waters. The provisions of this subsection shall not be applicable in any case governed by international agreement to which the United States is a party.”

“Chapter 2—Administrative provisions

“Sec. 302. Chapter 2 of part III of the Foreign Assistance Act of 1961, as amended, which relates to administrative provisions, is amended as follows:

“(a) Amend section 622, which relates to coordination with foreign policy, as follows:

“(1) In subsection (b), immediately after ‘military assistance’ insert ‘(including any civic action and sales program)’.

“(2) In subsection (c), immediately after ‘military assistance program’ insert ‘(including any civic action and sales program)’.

“(b) Amend section 624, which relates to statutory officers, as follows:

“(1) In subsection (b), strike out ‘paragraph (3) of’ and ‘of the officers provided for in paragraphs (1) and (2) of that subsection’, and substitute for the latter ‘of one or more of said officers’.

“(2) In subsection (d), strike out ‘Public Law 86-735’ wherever it appears and substitute ‘the Latin American Development Act, as amended’.

“(c) Amend section 625(d), which relates to the employment of personnel, by striking out ‘twenty’ in paragraph (2) and substituting ‘forty’.

“(d) Amend section 626, which relates to experts, consultants, and retired officers, by redesignating subsection (d) as subsection (c).

“(e) Amend section 630, which relates to terms of detail or assignment, by inserting ‘benefits’ after ‘travel expenses,’ in paragraphs (2) and (4).

“(f) Amend section 631, which relates to missions and staffs abroad, by adding the following new subsection:

“(d) Wherever practicable, especially in the case of the smaller programs, assistance under this Act shall be administered under the direction of the Chief of the United States Diplomatic Mission by the principal economic officer of the mission in the case of assistance under part I, and by the senior military officer of the mission in the case of assistance under part II.”

“(g) Amend section 635(g), which relates to general authorities, by inserting ‘and sales’ after ‘loans’ in the introductory clause.

“(h) Amend section 636, which relates to provisions on uses of funds, as follows:

“(1) In subsection (e), strike out ‘section 2 of the Act of July 31, 1894, as amended (5 U.S.C. 62)’ and substitute ‘section 301 of the Dual Compensation Act (5 U.S.C. 3105)’.

“(2) In subsection (f), strike out ‘Act to provide for assistance in the development of Latin America and in the reconstruction of Chile, and for other purposes’ and substitute ‘Latin American Development Act, as amended’.

“(i) Amend section 637(a), which relates to administrative expenses, by striking out ‘1965’ and ‘\$52,500,000’ and substituting ‘1966’ and ‘\$54,240,000’, respectively.

“(j) Amend section 638 which relates to Peace Corps assistance, by striking out all beginning with ‘; or famine’ and substituting a period.

“(k) Add the following new sections:

“SEC. 639. FAMINE AND DISASTER RELIEF.—No provision of this Act shall be construed to prohibit assistance to any country for famine or disaster relief.

“SEC. 640. MILITARY SALES.—Except as

otherwise provided in part II of this Act, no provision of this Act shall be construed to prohibit the sale, exchange, or the guaranty of a sale, of defense articles or defense services to any friendly country or international organization if the President shall have found, pursuant to section 503, that the assisting of such country or organization will strengthen the security of the United States and promote world peace.”

“Chapter 3—Miscellaneous provisions

“Sec. 303. Chapter 3 of part III of the Foreign Assistance Act of 1961, as amended, which relates to miscellaneous provisions, is amended as follows:

“(a) Amend section 642(a) (2), which relates to statutes repealed, by striking out ‘143,’ and all beginning with ‘; Provided,’ up to the semicolon.

“(b) Amend section 644, which relates to definitions, as follows:

“(1) In subsection (g), insert ‘, and not procured in anticipation of military assistance or sales requirements, or pursuant to a military assistance or sales order,’ after ‘United States Government’ and strike out ‘as grant assistance’.

“(2) In subsection (m) (2), strike out ‘Such price shall be the same standard price’ and substitute ‘Such standard price shall be the same price (including authorized reduced prices)’.

“(3) Amend the paragraph following the numbered paragraph (3) in subsection (m) as follows:

“(A) In the first sentence, insert ‘and sales’ after ‘Military assistance’.

“(B) In the second proviso, strike out ‘by the military assistance program’.

“(c) Amend section 645, which relates to unexpended balances, by striking out ‘Public Law 86-735’ and substituting ‘the Latin American Development Act, as amended’.

“(d) At the end thereof add the following new section:

“SEC. 649. LIMITATION ON AGGREGATE AUTHORIZATION FOR USE IN FISCAL YEAR 1966.—Notwithstanding any other provision of this Act, the aggregate of the total amounts authorized to be appropriated for use during the fiscal year 1966 for furnishing assistance and for administrative expenses under this Act shall not exceed \$3,360,000,000.”

“Chapter 4—Amendment to the Agricultural Trade Development and Assistance Act of 1954

“Sec. 401. Section 107 of the Agricultural Trade Development and Assistance Act of 1954 is amended by adding at the end thereof the following new paragraph:

“No sale under title I of this Act shall be made to the United Arab Republic unless

the President determines that such sale is essential to the national interest of the United States. No such sale shall be based on the requirements of the United Arab Republic for more than one fiscal year. The President shall keep the Foreign Relations Committee and the Appropriations Committee of the Senate and the Speaker of the House of Representatives fully and currently informed with respect to sales made to the United Arab Republic under title I of this Act.”

And the Senate agree to the same.

THOMAS E. MORGAN,  
EDNA F. KELLY,  
WAYNE L. HAYS,  
BARRATT O'HARA,  
W. S. MAILLIARD,  
PETER H. B. PRELINGHUYSEN,  
*Managers on the Part of the House.*

J. W. FULBRIGHT,  
JOHN SPARKMAN,  
By J. W. F.  
MIKE MANSFIELD,  
By J. W. F.  
BOURKE B. HICKENLOOPER,  
GEORGE AIKEN,  
FRANK CARLSON,  
By B. B. H.

*Managers on the Part of the Senate.*

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The committee of conference recommends that the House recede from its disagreement to the amendment of the Senate with an amendment, which is a substitute for both the text of the House bill and the text of the Senate amendment, and that the Senate agree to the same.

Except for clerical and minor drafting changes, the differences between the House bill and the substitute agreed to in conference are noted below.

AUTHORIZATION OF FUNDS

The following table shows the differences between the House bill and the Senate amendment, the sums agreed to by the committee of conference and the administration appropriation request for programs authorized in this bill and in existing law:

Foreign Assistance Act of 1965 (fiscal year 1966)

[In thousands]

	(1) Executive appropriation request	(2) House	(3) Senate	(4) Conference	(2) and (4) Adjustment against House bill	(3) and (4) Adjustment against Senate amendment
Development Loan Fund.....	1 \$780,260	(1)	(1)	(1)		
Technical cooperation and develop- ment grants.....	210,000	\$210,000	\$210,000	\$210,000		
For southeast Asia <sup>2</sup> .....	2 9,000	(2)	2 9,000	(2)		
American schools and hospitals abroad.....	7,000	7,000	9,000	7,000	(2)	2 -\$9,000
Alliance for Progress <sup>3</sup> .....	3 580,125	(3)	(3)	(3)		
Grants.....	(85,000)	(85,000)	(70,000)	(75,000)	(-\$10,000)	(+\$5,000)
International organizations and pro- grams.....	145,555	144,755	146,455	144,755		-1,700
Supporting assistance.....	369,200	369,200	360,000	369,200		+19,200
For southeast Asia <sup>2</sup> .....	2 80,000	(2)	2 80,000	(2)		2 -80,000
Contingency fund <sup>2</sup> .....	50,000	2 50,000	50,000	50,000		
Special authorization for southeast Asia <sup>2</sup> .....	(2)	(2)	(2)	2 89,000	2 +89,000	2 +89,000
Military assistance.....	1,170,000	1,170,000	1,170,000	1,170,000		
Administrative expenses: AID.....	55,240	53,240	55,240	54,240	+1,000	-1,000
State Department.....	4 3,100	(4)	(4)	(4)		
Total.....	3,459,470	2,004,195	2,079,695	2,004,195	+90,000	+14,500

Footnotes on following page.

<sup>1</sup> Existing law authorizes an appropriation of \$1,500,000,000 for fiscal year 1966, plus unappropriated portions of amounts authorized for fiscal years 1962-65. The Executive request for fiscal year 1966 is \$790,260,000.

<sup>2</sup> The House bill contained an authorization for an appropriation for military and economic programs in southeast Asia of such sums as may be necessary in fiscal year 1966. This was added to the section of the law relating to the contingency fund. The Senate amendment added \$9,000,000 to the authorization for technical cooperation and \$80,000,000 to the authorization for supporting assistance to reflect the Executive request of \$89,000,000 for use in southeast Asia. The conferees agreed to a special authorization of \$89,000,000 for southeast Asia under the contingency fund.

<sup>3</sup> Existing law authorizes an appropriation of \$600,000,000 for fiscal year 1966 against which the Executive has requested an appropriation of \$580,125,000. Neither the House bill nor the Senate amendment made any change in the total authorization for the Alliance for Progress for fiscal year 1966.

<sup>4</sup> Existing law contains a continuing authorization for such sums as necessary. The Executive has requested an appropriation of \$3,100,000.

NOTE.—The Senate amendment contained a limitation on the aggregate authorization for use in fiscal year 1966 of \$3,243,000,000. The conferees agreed to a limitation of \$3,300,000,000.

RECAPITULATION

Total amount of new authorizations contained in H. R. 7750.....	\$2,094,195,000
Appropriations requested against previous authorizations:	
Development Loan Fund.....	\$780,250,000
Alliance for Progress.....	580,125,000
State Department administrative expenses.....	3,100,000
	1,360,475,000
Total authorized and requested for fiscal year 1966.....	3,457,670,000
Limitation on aggregate authorization for fiscal year 1966.....	3,390,000,000
Reduction below total authorized and requested for fiscal year 1966.....	97,670,000
Reduction below Executive request.....	99,470,000

USE OF EXCESS PROPERTY—SECTION 101 (SENATE—SEC. 101 (A))

The Senate amendment added a sentence to section 102 of the act—statement of policy—expressing the sense of the Congress that in furnishing assistance under this part, excess personal property should be utilized wherever practicable in lieu of the procurement of new items for U.S.-assisted projects and programs.

A sentence already in the statement of policy dealing with this matter was modified by changing the phrase "excess property" to "excess personal property."

The House bill contained no language dealing with this subject.

The managers on the part of the House accepted the Senate language, except that the insertion of the word "personal" in the last sentence of the paragraph in the existing statement of policy was deleted.

The managers for the House are convinced that Congress already has indicated that it favors the use of excess property in lieu of the procurement of new items in carrying out the foreign aid program, and that a further and stronger statement of congressional intent on this subject would be desirable. They did not regard the reference to "excess personal property," rather than retention of the phrase "excess property," as adding anything to the meaning.

CHANNELING ASSISTANCE THROUGH MULTILATERAL PROGRAMS AND INTERNATIONAL ORGANIZATIONS—SECTION 102 (A) (SENATE—SECS. 101 (B) AND 102 (C))

Section 101 (b) of the Senate amendment included a statement that Congress urges that an increasing proportion of U.S. aid be placed on a multilateral basis.

The House bill contained no comparable provision.

Section 102 (c) of the Senate amendment included an amendment to section 205 of the act to increase from 10 to 15 percent the development loan funds which might be made available to the International Development Association, the International Bank for Reconstruction and Development, or the International Finance Corporation, together with a proviso stating that with respect to any dollars expended pursuant to this authority, the United States shall use its voting power to vote for disapproval of any International Development Association (IDA) loan for any activity in a country to which assistance is suspended pursuant to section 620 (e) (1) of the act, which requires the suspension of U.S. aid to countries which expropriate U.S. property.

The House bill did not contain comparable provisions.

The managers on the part of the House agreed to accept the Senate language increasing the limit on the use of development loan

funds by the International Development Association, the International Bank for Reconstruction and Development or the International Finance Corporation from 10 to 15 percent, but refused to concur in a statement that "Congress further urges that the United States and other free world nations place an increasing portion of their assistance programs on a multilateral basis and that the United States continue its efforts to improve coordination among programs of assistance carried out on a bilateral basis by free world nations."

The increase from 10 to 15 percent is permissive only. No use has been made of this authority in the past, and the Executive reports that no plan for allocating development loan funds to these international agencies is currently being considered for fiscal year 1966.

REGIONAL DEVELOPMENT IN AFRICA—SECTION 102 (B) (SENATE—SEC. 102 (D))

Section 102 (d) of the Senate amendment added a new section 206 to the act relating to regional development in Africa. The House bill did not contain a similar provision.

The House conferees accepted the Senate language. The new language reflects the view that, in promoting African economic development, African regional development institutions, including the recently created African Development Bank, should be utilized. In accepting this language, the conferees are of the opinion that the primary responsibility for free world economic assistance to Africa rests with Europe and that the role of the United States, at most, is that of an interested minority participant.

earmarking OF EXTENDED RISK GUARANTIES FOR HOUSING—SECTION 104 (A) (3) (I) (HOUSE—SEC. 103 (B) (3) (B))

Section 103 (b) (3) (B) of the House bill amended section 221 (b) (2) of the Foreign Assistance Act, which relates to extended risk guaranties, to provide that of the \$300 million of guaranties authorized to be issued under that section not less than \$150 million could be issued only for housing projects similar to those insured by the Federal Housing Administration.

The Senate amendment did not contain a comparable provision.

The managers on the part of the House agreed to a compromise, increasing the limit on extended risk guaranties which could be used for purposes other than housing to \$175 million. This has the effect of assuring that \$125 million of the \$300 million limit currently in effect on extended risk guaranties will be available for housing projects similar to those insured by the Federal Housing Administration. This would not preclude the use of more than \$125 million for hous-

ing should a demand in excess of this total for housing investments develop.

EXTENT OF INVESTMENT GUARANTY COVERAGE—SECTION 104 (B) (SENATE—SEC. 104 (B))

The Senate amendment included an amendment to section 221 (c) of the act, changing the existing limits on investment guaranty coverage from the value of the investment plus "actual earnings and profits" to the value of the investment plus "earnings or profits actually received."

The House bill did not contain a comparable provision.

The managers on the part of the House accepted a modification of the Senate language, limiting investment guaranty coverage to "earnings and profits actually accrued" rather than "received." It was the understanding of the committee of conference that it has always been the intent and the practice of the investment guaranty program that only earnings and profits actually accrued were covered and that the added language would further clarify this intent.

LATIN AMERICAN HOUSING GUARANTIES—SECTION 104 (E) (HOUSE—SEC. 103 (E); SENATE—SEC. 104 (E))

The House bill amended section 224 (a) of the act to continue the present program of pilot or demonstration private housing projects and to broaden the purposes of guaranties for housing projects in Latin America to include (a) development of institutions engaged in Alliance for Progress programs, particularly cooperatives, free labor unions, and savings and loan type institutions; (b) construction of lower income housing; and (c) increased mobilization of savings and improvement of housing conditions in Latin America.

The Senate amendment similarly broadened the purposes of section 224 (a) but deleted specific reference to cooperatives, free labor unions, and savings and loan type institutions.

In addition, the House bill added a new subsection 224 (b) (4) to the act, defining as eligible for Latin American housing guaranties investments in "housing projects in Latin America which will promote the development of institutions important to the success of the Alliance for Progress, such as free labor unions and cooperatives."

The Senate amendment contained a similar provision, but did not include specific reference to free labor unions and cooperatives.

The managers on the part of the House accepted amendments to the House language which added appropriate references to "private enterprise" and to "private investment" in each instance in order to make clear that it was not intended that the free labor unions, cooperatives, and savings and loan type institutions should have priority over other private enterprise in the development of housing in Alliance for Progress programs.

CEILING ON LATIN AMERICAN HOUSING GUARANTIES—SECTION 104 (E) (HOUSE—SEC. 103 (E); SENATE—SEC. 104 (E))

The Senate amendment increased from \$250 to \$350 million the total face amount of guaranties that may be issued for Latin American housing investments and provided that the authority to issue such guaranties should continue through June 30, 1968.

The House bill increased the issuing authority for such guaranties from \$250 to \$450 million and continued the authority to issue such guaranties through June 30, 1967.

The managers on the part of the House accepted a ceiling of \$400 million on the face amount of such guaranties, a figure which splits the difference between the \$350 million limit set by the Senate and the \$450 million set by the House. The authority to issue guaranties is continued through June 30, 1967.

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ALLIANCE FOR PROGRESS—SECTION 105 (HOUSE—  
SEC. 104; SENATE—SEC. 106)

The House bill amended section 252 of the act to authorize an appropriation of \$600 million for fiscal year 1966 for the Alliance for Progress of which not more than \$85 million may be used for technical cooperation grants. The balance may only be used for dollar repayable loans.

The Senate amendment contained an identical authorization but limited the amount that may be used for technical cooperation grants to \$70 million.

The committee of conference agreed that not more than \$75 million of the \$600 million may be used for such grants. It was recognized that technical cooperation funds have financed a number of programs basic to the development of the Latin American countries. Among these are programs for improved tax collection services conducted by the U.S. Internal Revenue Service, support for educational programs for the Central American regional integration system, and programs for the improvements of savings and loan and credit facilities in a number of countries. It should be noted that the figure agreed upon does not increase the authorization contained in the bill; it is an allocation made from the \$600 million which was in the House bill and in the Senate amendment. The reduction from \$85 million to \$75 million has the effect of reserving a larger portion of the \$600 million for dollar repayable loans.

STANDBY AUTHORIZATION FOR SOUTHEAST ASIA—  
SECTION 108 (a) (2) (HOUSE—SEC. 107 (a)  
(2); HOUSE—SEC. 102 (a); SENATE—103 (a);  
HOUSE—SEC. 106; SENATE—SEC. 108)

The House bill authorized for use in southeast Asia such sums for economic and military assistance as may be necessary in fiscal year 1966. It required the President to present to the Committee on Foreign Affairs and the Committee on Foreign Relations the programs to be carried out with the appropriations requested by the President under this authority.

The Senate amendment did not contain a comparable provision.

On June 1, 1965, the President sent a message to the Congress, requesting the authorization of \$89 million for the Agency for International Development for expanded programs of economic and social development in southeast Asia. This message was received after the passage of H.R. 7750 by the House but prior to its consideration by the Senate.

The Senate amendment authorized the \$89 million requested by the President (1) by increasing the authorization for technical cooperation and development grants from the figure of \$210 million contained in section 102 of the House bill to \$219 million, and (2) by increasing the authorization for supporting assistance by \$80 million.

The committee of conference agreed to a compromise according to which the managers on the part of the Senate accepted the figures for development grants and technical cooperation and for supporting assistance in the House bill, and the managers on the part of the House accepted a limitation of \$89 million on the special authorization for southeast Asia contained in section 107(a) (2) of the House bill.

In view of the fact that the House provision for an open-end authorization of funds was replaced by a specific authorization of \$89 million for that area, the managers on the part of the House agreed to delete the requirements for a determination by the President and for special reports to the Committee on Foreign Relations in the Senate and the Speaker of the House of Representatives in connection with the use of funds appropriated under this authority.

CIVIC ACTION PROGRAMS—SECTION 201 (C)  
(HOUSE—SEC. 201 (C); SENATE—SEC. 201 (C))

The House bill amended section 505 of the act to include authority for assisting foreign military forces in less developed friendly countries to construct public works and to engage in activities "helpful to the economic development of such friendly countries." It also recorded the sense of Congress that foreign military forces should not be maintained or established solely for civic action and that civic action should not detract significantly from the capability of the military to perform its military function.

The Senate amendment was similar to that contained in the House bill except that it authorized assistance for activities helpful to the "social" as well as economic development of friendly countries and provided that the statement of the sense of Congress should be followed "insofar as practicable."

The Senate receded with an amendment to the House bill that would authorize civic action programs helpful to the social as well as the economic development of the country. The inclusion of the word "social" will remove an ambiguity that may exist as to health and literacy programs carried on within the limitations contained in the House amendment.

DRAWDOWN AUTHORITY—SECTION 201 (G)  
(HOUSE—SEC. 201 (G); SENATE—SEC. 201 (G))

The House bill amended section 510 of the act to eliminate the requirement that the appropriations making reimbursement for defense articles and services used pursuant to the special authority should be made to the President, as are military assistance appropriations, so as to permit making such appropriations to the Department of Defense or to the President or any other agency as may be requested by the Executive.

The Senate amendment contained no comparable provision and retained existing law which authorizes an appropriation only to the President.

The managers on the part of the House accepted the Senate version. Appropriations for the various segments of the foreign assistance program are voted to the President. Acceptance of the Senate amendment retains this policy, thus permitting all foreign assistance appropriations to be contained in one appropriation act.

## RESTRICTIONS ON MILITARY AID TO LATIN AMERICA—SECTION 201 (h) (SENATE—SEC. 201 (h))

The Senate amendment to the House bill amended section 511 of the act in two respects. First, section 511(a) was amended to provide that, of the \$55 million annually permitted for grant programs of defense articles for American Republics, \$25 million may be used for assistance on a cost-sharing basis to an inter-American military force under the control of the Organization of American States. Second, section 511(b) was rewritten to provide that, to the maximum extent feasible, military assistance shall be furnished to American Republics only in accordance with joint plans (including joint plans relating to internal security problems) approved by the Organization of American States. In addition, the President was directed to submit quarterly reports on the implementation of section 511(b).

The House bill contained no comparable provision.

The managers on the part of the House accepted the Senate provisions with amendments.

Section 511(a) of existing law authorizes during each fiscal year the use of "a part" of the military aid funds for Latin America "for assistance in implementing a feasible plan for regional defense." The present situation in the Dominican Republic has pointed out the need for more positive and clearer language to encourage the establishment of an

inter-American military force. Accordingly, that language in existing law is repealed and is replaced by the provision that up to \$25 million of the \$55 million may be used on a cost-sharing basis for assistance to an inter-American force under the control of the Organization of American States (OAS).

Two points should be emphasized: First, the \$25 million is a ceiling. It does not have to be used only for this purpose should it prove impracticable to establish such a force. Second, it is required that the other American Republics contribute financially to the inter-American force. No formula for cost sharing is written into the law; this will be a matter of negotiations. The language makes clear that such a force will not be financed entirely by the United States. If an inter-American force can be created it will relieve the United States of much of the burden of trying to maintain peace in this hemisphere.

The proviso added by the conferees to section 511(a) stipulates that the costs of the defense articles supplied by the United States for the inter-American force in the Dominican Republic shall not be charged against the \$55 million ceiling. The conferees recognized that the continuing costs of the operation in the Dominican Republic cannot be determined. To charge these costs against the ceiling imposed by the law might make impossible any further bilateral or multilateral programs during the fiscal year.

The amended language in section 511(b) is a further effort to encourage the American Republics to work out "joint plans (including joint plans relating to internal security problems)." It is a logical sequel to the Special Consultative Committee on Security Against the Subversive Actions of International Communism, established at the Punta del Este Conference in early 1962, and the current efforts to deal with the situation in the Dominican Republic. The new language does not make military assistance to the American Republics contingent upon the adoption of joint plans; it is permissive. Further, it does not depend upon unanimous agreement by the members of the OAS. For example, a group of contiguous nations may be able to work out an acceptable plan to cope with internal security problems common to those nations.

The committee of conference recognized that progress in this field may be slow but that the time had come to begin a serious effort to share the responsibilities for hemispheric peace and security. The President is required to submit semiannual reports to the Congress on the progress that has been made under this section of the law.

In agreeing to the Senate amendment providing that \$25 million authorized for military aid to Latin America may be used on a cost-sharing basis to create an inter-American military force, the conferees desired to make it clear that none of these funds is to be used to finance research contracts for studies of opinion or attitudes or other sociological or behavioral studies unless such studies have the approval of the Secretary of State.

USE OF FOREIGN CURRENCIES—SECTION 301 (b)  
(SENATE—SEC. 301 (C))

The Senate amendment included an amendment to section 612(c) of the act, substituting a new second paragraph which required AID administrative officials to certify upon approving each dollar payment voucher the reasons for use of dollars, instead of local currencies, whenever U.S.-owned local currencies were available.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate provision with an amendment to retain the definition of excess foreign currency contained in existing law

which had been repealed by the Senate amendment. The House managers were convinced that there had been too many instances in which dollars were spent when foreign currencies might have been used, and that requiring a modification of existing AID procedures would be more effective than a further directive that maximum use should be made of such currencies.

Officials responsible for approving vouchers can make the required certification only if they have at hand all of the necessary facts. One of the reasons why, on occasion, foreign currencies have not been used has been that officials responsible for procurement or for making payments were not fully informed as to their availability. It will be necessary for the Agency for International Development to give a higher priority and to devote more man-hours than it has in the past to making sure that in procurement negotiations and in making disbursements, the necessary data as to the availability of foreign currency and guidance as to its use are in the hands of the responsible personnel.

In situations where foreign currencies clearly are not available for procurement, such as in buying products in the United States, or procurement in countries where the demand for local currency to meet U.S. Government expenses considerably exceeds the supply, certification of individual vouchers should not be necessary.

HIGHEST RATE OF INTEREST OBTAINABLE ON U.S.-OWNED FOREIGN CURRENCIES—SECTION 301 (C) (SENATE—SEC. 301 (D))

The Senate amendment added a new subsection 613(d) to the act, providing that wherever U.S. assistance agreements under any act resulted in holdings of U.S.-owned local currencies, the Secretary of the Treasury should issue regulations that required, in all such agreements, that the United States should get interest income at the "highest interest rate lawfully obtainable from the recipient country or agencies thereof in the respective countries."

The provision allowed the Secretary of State to waive the requirement if he determined that the receipt of interest income was not in the U.S. national interest. A report to the Congress of each such determination by the Secretary of State was required.

The House bill did not contain a comparable provision.

The managers on the part of the House recognize that the United States has on deposit in foreign banks substantial amounts of foreign currencies derived from the sale of surplus agricultural commodities under title I of Public Law 480 and from other sources, and that under normal circumstances interest should be paid to the United States on such deposits. Although the Agency for International Development gave assurance that it is U.S. policy to collect such interest, it has not always done so. The conferees are of the opinion that a legal requirement to this effect is necessary.

The language of the Senate amendment was accepted, except that the reference to "the highest interest rate" to be obtained was deleted. The committee of conference strongly favors obtaining the highest rate of interest possible and is opposed to the acceptance of any "token" interest payment. The committee recognizes, however, that such a rate ought to be fixed by negotiation and that a general legal requirement would not be appropriate because of varying conditions in individual countries.

INVESTMENT GUARANTIES (SENATE—SEC. 301 (E) (1) AND (3))

The Senate amendment contained language added by a voice vote on the floor of the Senate, designed to prevent a repetition of an incident which occurred in a developing country in which it was claimed that rights of certain American investors had

been violated. No hearings had been held on the case in question, nor on the amendment designed to alleviate it. Consideration by the committee of conference developed that the issues were much less clear and far more complex and controversial than was at first supposed. The provision was deleted with the understanding that, should circumstances warrant, the entire subject could be reviewed at length and a determination made during the next annual hearings on foreign aid.

ACT OF STATE DOCTRINE—SECTION 301 (D) (2) (HOUSE—SEC. 301 (C) (2); SENATE—SEC. 301 (E) (2))

The House bill extended for an additional year the provisions of section 320(e) (2) of the act which provides that no court in the United States shall decline on the ground of the act of state doctrine to make a determination on the merits or to apply principles of international law in a case in which an act of a foreign state is alleged to be contrary to international law.

The Senate amendment made the provision permanent law and in addition modified the text to make it clear "that the law does not prevent banks, insurance companies, and other financial institutions from using the act of state doctrine as a defense to multiple liability upon any contract or deposit or insurance policy in any case where such liability has been taken over or expropriated by a foreign state."

The House receded.

The managers on the part of the House accepted the Senate provisions with the understanding that this would not preclude either committee from reviewing the issues and making a further determination when hearings are held next year on renewal of the foreign aid authorization.

SANCTIONS AGAINST U.S. FISHING VESSELS AND CONTROL OF SHIPPING TO NORTH VIETNAM—SECTION 301 (D) (4) (SENATE—SEC. 301 (E) (5); HOUSE—SEC. 301 (C) (4))

The Senate amendment added a new subsection 620(o) to the act under which no assistance could be furnished under the act to any country which (1) has extended, or hereafter extends, its jurisdiction for fishing purposes over any area of the high seas beyond that recognized by the United States, and (2) hereafter imposes any penalty or sanction against any U.S. fishing vessel on account of its fishing activities in such an area. The amendment did not apply to extensions of jurisdiction pursuant to international agreement to which the United States is a party.

The House bill did not contain a comparable provision.

The House bill, however, included an amendment to section 620 of the Foreign Assistance Act, adding a new subsection (n) providing that, until the President determines that North Vietnam has ceased all efforts to overthrow the South Vietnamese Government, no funds authorized to be made available under the act (except under sec. 214) may be used for assistance to any country which failed to take appropriate steps, not later than 60 days after enactment of the bill, to prevent ships or aircraft under its registry from transporting equipment, materials, or commodities to or from North Vietnam. The Senate amendment contained no such provision.

The managers on the part of the House agreed to a compromise which eliminates the rigid prohibitions against applying U.S. assistance in both instances but requires that consideration be given to the behavior of recipients of our aid with respect to these problems in determining the nature and amount of aid to be provided. Language was accepted, indicating that consideration should be given to excluding from U.S. assistance any country which imposes any penalty or sanction against any U.S. fishing ves-

sel on account of its fishing activities in international waters rather than a requirement that aid be terminated under such circumstances. A modification of the provision in the House bill relating to ships transporting cargo to North Vietnam was also agreed upon to the effect that the President shall consider denying assistance to any country failing to prevent its ships from transporting cargo as provided in the House bill, instead of prohibiting U.S. aid to such countries regardless of other circumstances.

The managers on the part of the House agreed that the United States should give consideration to the treatment of U.S. fishing vessels by foreign governments in determining the nature and amount of U.S. assistance made available to such governments. At the same time, they recognized that a complete prohibition of aid to governments interfering with U.S. vessels might in certain instances prevent the attainment of U.S. foreign policy objectives and adversely affect the entire program of the Alliance for Progress.

In accepting a modification of the language relating to assistance to countries permitting their ships to carry cargo to and from North Vietnam, the managers on the part of the House recognized that the complete withdrawal of free world carriers from the North Vietnam trade, even if it could be achieved, would have only a very limited effect upon the North Vietnam economy and military efforts. Military equipment and petroleum products are brought into the country on Communist-flag vessels. North Vietnam's foreign trade is already heavily oriented toward Communist China and the U.S.S.R. Free world trade amounted to only about 17 percent of value of North Vietnam's total trade for 1963. Although free world ships carry 45 percent of North Vietnam's seaborne imports by volume and 85 percent of seaborne exports (principally coal to Japan), the Communist countries could, in time, arrange it so that Communist-flag vessels and planes and the rail link with Communist China carried all the imports and exports Hanoi needed.

The language of the House bill afforded little negotiating leverage because most of the countries whose ships are still in the North Vietnam trade receive little or no assistance from the United States. The major nation with ships in this trade—the United Kingdom—no longer receives either economic or military assistance from the United States. The United States is making high-level diplomatic representations to obtain free world cooperation in getting ships and planes out of the North Vietnam trade, and a number of vessels have already left the trade because of commercial and safety considerations.

The managers on the part of the House accepted the argument that negotiations on this matter would be more effective if there was not a rigid requirement that aid be terminated.

EMPLOYMENT OF FOREIGN SERVICE PERSONNEL—SECTION 302 (C) (HOUSE—SEC. 302 (C); SENATE—SEC. 302 (B))

The House bill amended section 625(d) of the act by increasing from 20 to 50 the number of Foreign Service Reserve officers who, at any one time, may be initially assigned to duty in the United States for not more than 2 years.

The Senate amendment increased the limitation on such personnel from 20 to 30.

The Senate receded with an amendment which increased the limitation on such personnel to 40.

ELIMINATION OF MISSIONS—SECTION 302 (F) (SENATE—SEC. 302 (E))

The Senate amendment amended section 631 of the act by providing that in countries where the economic and military assistance program does not exceed \$1 million in a fiscal year, the AID mission staff personnel shall



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be withdrawn, and the program administered by economic officers and, where military aid is involved, by military officers attached to the U.S. diplomatic mission.

The House bill did not contain a comparable provision.

The managers on the part of the House receded with an amendment that removed the criterion of a program of \$1 million or less in any fiscal year as the basis for the withdrawal of personnel administering such economic or military assistance programs. In place of this rigid figure, the committee of conference inserted a provision that reductions in personnel should be undertaken "wherever practicable, especially in the smaller programs." The committee of conference is emphatic in seeking to reduce the size of our AID missions, particularly those in the smaller programs. It recognized that some progress has been made in this direction but believes that further progress is possible without impairing the effectiveness of our programs and, at the same time, resulting in a reduction of administrative costs. By the removal of the \$1 million figure, the committee expects that the Administrator of AID will examine programs in all the countries, particularly the smaller countries, with a view toward achieving further economies in money and personnel.

ADMINISTRATIVE EXPENSES—SECTION 302(i)  
(HOUSE—SEC. 302(h); SENATE—SEC. 302(h))

The House bill amended section 637(a) of the act to authorize an appropriation of \$53,240,000 for administrative expenses for fiscal year 1966.

The Senate amendment authorized an appropriation of \$55,240,000 for the same purpose.

The Senate receded with an amendment providing an authorization for an appropriation of \$54,240,000.

MILITARY SALES—SECTION 302(k)  
(SENATE—SEC. 302(j))

The Senate amendment added a new section 640 to the act, excluding military sales from several provisions of the act prohibiting U.S. assistance.

The House bill did not contain a comparable provision.

The managers on the part of the House accepted the Senate language. They regarded the Senate provision as being a formal statement of the policy that sales of military equipment and services for dollars or on credit terms within limits accepted as being normal for commercial transactions were not subject to certain restrictions applicable to grant aid, which policy has always guided the Department of Defense. Military sales are subject to the restriction that sales may be made only to friendly nations when the President finds that such sales will strengthen the security of the United States and promote world peace.

It was the understanding of the managers on the part of the House that this authority would apply only to bona fide sales for value as defined in section 644(m) of the act to purchasers judged to be capable of making payment in full under reasonable credit terms. Any transaction, although technically a sale, where prospects of payment were in doubt or for currencies not needed by the United States would involve an element of grant assistance and would be subject to all of the restrictions relating to grant aid.

It is in the interest of the United States that the forces of friendly nations, on which we rely either to contribute to the common defense strategy or to defend against internal subversion, should be adequately equipped. It is better that equipment be supplied on a sales rather than a grant basis. It is not to our advantage to impose the same conditions on nations ready and willing to buy that we do on recipients of grant aid.

LIMITATION ON AGGREGATE AUTHORIZATION FOR FISCAL YEAR 1966—SECTION 303(d) (SENATE—SEC. 303(d))

The Senate amendment added a new section 649 to the act, which limited the aggregate authorization for an appropriation for fiscal year 1966 to the sum of \$3,243,000,000.

The House bill contained no comparable provision.

The managers on the part of the House receded with an amendment, limiting the aggregate authorization for an appropriation to \$3,360,000,000.

This sum must be measured against the Executive appropriation request for fiscal year 1966 of \$3,459,470,000. The latter figure includes amounts specifically authorized in this bill as well as the Executive appropriation requests against sums previously authorized for the Development Loan Fund, the Alliance for Progress, and for State Department administrative expenses. As a result of adjustments in amounts made in this bill for specific programs, together with those previously authorized and for which the Executive is requesting appropriations, the comparable figure is \$3,457,670,000. The effect of the ceiling imposed by this section of the bill is to reduce the total Executive program by \$97,670,000. It is left to the judgment of the Executive to effect reductions that will bring the programs funded by this act within the limit imposed by this section.

The managers on the part of the House strongly objected to the imposition of an overall reduction on the authorization for foreign aid rather than cutting individual authorizations. The committees of the Congress as a result of their hearings on the program should be sufficiently informed as to the merits of the various segments of the program to exercise judgment as to the places where cuts are justified. To impose a reduction in the overall ceiling on the total authorization, leaving discretion as to where the cuts will be made, is an abdication of responsibility by the Congress.

The individual authorizations approved by the House and Senate differed by such small amounts that there was no practicable way to compromise, adjust, and distribute an overall reduction of the magnitude of the cut provided in the Senate amendment other than to impose a similar limitation on the funds authorized.

PROPOSALS FOR 2-YEAR AUTHORIZATION AND FOR TEMPORARY PLANNING COMMITTEE

The two most troublesome issues in conference arose first from a number of provisions in the Senate bill which in totality had the effect of authorizing the aid program for a period of 2 years; and, second, from the so-called Morse amendment calling for termination by June 30, 1967, of the foreign aid program as presently constituted and for a thorough review by a Planning Committee to determine the nature of any aid programs that might be continued after June 1967.

As conference discussions continued, it became apparent that although the House conferees could not agree to a blanket 2-year authorization under present conditions, they were not irrevocably opposed to authorizing foreign aid funds for longer than a year regardless of circumstances. There was general agreement also that many of the shortcomings of the foreign aid program which have evoked public criticism are basic and cannot be corrected merely by improvement in administrative procedures or in the quality of personnel.

It was the consensus of the committee of conference that there have been so many changes in the world situation since 1961 that a most careful, overall review of the basic premises behind the foreign aid program is overdue.

After protracted discussion of the issues involved in the 2-year authorization and the Senate provisions relating to termination of the program as constituted and the creation of a Planning Committee, the Senate conferees reluctantly agreed to recede.

While appreciating that conferees cannot bind their colleagues in subsequent sessions of the Congress, the House conferees, in view of the action of the Senate conferees agreed to include the following expression of informal understandings in the statement on the part of the managers:

1. During consideration of the Foreign Assistance Act of 1966, House members of the committee of the conference will urge their colleagues to examine with the greatest care such proposals as may be submitted authorizing foreign aid programs for 2 or more years. The House of Representatives has approved authorizations for various aspects of the programs for periods of 2 years or longer on a number of occasions in the past, and the House conferees are prepared to suggest the consideration of longer term authorizations, taking into account the demands on the U.S. budget and the nature of the world situation next year.

If 2-year authorizations were made, the authorizing committees of the House and Senate might direct their attention in alternate years primarily to a review of aid policies and an evaluation of operations rather than focusing on the programs submitted by the Executive for the year to come.

2. The conferees of both Houses urge the President to inaugurate a review of the aid program as presently constituted, seeking to direct it more effectively toward the solution of the problems of the developing countries.

3. Finally, the House conferees recognize that the willingness of the Senate conferees to recede on these provisions represents not an abandonment of the positions taken by the Senate, but an attempt to reach a reasonable compromise. This was done by deferring for 1 year decisions on Senate provisions calling for a long-term authorization. There will thus be opportunity next year for the Congress and the administration to examine in depth proposals for the improvement of the foreign aid program.

THOMAS E. MORGAN,  
EDNA F. KELLY,  
WAYNE L. HAYS,  
BARRATT O'HARA,  
W. S. MAILLIARD,  
PETER H. B. FRELINGHUYSEN,

*Managers on the Part of the House.*

## FOOD AND AGRICULTURE ACT OF 1965

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 9811) to maintain farm income, to stabilize prices and assure adequate supplies of agricultural commodities, to reduce surpluses, lower Government costs and promote foreign trade, to afford greater economic opportunity in rural areas, and for other purposes.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9811, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday it was agreed

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that title I of the bill would be considered as read and open for amendment at that point.

The Clerk will now report the committee amendment as printed in title I of the bill.

The Clerk read as follows:

Committee amendment: page 4, line 3, strike out "Act" and insert "title".

The committee amendment was agreed to.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been disappointed, disillusioned, and somewhat surprised at the turn that has been taken in this bill. The House Committee on Agriculture worked a long time trying to arrive at legislation which would improve the agricultural situation in this country. I think that most of us admit it does need some improvement. Now, particularly in the cotton section of this bill, which is, of course, one of the more controversial sections, the bill that was reported from our committee at least started in the right direction to make some corrections. One of the things that has happened in the last several years has been that we have had a program which has produced more cotton than we can use domestically or can have any hope of selling in the foreign markets. We passed a bill last year that, of course, the proponents felt would help to correct that situation. I was one of the few Members coming from a cotton section who voted against the cotton bill last year. At that time I made certain predictions. While I do not claim I am smart or know everything that is to be known about cotton, I think the prediction I made at that time has come true. At that time the bill was passed due to the pressure and the influence of the mills. They got a real bonanza out of that bill. They had promised before our committee—and the testimony in the hearings will substantiate this—the mill operators told us that the additional cost of this bill would come back to the consumer in the form of lowered prices. They also told us that there would be increased consumption. Well, they did have some increased consumption in the domestic market of around 600,000 to maybe 800,000 bales of cotton, but on the other hand we lost more in the export market and came up with a net loss and added 1 million bales to the surplus that we have.

We have had an attractive program for the producer, and this last bill was very attractive for the mills. I predicted more than a year ago—and I stand on that statement today—that by 1970 the people that will be producing cotton will be having to produce at least two bales of cotton to the acre and they will have to be willing to sell that cotton on the basis of 25 cents. If they do not do that, they are going to be out of the cotton business.

This bill we had which was reported from the committee would have gone in that direction. In the past we have had, and for the benefit of those who are not familiar with cotton production, we have had what we call a release and reapportionment procedure in the law permit-

ting people who had cotton allotments, which were based on history—every person who had grown cotton had an opportunity to have an allotment and to grow it. Many of those people or a great number of people with small allotments did not want to grow cotton.

But their allotment was valuable to them because it added to the value of their land, so they would release their allotment of cotton and those allotments would go to people who had allotments and who wanted to expand their production. That might be all right, because we confined the release to the State in which the cotton allotments were. We did not allow them to cross State lines. But we did have this situation, that in many areas of the country in some States, we would have cotton allotments that were on land which yielded half a bale of cotton to the acre, and when they released the cotton allotment, it was not grown in the county where released, but was reapportioned and grown on land where the yields were much larger.

(Mr. JONES of Missouri's time having expired, he asked and was given permission to proceed for 2 additional minutes.)

Mr. JONES of Missouri. In the Cotton Belt, where cotton is grown, there are 1,049 counties—468 of those 1,049 counties released cotton which was not wanted by the growers in that county, and that cotton acreage was subsequently released to the State committees and was allocated to people who wanted to grow more cotton. In other words, almost 500 counties out of 1,049 had no restrictions on how much cotton they could grow. But in releasing this cotton from low-yield counties, it was transferred to high-yield counties. Last year there were 1½ million acres of cotton allotments released and reallocated to producers in other counties. I would say that in every instance, or at least in practically every instance, it went to higher producing areas. In some instances, it went from areas that were producing only half a bale and went to a producer who was producing two and three bales of cotton to the acre. That cost the Government money in two ways. In other words, we piled up this surplus that we still have today; we have next to the largest surplus we have ever had in this cotton area. We also know that every time the Government supports cotton at a higher price than it can be sold for, it goes into loan and the Government takes a loss; at least, it has in many instances. During the early part of the program, it was not true. When we get to the amendments that are going to be offered to this sector, I will have more to say about it. But I want you to think over this afternoon the amendments that are going to be offered to this cotton section. They are going in the wrong direction. They are not going to correct the situation one iota. They are going to make the situation worse and I will tell you why when the amendment to which I have referred is offered.

Mr. JONAS. Mr. Chairman, I move to strike the requisite number of words.

(Mr. JONAS asked and was given permission to revise and extend his remarks.)

Mr. JONAS. Mr. Chairman, the bill under consideration contains many provisions which I do not approve and cannot support. However, I understand that amendments will be offered which, if adopted, will substantially improve the bill. I hope that the bill will be so improved, following action by the Committee of the Whole this afternoon, so that a majority of the Members of the House can vote for it on final passage.

Mr. Chairman, I am not going to discuss the wheat title, the feed grains title, or the other titles that are in controversy. Considerable debate occurred yesterday on those titles and additional debate will occur this afternoon as amendments are offered.

Therefore, Mr. Chairman, I have elected to confine my comments to a discussion of the effect which this bill will have on one-price cotton.

Mr. Chairman, I do not believe many Members contend that it is fair or equitable for the Federal Government, by legislative enactment, to make it possible for foreign competitors of domestic textile mills to buy American-grown cotton at one-third less than the American mills have to pay for that same cotton.

Mr. Chairman, in order to try and bring into sharp focus the reason why I think it is important for us to continue to maintain a one-price cotton system, I am going to reduce my comments to a few specific points. I do not believe they need elaboration or need argument, because I believe their mere recital makes approval of one-price cotton compelling.

Listen to these points:

First. By any standard used, the cotton textile industry is one of the most important industries in the United States. Approximately 1 million men and women derive their livelihoods directly from this industry, and if you include all allied activities the number goes up to 9 million—approximately one-eighth of the entire work force of the country.

Second. Last year the outlay of capital for plant and equipment to modernize and expand the textile industry amounted to approximately 17 percent total net worth, as compared to an average of 9 percent for other major industries. Textile mills last year spent around \$760 million for new plant and equipment, and the Department of Commerce estimates that such expenditures will be close to \$1 billion in 1965. When based upon net worth, the textile industry is presently spending more for capital improvements than any other major industry in the country.

Third. Since late 1963, there have been three wage increases of 5 percent each for textile workers, all attributable to the conversion from two-price to one-price cotton. The first increase came in anticipation of one-price cotton and the last two following the enactment of the legislation which brought the new system into effect. In the short period of 18 months, textile employees have received more than \$500 million through wage increases, and this does not take



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## House of Representatives

The House met at 12 o'clock noon.

Rabbi Louis Eliezer Wolfish, Northeast Jewish Center, Yonkers, N.Y., offered the following prayer:

אבני שבטים

Our Heavenly Father, we seek Thy blessing and guidance in these serious and soul-stirring times, when freedom loving America, which is founded upon liberty and justice for all, is being threatened by the onslaught of godless, ruthless, and unprincipled aggressors.

While we must develop superior military might, we must also be filled with Thy Holy Spirit to preserve the superiority of our democratic way of living.

Endow them with understanding to guide America to continue to be a citadel of freedom and ray of light and hope to all those who are now living in darkness.

Hasten the day when universal peace will prevail throughout the world with freedom and justice for all.

Behold how goodly and how pleasant, when brethren dwell together.

Our Father in Heaven, we ask Thy blessing upon these Members of our Congress assembled to deliberate and decide the welfare of all the American people. May they successfully carry the awesome responsibilities they have freely assumed in this most scientifically advanced and perilous generation in history.

Grant us Thy inspiration as we seek the solution to political, social, and economic problems; to eradicate prejudice, hatred, suffering, racial tension, hunger, armed conflict, and oppression; to achieve lasting peace and brotherly love.

Teach us, O G-d, to ever appreciate the priceless heritage of freedom endowed us by our forefathers. From the immortal words of the first emancipator, Moses, "Let my people go," to the biblical command, "Proclaim liberty throughout the land and to all the inhabitants thereof," from the historic demand of Patrick Henry, "Give me liberty or give me death," to the declaration "that all men are created equal," to this very day men have never ceased yearning and dying, for liberty.

May mankind soon usher in the long-awaited millennium when the rays of freedom shall enlighten the world, when

life, liberty, and the pursuit of happiness shall be the irrevocable right of all men for all times.

Av Horachamim Shochan Bamromin. G-d of mercy, who dwellest on high: In Thy fatherly care do we place our faith and our trust. Unto Thee our eyes are turned in humble supplication, and unto Thee our hearts are grateful for the abundance of blessings that Thou dost bestow upon us citizens of this great democracy.

Help us, O Heavenly Father, never to become casual, or to lose our sensibility, consciousness, and appreciation of Thy grace in permitting us to live and toil in a free and unshackled society. No greater gift can man ask; no greater gift can man receive.

O gracious Father, verily it was Thou who didst inspire man and give him the superlative intellect to solve the awesome mysteries in realms on high and in the areas beyond the horizon.

At the same time, we implore Thee to stir and move us to search for answers in the innermost recesses of our hearts, so that we may ferret out all vestiges of inhuman discriminations and unspeakable cruelties that are untenable in this advanced stage of civilization.

Finally, we ask Thy blessings upon the President and the Vice President of these United States, and upon our legislators. Concretize their aspirations to eradicate poverty and disease from this Nation of plenty. Crystallize their hopes for a tolerant society. Answer their prayers that accompany their efforts to bring serenity, sobriety, and peace to a confused and despairing world.

All this we ask in Thy name, O Thou who art above us. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1481. An act for the relief of the estate of Donovan C. Moffett;

H.R. 1763. An act to amend section 1825 of title 28 of the United States Code to authorize the payment of witness' fees in habeas corpus cases and in proceedings to vacate sentence under section 2255 of title 28 for persons who are authorized to proceed in forma pauperis;

H.R. 3750. An act for the relief of certain individuals;

H.R. 3990. An act to amend section 1871 of title 28, United States Code, to increase the per diem and subsistence, and limit mileage allowances of grand and petit jurors;

H.R. 3992. An act to amend section 753(f) of title 28, United States Code, relating to transcripts furnished by court reporters for the district courts;

H.R. 3997. An act to amend section 753(b) of title 28, United States Code, to provide for the recording of proceedings in the United States district courts by means of electronic sound recording as well as by shorthand or mechanical means;

H.R. 4719. An act for the relief of Josephine C. Rumley, administratrix of the estate of George S. Rumley; and

H.R. 5497. An act to amend paragraphs b and c of section 14 of the Bankruptcy Act.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4465. An act to enact part III of the District of Columbia Code, entitled "Decedents' Estates and Fiduciary Relations," codifying the general and permanent laws relating to decedents' estates and fiduciary relations in the District of Columbia; and

H.R. 6964. An act to amend section 4082 of title 18, United States Code, to facilitate the rehabilitation of persons convicted of offenses against the United States.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 993. An act for the relief of Dr. Oscar Valdes Cruz;

S. 1154. An act to incorporate the American Academy of Actuaries;

S. 1587. An act to amend the Tucker Act to increase from \$10,000 to \$50,000 the limitation on the jurisdiction of the U.S. district courts in suits against the United States for breach of contract or for compensation;

S. 1701. An act for the relief of Dr. Jose M. Quintero;

S. 1802. An act for the relief of Dr. Jose Raul C. Soler y Rodriguez, and his wife Gladis B. Pumariega de Soler;

S. 1945. An act for the relief of Dr. Esther Yolanda Lauzardo;

S. 2420. An act to provide continuing authority for the protection of former Presidents and their wives or widows, and for other purposes; and

S.J. Res. 102. Joint resolution to authorize funds for the Commission of Law Enforcement and Administration of Justice and the District of Columbia Commission on Crime and Law Enforcement.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5401) entitled "An Act to amend the Interstate Commerce Act so as to strengthen and improve the national transportation system, and for other purposes."

#### SUPPLEMENTAL APPROPRIATIONS FOR DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE

Mr. DENTON. Mr. Speaker, on behalf of the gentleman from Rhode Island [Mr. FOGARTY], I ask unanimous consent that the Committee on Appropriations have until midnight to file a report, including minority views, on the bill making supplemental appropriations for the Departments of Labor and Health, Education, and Welfare.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

Mr. LAIRD. Mr. Speaker, reserving the right to object, it is my understanding that this bill will be called up for action on Tuesday?

Mr. DENTON. That is what I understand.

Mr. LAIRD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LAIRD reserved all points of order.

#### EXTENSION OF SUSPENSION OF DUTIES ON CERTAIN CLASSIFICATIONS OF YARN OF SILK

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 5768) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarn of silk, with Senate amendments thereto, disagree to the Senate amendments and ask for a conference with the Senate on the disagreeing votes of the two Houses.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

The Chair hears none and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, KEOGH, BYRNES of Wisconsin, CURTIS, and UTT.

#### TO CORRECT CERTAIN ERRORS IN TARIFF SCHEDULES OF THE UNITED STATES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7989) to correct certain errors in the Tariff Schedules of the United States, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, KEOGH, BYRNES of Wisconsin, CURTIS, and UTT.

#### LANGUAGE TRAINING TO A DEPENDENT OF MEMBER OF ARMED FORCES

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5519) to amend title 10, United States Code, to authorize language training; to be given to a dependent of a member of the Army, Navy, Air Force, or Marine Corps under certain circumstances, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 9, strike out all after "States" down to and including "duty" in line 11.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. LAIRD. Mr. Speaker, reserving the right to object, I would like to ask the distinguished gentleman from Massachusetts if this has been cleared with the gentleman from Massachusetts [Mr. BATES].

Mr. PHILBIN. It has been cleared.

Mr. LAIRD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

#### TO AMEND THE IMMIGRATION AND NATIONALITY ACT, AND FOR OTHER PURPOSES

Mr. DELANEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 533, Rept. No. 812), which was referred to the House Calendar and ordered printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2580) to amend the Immigration and Nationality Act, and for other purposes. After general

debate, which shall be confined to the bill and shall continue not to exceed five hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on the Judiciary now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommend with or without instructions.

#### CORRECTION OF ROLL CALL

Mr. CLEVELAND. Mr. Speaker, on rollcall No. 238 I was present and answered "yea" when my name was called.

I ask unanimous consent that the permanent Record be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

*Bill filed LLM*  
FOREIGN ASSISTANCE ACT OF 1965

Mr. MORGAN. Mr. Speaker, I call up the conference report on the bill (H.R. 7750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 18, 1965.)

Mr. MORGAN. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conference report which we are submitting today is the product of the longest drawn-out conference relating to foreign affairs that has been held during my experience as a member of the Committee on Foreign Affairs.

The first meeting of the conference on H.R. 7750 was held on June 18, 4 days after the bill passed the Senate. The conference concluded its work on August 17, after holding 14 sessions.

Although it has taken a long time, I believe that the House managers have been successful in protecting the interests of the House and the bill we bring back from conference is a good bill.

There were 59 differences between the House and Senate bills, so that under any

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circumstances the conference had a lot of work to do. The long delay, however, was caused by a disagreement over whether funds should be authorized to carry on the foreign aid program for 2 years as provided by the Senate bill, or for the fiscal year 1966 only as provided in the bill which passed the House.

The Senate authorized funds for 2 years in order to allow at least a year for a comprehensive study of the foreign aid program and provided for a Temporary Planning Committee, with a membership of 16 and \$400,000 to spend, to do the job.

The House managers were convinced that the House was opposed to a 2-year authorization under present conditions. A 2-year authorization had not been requested by the Executive and was not considered by the committee during its hearings, nor by the House when the bill was under consideration.

The House conferees were also opposed to setting up another high-level committee to make a study of foreign aid. We believe that the committees of Congress with legislative responsibility for the foreign aid program are in a better position to evaluate what has been done and to make recommendations for the future than anyone else.

In standing firm against the provisions of the Senate bill relating to these matters, I want to make clear that I am not opposed to authorizing funds for foreign aid for a 2-year period under any circumstances. Back in 1957, the House approved a 2-year authorization for the development loan fund. In 1959, the House voted a 3-year authorization for military aid, and a 2-year authorization for military assistance was approved in 1961. In 1961, the House approved a 5-year authorization for development loans, and in 1962 a 4-year authorization for Alliance for Progress.

Although the Senate conferees receded on the 2-year authorization for the fiscal years 1966 and 1967, they made clear that they were not giving up the fight for longer authorizations in future years. As a condition for receding, they asked assurance from the House conferees that the question of authorization of funds for 2 years or longer would receive what one of the Senate managers referred to as "a fair go round" next year by the Committee on Foreign Affairs. The House managers have undertaken to give that assurance. Our position is set forth in the statement of the managers.

The Senate did not ask us to commit ourselves to a 2-year authorization next year, nor did we make such a commitment. The statement of the managers contains a clear reservation that our position on this matter would depend on the demands on the U.S. budget and the nature of the world situation next year. We did agree, however, that we would urge our colleagues to give careful consideration to the matter of longer term authorizations when the foreign aid bill comes before us next year. I assured the conference committee, and I want to state to the House, that I have an open mind on this matter, but I am not committed to supporting a 2-year authoriza-

tion next year, nor are the other House managers committed.

Although the House conferees strongly opposed the establishment of another special committee to study foreign aid, this does not mean that the foreign aid program does not need to be restudied and improved.

I believe that all of the House conferees are in agreement that the basic objectives of foreign assistance should be reexamined. It is not just a question of tightening up operating procedures or of trying to hire better people. Those who administer foreign aid naturally think they are going at the job in the right way, but there are some reasons to believe that we may be giving priority to the wrong objectives and neglecting others.

I, for one, do not believe that all of the criticisms of foreign aid reflect a lack of understanding or of sympathy. I believe that if the program were reorganized and redirected in certain respects, some of the objections to it could be eliminated.

The Committee on Foreign Affairs and Foreign Relations intend to take a new look at what we are trying to accomplish with foreign aid and how well we are succeeding. The conference also invites the President to reexamine the fundamental principles and objectives on which the current program is based and to recommend appropriate changes when he submits legislation next year.

Let me say a word about the authorization of funds agreed to by the conference. It is not easy to name a meaningful figure as to how much the total agreed to in conference is below the total approved by the House.

In the first place, I want to point out that the Senate bill included an overall ceiling of \$3,243 million on foreign aid funds for fiscal 1966. This was in effect a cut of \$216 million below the amount requested by the Executive to be appropriated.

The House conferees agreed to a compromise overall ceiling of \$3,360 million. This is a cut of \$99,470,000 below the Executive request. This overall ceiling is higher than the total you get if you add up all the individual items authorized in the House or Senate bill, not including, of course, the open end authorization for southeast Asia in the House bill, because it applies to funds previously authorized as well as the authorizations set forth in H.R. 7750.

Although the House conferees accepted an overall cut of just under \$100 million, we agreed to an authorization of \$89 million to take care of the special authorization for southeast Asia—which replaces the open end authorization in the House bill—requested by the President in his message of June 1, 1965, which was received after the foreign aid bill had passed the House but before the bill had been acted on by the Senate.

I feel that the conference worked out a very fair compromise on this matter. The House bill contained an authorization of "such sums as may be necessary" for economic and military assistance to southeast Asia during fiscal 1966. There was no limit as to the amount because

the President had indicated in his original foreign aid message that he did not know how much more money would be needed.

The Senate responded to the President's request for \$89 million by adding \$9 million to its authorization for technical cooperation and development grants and by adding \$80 million to its authorization for supporting assistance.

We worked out a compromise with the Senate by which we replaced our open end authorization for southeast Asia with a specific authorization of \$89 million, and the Senate accepted the figures for technical cooperation and for supporting assistance contained in the House bill.

Most of the individual authorizations were not far apart. The biggest item, military assistance amounting to \$1,170 million, was not in conference. The only individual amount that we bring back from conference which is higher than the bill that passed the House is an increase of \$1 million in administrative expenses which we arrived at by splitting the difference between the House and Senate bills.

The best summary I can make with respect to funds authorized is to say that we accepted an overall cut of \$97,670,000 below the figure in the House bill plus the request for appropriations against previous authorizations.

We accepted an authorization of \$89 million for southeast Asia in place of the unlimited authorization contained in the House bill. I am not sure that this should be considered an increase.

We also accepted an increase of \$1 million in administrative funds.

I will not take time to discuss the other changes in the House bill. They are set forth in detail in the statement of the managers and I will try to answer any questions about them.

Let me say that the managers for the House have done their best to uphold the position of the House in this conference, and I urge the approval of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. I commend the distinguished chairman of the House Committee on Foreign Affairs and the managers on the part of the House for refusing to yield to the other body in its attempt to put through a 2-year program. I am glad to hear the gentleman say that he is not committed and will not be committed, when the authorization bill comes before the House Committee on Foreign Affairs next year. I happen to be one of those who believes this foreign handout program ought long ago to have been phased out and ended, and I certainly want no part of a 2-year program. This program has already cost far too much money and yielded far too little to the United States.

In this conference report, presently before the House, are the special funds for the United Nations. They are still in the bill, in the amounts voted by the House Foreign Affairs Committee and concurred in by the other body.

Mr. MORGAN. I will say to the gentleman from Iowa that the sections on international organizations, both in the House bill and the Senate bill, were substantially the same. There was a difference of only \$1,700,000.

Mr. GROSS. The point I am trying to make is that I believe something should have been done in the conference, in view of the situation that developed at the United Nations, whereby the American delegate to the United Nations surrendered to the blackmail of the Communists and the French in the matter of paying their just obligations.

I want to say to the chairman—and I am sure he is well aware of this—and to the other Members of the House, that if they support this conference report today they will be voting to turn over the original amount of money to the United Nations; in other words, to pick up the check for the "deadbeats" who have refused to meet their obligations. I refuse to be a party to any such deal.

Mr. MORGAN. I am sure the gentleman is familiar with the parliamentary procedures both in the House and in the other body. Again I say that the sections on international organizations were substantially the same in both the House and Senate bills. The amount in the House bill was a little lower and the conference accepted our figure. The conferees could not do what the gentleman has suggested.

Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Speaker, the chairman of the committee, the gentleman from Pennsylvania [Mr. MORGAN], has very clearly and accurately set forth the results of the conference between the House and the Senate upon the foreign aid bill. As he pointed out, there are certain complexities in the mathematics of the conference agreement which make it difficult to state succinctly the nature of the adjustments. For those who are interested in more detail upon that point, I would urge them to read the statement of the conferees.

Mr. Speaker, I think it can be accurately said that the report which is before us today has more similarity to the bill which passed the House than that which passed the Senate. Although I cannot approve of this conference report because of longstanding objections to the foreign aid program, I must agree with the chairman that the managers on the part of the House performed exceedingly well, I think, in sustaining the House point of view. Any reading of the report will bear this out.

My objections continue to be those which I have expressed for many years; namely, too much new money, too much carryover of old money, too loose administration, a lack of sound programming. Those objections still exist, but at the same time I repeat, having in mind the parliamentary limitations within which we act, I do feel that the managers on the part of the House were very successful.

A further word ought to be said about the matter of a 1-year or a 2-year extension. The House managers were solidly for the 1-year extension regardless of

what our general opinion on foreign aid is. We strongly supported a 1-year extension as opposed to a 2-year extension because in these days of rapidly changing situations, in a time when we do not know what our requirements will be in Vietnam and other parts of the world, it is of the utmost importance that the House in its authorizing legislation have the opportunity and indeed accept the responsibility to make a most careful appraisal at frequent intervals of this whole program. On that basis, we could not, and we did not, support the 2-year extension. This is a program which all Members of the House know has been under frequent criticism, criticism which many of us regard as being in large measure justified. Accordingly, it is important that our study of the program be as careful, as detailed, and as frequent as may reasonably be expected.

Mr. Speaker, I would hope that if nothing else came out of this conference and out of this year's consideration of the foreign aid bill, at least the Congress and the executive departments should be willing to reappraise completely this whole program. In so doing, it is my hope that we would have before us a better program and one which requires less money.

Mr. Speaker, I now yield to the gentleman from Wisconsin [Mr. THOMSON].

Mr. THOMSON of Wisconsin. Mr. Speaker, I think that the chairman well knows I approve of what he has done on the conference report but I still think the amount authorized in this bill is vastly too much. I think in the studies made of it, it is about time they began studying the procedures in the administration of the AID Agency here in Washington. I notice while AID has executed more than \$400 million worth of contracts for universities and other people to carry on the AID program, the number of employees in the AID Agency in Washington, D.C., itself has continued to go up. They had more employees in Washington on this June 30 than they had on June 30, 1964, in spite of the \$400 million of contracts. And if you look at those contracts you would find some amusing examples. They spent, I inform the Members of the House, the generous sum of \$5,000 to make a study of the impact of foreign aid on our balance of payments; 5,000 measly dollars to determine whether it is adverse to our balance of payments. But they spent \$500,000 on an investigation of something called the diffusion of innovations.

I hope that the chairman will see to it, and that the members of the Committee on Appropriations will see to it that some of these wasteful practices of this agency, be curtailed, and when the appropriation bill comes here it will reflect a reduction in the amount that is appropriated, to squeeze out some of the waste in this agency.

Mr. ADAIR. Mr. Speaker, I certainly agree with all the statements made by the gentleman from Wisconsin.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. ADAIR. I yield to the distinguished gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman.

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. Mr. Speaker, as a conferee on the foreign aid authorization bill I should like to congratulate the chairman of our committee and the other House conferees on the substantial achievement which I believe this conference report represents. I am sure that all Members realize that we were engaged in discussion with the other body for almost exactly 2 months. The main argument which developed presented a deadlock which was resolved only a few days ago. This was on the two topics discussed on pages 25 and 26 of the conference report; namely, the advisability of a 2-year authorization and a special survey of the aid program.

The gentleman from Indiana [Mr. ADAIR] referred to the suggestion by the other body that there should be a 2-year program for foreign aid. All the House conferees felt strongly that this would be most inadvisable. You will see by the terms of the conference report that we have a 1-year program only. The conferees have also suggested that earnest consideration be given, should the administration next year ask for a longer authorization, to the possibility of extending it for more than 1 year.

I agree with the gentleman from Indiana that under present circumstances it would be most unwise to authorize the foreign aid program for more than 1 year. I should hope that in a few months from now the international situation would have improved so dramatically that we could consider a longer authorization, but I do not consider that likely. I should suppose, even if a recommendation along those lines were made, that it might be difficult to persuade the Members of the House that we should vote for a period longer than 12 months.

In conclusion, I would urge that the conference report be approved today.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Speaker, I appreciate the gentleman's yielding.

I should like to associate myself with his remarks and those of the gentleman from Iowa and the gentleman from Wisconsin [Mr. THOMSON]. I am glad that the report is not held in abeyance because of the two Houses being at loggerheads, but I am not enthusiastic about the final form of this conferees' report.

In view of the "funny thing that happened on the way to the United Nations" if I may paraphrase a popular play that is being produced in New York, unlike a "trip to the subway," the humor escapes me, in all deadly seriousness. I should hope that in any future studies that might be made or conferences that might be held, we will agree to leave the military assistance programs and the underwriting of the advisory groups out of the foreign aid giveaway authorization and put it where it properly belongs, and where it would have to be reviewed by

line item and considered as a part of the proper portion of the budget.

Mr. Speaker, I ask unanimous consent to extend my remarks on "A Funny Thing Happened on the Way to the U.N." at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

A FUNNY THING HAPPENED ON THE WAY  
 TO THE U.N.

Mr. HALL. Mr. Speaker, the other day a funny thing happened on the way to the United Nations, except unlike the trip to a subway the humor escapes me in dead seriousness.

Ambassador Arthur Goldberg, obviously following the dictates of the White House and the State Department, announced that we would no longer insist that other nations pay their fair share of U.N. peacekeeping assessments as required by article 19 of the U.N. Charter, and reaffirmed only a year ago by the World Court.

And so Mr. Speaker, we have come full circle. In the typical "consensus" manner so fashionable these days, the present leaders of this great Nation have simply decided that "If you can't lick um, join um."

And we have done just that. We have sold out our principles and its convictions; we have sold all of them and the free respected and responsible nations of the world—"down the river," on the basis that since we question our ability to win a crucial vote, we would simply "toss in the towel." What a tragic milestone in the conduct of American foreign policy. What a tragic heritage to leave to our children. What a tragic example to establish for history. What a tragic loss of backbone. What nostalgia patriots must have for old cries such as, "Millions for defense, but not one penny for tribute"; yet modern day patriots and freedom sleep.

Mr. Speaker, I would have been more impressed with the first action of our new Ambassador, if his announcement had been the result of a determination that we were on shaky legal ground and that in fact article 19 did not cover the case at hand. However, mistaken such an appraisal might have been, at least it would indicate that the United States was not "selling out" eternal principles.

But Ambassador Goldberg stated from one side of his mouth that we stand by our conviction that article 19 requires the payment of dues or the loss of the vote, and then proceeded to say from the other that we would abandon that principle so as not to "rock the boat." Who does he and "the establishment" think is being fooled?

Apparently the fear that drove us into headlong retreat was the possibility we might lose in a showdown vote. This is a new concept in American politics. Consider the possibility, for example, that no one will ever contest for a public office because a political pollster shows that the other fellow might win.

I would have been much prouder of my country if we had forced the question of payment of dues to a vote, albeit we might have lost. In fact, I believe such a course predicated on standing up for

principle would have been better for the future of the United Nations than the course of turn heel and run. In defeat we would have set an example that we would rather be right, than be a member of an illusive majority. We would have gained enduring respect based on responsible action we are wont to demand of others, instead of parlaying for already lost and always elusive "image." Those nations which voted with the Soviet Union would have to spend years explaining why a nation which avoids its responsibilities, should continue to have a voting voice in an international organization.

By our actions we have not strengthened the United Nations. We have made it infinitely weaker. We have stripped it of whatever little dignity it had left.

We have also betrayed the American taxpayer who relied on our soothing words of assurance given when this Congress passed a \$100 million United Nations bond issue. We have given the Kremlin a propaganda victory far greater than if we had stood our ground and lost. We have "welched" on a pledge and lost far more respect among our allies than we gained among our enemies.

In the wake of our retreat the UPI reports that the United States is now warning that it will take a closer look at our own U.N. assessments and reserve the right to reduce those which our national interest may require.

I cannot help but recall that 3 years ago, by a margin of 11 votes, this House defeated my amendment to the Foreign Aid bill to limit all our voluntary contributions to U.N. agencies to the 32-percent statutory limitation imposed on our contribution to the U.S. general budget. My colleagues will recall that we contribute over 40 percent of both the U.N. special fund and the U.N. technical assistance fund, over 65 percent to the U.N. Middle East refugee program, and as high as 100 percent to some other U.N. voluntary programs.

Many Communist and so-called neutralist nations are the beneficiaries of these programs in spite of their minimal contributions. It remains to be seen whether the State Department will follow through on our warning, or whether these are merely more empty words, such as those which previously declared we would fight for the principle of article 19.

Mr. Speaker, next month we will observe the first annual World Law Day. Yet, by our action last Monday, we have indicated that not law, but expediency guides our actions in the United Nations.

We have paid a high price for consensus and we have bought a poor substitute for principle. Our U.S. Supreme Court has blinded justice for the Nation in recent years in a power grab for legislating and regulating functions. Must our Nation in turn blind world justice in spite of its duly constituted Court?

Mr. MORGAN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

(Mr. CHAMBERLAIN asked and was given permission to revise and extend his remarks.)

Mr. CHAMBERLAIN. Mr. Speaker, as my colleagues know I have been greatly disturbed about the extent of free world shipping to North Vietnam for the past few weeks and months.

I take this occasion to call attention to pages 22 and 23 of the conference report which makes reference to this problem.

Now, Mr. Speaker, the original bill that was passed by the House had a prohibition which said that, "no funds authorized to be made available under this act may be used for assistance to any country which failed to take appropriate steps, not later than 60 days after the enactment of the bill, to prevent ships or aircraft under its registry from transporting equipment, materials, or commodities to or from North Vietnam."

The Senate bill had no such prohibition. So this was a matter that was considered in conference. I want the record to show clearly what has happened in conference to this prohibition. It has been watered down and it says now that "the President shall consider denying assistance" to these countries that are sending ships to North Vietnam.

Mr. Speaker, I say this "consideration" is not enough. That is what has been going on for the past few years and still our so-called friends are supplying the enemy. Here we have lost an opportunity for the Congress to have taken the initiative and done something about this national scandal.

In the report, the conferees lamented that the complete withdrawal of free world carriers to North Vietnam, even if it could be achieved, would have only a very limited effect upon the North Vietnam economy.

So, Mr. Speaker, our policy seems to be that if such trade has little effect, let them go ahead and trade. Or, in other words, if someone steals a few gold bricks from Fort Knox, just forget it. I do not see it that way. I say there is a moral issue involved here. The Congress should recognize it.

Then, Mr. Speaker, going to the top of page 23 of the report, it says that free world trade in North Vietnam is "only about 17 percent." I am not prepared to challenge that 17-percent figure today, but I will tell you that it is 17 percent too much and 17 percent more than the American people can understand.

The report goes on to say that "45 percent of North Vietnam's seaborne imports by volume" come from free world ships.

It is indeed shocking to think that 45 percent of their imports come from free world countries. But in this envelope I have in my hand, I have the classified information from the Department of Defense and the 45-percent figure mentioned in the report does not square with the secret facts. If any of my colleagues want to see the classified information, I shall be pleased to make it available, and I am sure your blood will boil just as mine is right now.

The report goes on to say that free world ships also carry 85 percent of North Vietnam's seaborne exports.

Can you imagine this—free world ships carrying 85 percent of North Vietnam's exports. What in the name

of freedom is happening here under this Capitol dome? How can we countenance such a thing? The report goes on to tell us that if this trade were stopped that Communist countries "could, in time, arrange it so that Communist-flag vessels and planes carried all the imports and exports Hanoi needed." So I say, let them do it; it is their job. It is their war. Why should we encourage our friends to help them?

Then, too, the report says that "most of the countries whose ships are still in the North Vietnam trade receive little or no assistance from the United States." It is just a few million dollars. I say there is a moral issue involved, and we should not give them anything.

Finally, we are told that "the managers on the part of the House accepted the argument that negotiations on this matter would be more effective if there was not a rigid requirement that aid be terminated," and that it would be best to just have the President "consider denying assistance" to these traitors to freedom.

So I say to you as we approve this conference report and bill today, you should be prepared as you go home and face your constituents to explain to them why we are asking them to finance both sides of this war—by giving aid to countries that are sending their ships and supplies to keep the North Vietnam economy going, and by asking them to pay as well the cost of fighting the war in South Vietnam.

Mr. MORGAN. Mr. Speaker, I yield such time as he may desire to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS. Mr. Speaker, I want to be among those who congratulate the chairman and the other members of the conference committee on the part of the House for standing firm on the 1-year authorization. The chairman never wavered. There was a great deal of pressure put on to get this thing settled and, as one member of the committee, I can report that nobody thought of wavering from the House position.

I want to say, however, I do disagree wholeheartedly with the statement made by the gentleman from Missouri that the military part of this bill should be taken away from the Committee on Foreign Affairs. He says it properly belongs at another place. I do not want that statement to stand unchallenged. This military assistance is involved in foreign aid, it is directly involved with foreign affairs. It was determined in the beginning by both Parliamentarians of both bodies that it belonged to the Committee on Foreign Affairs. That is where it is and, if I have anything to do with it, that is where it is going to stay. Once you get it over at the Pentagon nobody will know who is getting what. If there is any part of the bill that the Committee on Foreign Affairs does not give careful scrutiny to I would not know what it is, including the military assistance program.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Missouri.

Mr. HALL. I want the gentleman to know I disagree with him, of course, about whether it should be part of the foreign affairs authorization. I do not disagree with him in particular about getting it to the Pentagon. I rather believe he is right in that respect. I intentionally did not mention the committee, to which I thought it should be referred.

I wonder if the gentleman does not agree with me it is left in the jurisdiction of the Committee on Foreign Affairs, because (1) it is part of the "sweetener-technique" in order to get the Congress to go along with needed continued aid and (2) if we took it out we would not have much foreign aid left at the present time.

Mr. HAYS. I can say to the gentleman that there may be some validity to that position, but it is not the way I feel about it. I was in favor of cutting down on foreign aid appropriations and authorizations and I sometimes think we have given too much military aid to too many countries that could not use it effectively. I would not argue that with the gentleman. The argument I have and the position I take is that I believe it is within the jurisdiction of the Committee on Foreign Affairs and I am going to do everything I can to see that it stays there.

The SPEAKER. The gentleman from Ohio has consumed 3 minutes.

Mr. GALLAGHER. Mr. Speaker, I wish to express my warmest commendation and admiration for the way in which our esteemed chairman, "Doc" MORGAN, has led the fight to sustain the House position in the conference on the foreign aid bill.

Naturally, there always has to be some element of compromise when reconciling the Senate and House differences in any major legislation, but Dr. MORGAN has succeeded in preserving the House position on all the principal features of the bill, particularly on the question of the 1-year authorization.

The conference agreement was reached only after 14 meetings during the past 2 months, and is a tribute to the indomitable patience and the wealth of knowledge exhibited by Chairman MORGAN. "Doc" MORGAN and his fellow conferees, both Democratic and Republican, deserve our congratulations for a difficult task well done. The end result of their labors merits our fullest support. I urge that there is wide support for this conference report and I hope it passes by an overwhelming majority.

Perhaps it is a time, too, to have the record include the fact that "Doc" MORGAN is one of the great unsung heroes of not only the foreign aid program but of U.S. foreign policy as well. He is an unassuming man and avoids the spotlight whenever he can. But those who know him well are fully aware of the great role he plays behind the scenes in practically every foreign policy step America takes.

He has rendered great service to the United States, to our national interest, and to our national security. I am sure my colleagues will join me in hoping he continues to do so for a long time in the years ahead.

Mr. MORGAN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on agreeing to the conference report.

The question was taken.

Mr. ADAIR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 244, nays 150, not voting 40, as follows:

[Roll No. 242]

YEAS—244

Adams	Garmatz	Mills
Addabbo	Gianno	Mitch
Albert	Gibbons	Mink
Anderson, Tenn.	Gilbert	Monagan
Annunzio	Gilligan	Morgan
Ashley	Gonzalez	Morrison
Aspinall	Grabowski	Morse
Ayres	Gray	Morton
Baldwin	Green, Oreg.	Moss
Bandstra	Green, Pa.	Multer
Barrett	Greig	Murphy, Ill.
Bates	Grider	Murphy, N.Y.
Beckworth	Grimm	Natcher
Bell	Griffiths	Nedzi
Bingham	Hagen, Calif.	Nelsen
Boggs	Hallcock	Nix
Boland	Hamilton	O'Brien
Bolling	Hanley	O'Hara, Ill.
Bolton	Hanna	Olsen, Mont.
Brademas	Hansen, Iowa	Olson, Minn.
Brooks	Hansen, Wash.	O'Neill, Mass.
Broomfield	Hardy	Ottinger
Burke	Harris	Patman
Burton, Calif.	Hathaway	Patten
Byrne, Pa.	Hawkins	Pepper
Callan	Hays	Perkins
Cameron	Hébert	Phillips
Celler	Hechler	Pickle
Clark	Helstoski	Pike
Cleveland	Herlong	Pirnie
Clevenger	Hicks	Price
Cohen	Hollifield	Pucinski
Conable	Holland	Purcell
Conte	Horton	Quie
Conyers	Hosmer	Redlin
Coolley	Howard	Reid, N.Y.
Corbett	Huot	Resnick
Corman	Irwin	Reuss
Craley	Jacobs	Rhodes, Pa.
Culver	Joelson	Rivers, Alaska
Daddario	Johnson, Calif.	Roberts
Daniels	Jones, Ala.	Robison
Dawson	Karsten	Rodino
Delaney	Karh	Rogers, Colo.
Dent	Kastenmeier	Ronan
Denton	Kee	Rooney, N.Y.
Diggs	Keith	Rooney, Pa.
Dingell	Kelly	Roosevelt
Donohue	Keogh	Rosenthal
Dow	King, Calif.	St Germain
Downing	King, Utah	St. Onge
Dulski	Kirwan	Scheuer
Duncan, Oreg.	Kluczynski	Schisler
Dwyer	Krebs	Schmidhauser
Dyal	Kunkel	Schweiker
Edmondson	Landrum	Seldén
Edwards, Calif.	Leggett	Senner
E. a. s. Colo.	Long, Md.	Sickles
Everett	Love	Sisk
Evins, Tenn.	McCarthy	Slack
Fallon	McDade	Smith, Iowa
Farnstein	McDowell	Smith, N.Y.
Farnsley	McFall	Springer
Farnum	McGrath	Staggers
Fascell	McVicker	Stalbaum
Felghan	MacGregor	Stratton
Flood	Machen	Stubblefield
Foley	Mackay	Sullivan
Ford	Mackie	Swaney
William D. Fraser	Madden	Teague, Calif.
Frelinghuysen	Mahon	Tenzer
Friedel	Mailliard	Thompson, N.J.
Fulton, Pa.	Mathias	Thompson, Tex.
Gallagher	Matsunaga	Todd
	Meeds	Trimble



August 19, 1965

## CONGRESSIONAL RECORD — HOUSE

20233

Tunney	Watts	Wylder
Tupper	Weltner	Yates
Udall	Whalley	Young
Ullman	White, Idaho	Zablocki
Van Deerin	Widnall	
Vanik	Wilson,	
Vigorito	Charles H.	
Vivian	Wolff	

## NAYS—150

Abbitt	Erlenborn	Mosher
Abernethy	Findley	Murray
Adair	Fino	O'Konski
Anderson, Ill.	Fisher	O'Neal, Ga.
Andrews,	Flynt	Passman
Glenn	Fountain	Pelly
Andrews,	Gathings	Poage
N. Dak.	Gettys	Poff
Ashbrook	Goodell	Pool
Ashmore	Gross	Quillen
Baring	Grover	Race
Battin	Gubser	Randall
Belcher	Gurney	Reid, Ill.
Bennett	Hagan, Ga.	Reifel
Berry	Haley	Rhodes, Ariz.
Betts	Hall	Rivers, S.C.
Bow	Hansen, Idaho	Rogers, Fla.
Bray	Harsha	Rogers, Tex.
Broyhill, N.C.	Harvey, Ind.	Roncallo
Broyhill, Va.	Harvey, Mich.	Roudebush
Buchanan	Henderson	Roush
Burleson	Hull	Rumsfeld
Burton, Utah	Hungate	Satterfield
Byrnes, Wis.	Hutchinson	Saylor
Callaway	Ichord	Schneebeli
Casey	Jarman	Secrest
Cederberg	Jennings	Shipley
Chamberlain	Johnson, Okla.	Shriver
Chelf	Jonas	Skubitz
Clancy	Jones, Mo.	Smith, Calif.
Clausen,	Laird	Smith, Va.
Don H.	Langen	Stanton
Clawson, Del	Latta	Steed
Collier	Lennon	Stephens
Colmer	Lipscomb	Talcott
Cramer	Long, La.	Taylor
Cunningham	McClory	Teague, Tex.
Curtin	McCulloch	Thomson, Wis.
Dague	McEwen	Tuck
Davis, Ga.	McMillan	Tuten
Davis, Wis.	Marsh	Waggonner
de la Garza	Martin, Ala.	Walker, Miss.
Derwinski	Martin, Nebr.	Walker, N. Mex.
Devine	Matthews	Watkins
Dickinson	May	Watson
Dole	Michel	White, Tex.
Dorn	Minshall	Whitener
Dowdy	Mize	Whitten
Duncan, Tenn.	Moeller	Williams
Edwards, Ala.	Moore	Willis
Ellsworth	Morris	Wyatt

## NOT VOTING—40

Andrews,	Ford, Gerald R.	Reinecke
George W.	Fulton, Tenn.	Rostenkowski
Arends	Fuqua	Roybal
Blatnik	Halpern	Ryan
Bonner	Johnson, Pa.	Scott
Brock	King, N.Y.	Sikes
Brown, Calif.	Kornegay	Thomas
Brown, Ohio	Lindsay	Toll
Cabell	Macdonald	Utt
Cahill	Martin, Mass.	Wilson, Bob
Carey	Miller	Wright
Carter	Moorhead	Younger
Curtis	O'Hara, Mich.	
Fogarty	Powell	

So the conference report was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Fogarty for, with Mr. Sikes against.  
Mr. Gerald R. Ford for, with Mr. Kornegay against.  
Mr. Arends for, with Mr. Bonner against.  
Mr. Martin of Massachusetts for, with Mr. Scott against.  
Mr. Halpern for, with Mr. Fuqua against.  
Mr. Lindsay for, with Mr. Carter against.  
Mr. Miller for, with Mr. Younger against.  
Mr. Macdonald for, with Mr. George W. Andrews against.  
Mr. Thomas for, with Mr. Cabell against.  
Mr. Toll for, with Mr. Utt against.  
Mr. Brown of California for, with Mr. Brown of Ohio against.

Mr. Moorhead for, with Mr. Reinecke against.

Mr. Roybal for, with Mr. Johnson of Pennsylvania against.

Mr. Rostenkowski for, with Mr. King of New York against.

Mr. Blatnik for, with Mr. Bob Wilson against.

Mr. Carey for, with Mr. Brock against.

Mr. Powell for, with Mr. Curtis against.

Until further notice:

Mr. Fulton of Tennessee with Mr. Ryan.

Mr. Wright with Mr. O'Hara of Michigan.

Mr. WILLIS and Mr. McEWEN changed their vote from "yea" to "nay."

Mr. CONABLE changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND  
REMARKS

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on the conference report just agreed to.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## AMENDING PUBLIC HEALTH SERVICE ACT TO IMPROVE EDUCATIONAL QUALITY OF SCHOOLS OF MEDICINE, DENTISTRY, AND OSTEOPATHY

Mr. PEPPER, from the Committee on Rules, reported the following privileged resolution (H. Res. 535, Rept. No. 815), which was referred to the House Calendar and ordered to be printed:

H. RES. 535

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3141) to amend the Public Health Service Act to improve the educational quality of schools of medicine, dentistry, and osteopathy, to authorize grants under that Act to such schools for the awarding of scholarships to needy students, and to extend expiring provisions of that Act for student loans and for aid in construction of teaching facilities for students in such schools and schools for other health professions, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in

the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommmit with or without instructions.

DEPARTMENTS OF STATE, JUSTICE,  
AND COMMERCE, THE JUDICIARY,  
AND RELATED AGENCIES  
APPROPRIATION BILL, 1966

Mr. ROONEY of New York. Mr. Speaker, I call up the conference report on the bill (H.R. 8639) making appropriations for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of Aug. 18, 1965.)

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY of New York. Mr. Speaker, this bill (H.R. 8639) makes appropriations for the Departments of State, Justice, and Commerce, the judiciary and related agencies for the fiscal year ending June 30, 1966. It contains a total of \$2,057,597,150 in direct appropriations and also contains a total of \$3,898,400,000 for the Bureau of Public Roads which is derived from the highway trust fund.

The total amount agreed upon in conference is \$28,092,750 below the amount of the bill as it passed the House on June 1.

It is also \$117,612,550 below the total 1965 appropriations. However, there will no doubt be supplemental requests for fiscal year 1966 which might change this particular comparison.

The pending bill is \$114,338,450 below the total amount of the budget estimates.

I should point out that all unbudgeted weather services which had been added by the other body were deleted in conference.

Both the House and Senate versions of the bill carried an appropriation of \$100,000 as the total cost of the presentation of a statue of Abraham Lincoln to Mexico. The proposal submitted to the House committee was that this was to be a replica of the existing statue now in Lincoln Park, Chicago, and it was on this basis that funds were approved by the House committee. The Department of State is expected to adhere to that proposal and not to use taxpayers' dollars for any so-called original creations.

Mr. Speaker, the following table indicates the actions of the House-Senate conferees with regard to the various items contained in the pending bill:

Departments of State, Justice, and Commerce, the judiciary, and related agencies, 1966

Item	1965 appropriation	1966 budget estimate	Passed House	Passed Senate	Conference action	Conference action compared with—			
						1965 appropriation	1966 budget estimate	House	Senate
Department of State	\$384,848,000	\$405,210,000	\$388,202,000	\$390,125,000	\$389,602,000	+\$4,754,000	-\$15,608,000	+\$1,400,000	-\$523,000
Department of Justice	384,096,000	373,834,000	370,819,000	370,919,000	370,809,000	-14,127,000	-2,965,000	+50,000	-50,000
Department of Commerce	980,156,000	937,030,000	889,522,000	851,122,900	856,851,250	-123,304,750	-80,178,750	-32,670,750	+5,728,350
Bureau of Public Roads (highway trust fund)	(3,898,250,000)	(3,900,000,000)	(3,898,400,000)	(3,898,400,000)	(3,898,400,000)	(-150,000)	(-1,600,000)	-----	-----
The Judiciary	75,397,700	87,865,500	81,111,900	80,063,900	80,063,900	+5,296,200	-7,171,000	-418,000	-----
American Battle Monuments Commission	1,816,000	2,148,000	2,148,000	2,148,000	2,148,000	+332,000	-----	-----	-----
Commission on Civil Rights	1,280,000	1,720,000	1,500,000	1,500,000	1,500,000	+230,000	-220,000	-----	-----
Office of Education: Civil rights educational activities	8,000,000	8,000,000	4,000,000	5,000,000	5,000,000	-3,000,000	-3,000,000	+1,000,000	-----
Manpower Administration: Special study	100,000	-----	-----	-----	-----	-100,000	-----	-----	-----
Commission on International Rules of Judicial Procedure	25,000	200,000	-----	-----	-----	-25,000	-200,000	-----	-----
Equal Employment Opportunity Commission	2,250,000	2,300,000	(1)	2,750,000	2,750,000	+500,000	-450,000	+2,750,000	-----
Federal Maritime Commission	2,940,000	3,390,000	3,100,000	3,180,000	3,150,000	+204,000	-240,000	+50,000	-30,000
Foreign Claims Settlement Commission	1,714,000	1,950,000	1,915,000	1,915,000	1,915,000	+201,000	-35,000	-----	-----
Small Business Administration	152,484,000	157,315,000	157,065,000	157,065,000	157,065,000	+4,579,000	-250,000	-----	-----
Special representative for trade negotiations	554,000	567,000	556,000	556,000	556,000	-----	-11,000	-----	-----
Subversive Activities Control Board	440,000	480,000	480,000	480,000	480,000	+40,000	-----	-----	-----
Tariff Commission	3,345,000	3,505,000	3,400,000	3,400,000	3,400,000	+56,000	-105,000	-----	-----
U.S. Arms Control and Disarmament Agency	9,000,000	12,272,000	10,000,000	10,000,000	10,000,000	+1,000,000	-2,272,000	-----	-----
U.S. Information Agency	165,854,000	173,249,100	171,871,000	171,617,000	171,617,000	+5,763,000	-1,632,100	-254,000	-----
Total	2,175,209,700	2,171,935,600	2,085,689,900	2,082,471,800	2,087,597,150	-117,612,550	-114,338,450	-28,092,750	+5,125,350

1 Not considered in House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ROONEY of New York. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. The gentleman has answered the question I wanted to ask, to a degree that is, as to whether this was to be followed by supplemental appropriations.

Mr. ROONEY of New York. Well, I always like to be frank, I will say to the gentleman.

Mr. GROSS. I appreciate that.

Mr. ROONEY of New York. One might expect supplemental requests for appropriations.

Mr. GROSS. I will say to the gentleman, the chairman of one of the appropriation subcommittees stunned me a couple of days ago when he said there would be some \$2 billion—\$2 billion of supplemental appropriations in addition to the billions in the conference that he reported to the floor of the House.

I would hope the gentleman could assure the House there will not be anything in the nature of \$2 billion more being requested for the departments of State, Justice, and Commerce.

Mr. ROONEY of New York. Oh, I would be overwhelmed if any such thing as that happened.

Mr. GROSS. I, too, do not want to be overwhelmed again on this score.

Mr. ROONEY of New York. I hope to keep this \$114 million plus that we have saved the taxpayers on ice and I do not intend to let anybody without justification melt that ice.

Mr. GROSS. I compliment the gentleman on the savings that have been effected here, and I certainly hope that any supplemental appropriations, whatever they may be, will be held to the irreducible minimum.

Mr. ROONEY of New York. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVI:

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

INTERSTATE COMMERCE ACT AMENDMENTS

Mr. HARRIS. Mr. Speaker, I call up the conference report on the bill (H.R. 5401) to amend the Interstate Commerce Act so as to strengthen and improve the national transportation system, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of August 18, 1965.)

Mr. HARRIS (interrupting the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement of the managers may be dispensed with.

Mr. GROSS. Mr. Speaker, reserving the right to object, I trust the gentleman will take a little time to explain what this is all about.

Mr. HARRIS. It will be the purpose of the gentleman to do so. I thought this would save some time.

Mr. GROSS. I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, this bill, H.R. 5401, is the result of several years of work by both the Senate Committee on Commerce and the House Committee on Interstate and Foreign Commerce, to improve our transportation program.

It may be remembered that in the 87th Congress a bill having for its purpose most of the provisions included in this report was reported by the Senate committee and passed the Senate and came to the House.

It may be remembered also that in the 87th Congress the House Committee on Interstate and Foreign Commerce, after several months of study, hearings, and consideration, reported a transportation bill, but the bill did not clear the Rules Committee, in view of some controversial features in it. That bill did include some of the provisions included in this report, which is considered to be necessary to strengthen and improve the transportation program.

In this Congress the committee again took up the problem, and after extensive hearings and consideration the committee reported the bill, H.R. 5401, which was brought to the floor of the House and debated at considerable length, as Members will recall, and passed by an overwhelming vote, if not a unanimous vote.

The bill went to the other body with these provisions which had been considered by both branches of Congress heretofore. The Commerce Committee of the other body reported a bill having similar purposes to those of the House bill, and passed it.

There were four major differences between the House and Senate versions. The conferees have considered these differences. This is a unanimous conference report by the conferees of both the House and the Senate.

The four provisions in which there were differences, as between the House and Senate bills, I shall explain.

The first had to do with the jurisdiction of the Interstate Commerce Com-

America incessantly for the past several months, and these people are not occupied, so they are in a position to listen to it. If you tell people this story long enough, they will begin to believe it.

If you keep sowing the seeds of discontent, saying that the Liberty Bell never rang for the Negro, and that sort of thing, eventually Negroes will look upon the white population as their enemy, as the Black Muslims do.

In addition to all this, we had unseasonably warm weather with a high temperature and high humidity rate that carried on into the night.

The thing that sparked the rioting was an arrest. And the two men who were arrested pleaded guilty the next day.

Question. Negroes keep talking about police brutality.

Answer. This is a terribly vicious canard which is used to conceal Negro criminality, to try to prevent the Negro public image from reflecting the criminal activity in which some of the Negroes are engaged, to try and find someone else to blame for their crimes.

If the American people continue to buy this canard, they are going to lose their security. Our international enemies won't have to worry; we will defeat ourselves internally.

Question. Chief Parker, many people in Los Angeles apparently are now arming themselves with guns. Do you see danger in this?

Answer. Oh, there's been a couple of thousand guns purchased. But we've got 6 million people in this area. You can't blame some of these people for buying guns. They become terrified. And when a 16-year-old Negro boy is put on the television camera to say, "We're coming into the white areas," a lot of people get fearful that something may happen to them and their children. I don't blame them a bit.

But there is really no white backlash here. The white community has been perfectly willing to allow law-enforcement agencies to handle it. They stood back and let us do it.

[From U.S. News & World Report,  
Aug. 30, 1965]

#### TERROR IN LOS ANGELES: WHAT LIFE IS LIKE WHEN RACE WAR HITS A CITY

Terror such as few American cities have known gripped this sprawling metropolis of 2.7 million people.

Day after day, night after night, tension rose as Negro mobs ran wild.

Panic, feeding on fear that the race war would spread from Negro districts, infected some white neighborhoods.

It was as though the city were embroiled in full-fledged civil war. \* \* \* The sharp cracks of snipers' rifles, the rattle of machine-gun fire when troops opened fire on defiant marauders, the flames of blazing buildings, the acrid smell of smoke, the crash and tinkle of shattered glass, the incessant shriek of sirens tortured the nerves of Angelenos.

#### BOOM IN ARMS SALES

Thousands of whites armed themselves. The State attorney general's office reported that the sale of firearms in southern California more than doubled during the chaotic August 14-15 weekend—from a normal 860 to 2,038.

Said Roy Weatherly, a firearms dealer in South Gate, near the "black belt":

"We've been getting a conglomeration of all kinds of people here—doctors, lawyers, businessmen, motorcycle messengers—from the lowest to the highest. Some don't even know which shoulder to put a gun to, but they want a weapon to protect themselves."

Guns stolen by Negro looters from smashed pawnshops and sporting goods stores were estimated by police to number "in the thousands."

Racial incidents were reported in areas which never before had worried about trouble between Negroes and whites—Pasadena, Hol-

lywood, Van Nuys, San Fernando, Long Beach.

Traveling by auto on the Harbor Freeway, which slices through the Negro district, was like a trip through no man's land. Traffic on the usually congested freeway decreased sharply after reports that snipers were firing on motorists. The Negro "ghetto" community of Watts looked like a bombed-out town, with more than 200 buildings destroyed and more than 700 damaged.

Henry Talbot, district director of the National Urban League, said he believed that many merchants whose places of business were put to the torch would never return, even if they recovered their losses through insurance.

"This means that a large number of Negroes who earned their living in these stores will now be out of work," Mr. Talbot said.

Many movie theaters in white as well as Negro areas were closed. A number of tourists checked out of hotels and motels and fled the city. Performances of the Ringling Brothers Circus at the Sports Arena were canceled as the riots raged. A charity football game was postponed. Attendance at week-end baseball games between the Los Angeles Dodgers and the Pittsburgh Pirates—a "crucial" series for the Dodgers—was cut nearly in half.

The Griffith Park zoo was closed and extra guards were posted after telephoned threats that the zoo would be attacked and wild animals turned loose.

City officials reported resignations or transfer requests from some of the 5,000 personnel assigned to schools in the riot zone.

#### DOWNTOWN: A SLOWDOWN

Although the racial outbreaks were kept from boiling over into downtown Los Angeles, merchants there reported a big drop in business and a high rate of absenteeism among employees.

With more than 4,000 rioters arrested on charges ranging from theft to murder, court attendants estimated that riot cases would push scheduled divorce suits and other civil litigation off court calendars for from 30 to 60 days.

On August 17, when the 8 p.m. curfew that had been imposed in a 46-square-mile section of the city for five nights was lifted, shock, fright, and near-hysteria among whites began giving way to resentment.

Said a Protestant clergyman: "The racial hate among white people will take many years to erase."

Negroes, too, displayed resentment against Negro rioters. An armed Negro shopkeeper, defending his property, told an oncoming looter:

"You may be my brother, but you are going to be my dead brother."

*CIA/CIG (Fred) Dodd*  
SENATOR DODD'S STATEMENT ON  
HIS VOTE AGAINST THE FOREIGN  
ASSISTANCE ACT OF 1965

Mr. DODD. Mr. President, 2 days ago I voted against the 1965 foreign aid bill. I did so very reluctantly.

I did so with great regret that provisions essential to my support of the bill had been dropped by the House-Senate conference committee upon whose action we voted.

Throughout all my years in Congress, I have supported the principle of foreign aid.

I have supported the foreign aid program as an essential bulwark against Communist expansion.

I have supported the foreign aid program as a prudent and necessary program to give the peoples of war-torn and less-developed nations the tools to help

themselves to a better, happier, and more peaceful life.

Because I believe it is right, I have supported the foreign aid program, even when it was not popular to do so.

I have never before voted against a foreign aid bill.

And so I think it timely and necessary to speak to the Senate for a few minutes today to put in perspective the reasons I was compelled to oppose this year's bill and to express my concern for the future of the whole foreign aid program.

I voted against this year's bill because it does not contain provision for a review and revamping of our entire foreign aid program and because it does not contain the effective bar against aid to Indonesia and Egypt which the Senate version of this bill, which I strongly supported, contained.

Beginning with the Marshall plan nearly 20 years ago, the people of the United States embarked on a program of financial, technical, and military assistance of a scope and sacrifice unprecedented in the history of mankind.

Our purpose was to help the people of the free world ravaged by war to rebuild and to defend their nations.

But our foreign aid program did not end with the spectacularly successful rebuilding of a free Europe.

The changing nature of the Communist threat and our growing recognition that the hunger and despair of undeveloped nations breeds the seeds of war have led us to continue the foreign aid program, on a gradually decreasing scale, ever since.

However, in recent years, many of us in Congress, and many students of our foreign aid policy both in and out of Government, have been deeply concerned that after 20 years in a rapidly changing world, the focus, effectiveness, scope, and administration of our foreign aid program need close and searching scrutiny to determine their future form.

Furthermore, we have been concerned that this kind of effective review is impossible as long as we have to continue to be bogged down every year in the business of annually revising the foreign aid bill itself.

I know of no responsible person who contends that our foreign aid program should be abandoned.

But the necessity for a thorough and imaginative review and revision of our foreign aid effort has been accepted by nearly everyone.

No one will deny that there has been waste during the 20 years we have carried on foreign aid.

No one will deny that some projects which should have been undertaken were disregarded, while others of dubious wisdom, at least in retrospect, were attempted.

Moreover, in recent years we have had a growing controversy in Congress itself about the total amount of aid needed, the number of countries which ought to receive it, and the projects and programs for which aid money should be spent.

Indeed, the chairman of the Foreign Relations Committee at first refused this year to floor manage the foreign aid bill unless its military and economic aid

authorizations were considered separately.

In answer to these criticisms and concerns, this year's version of the foreign aid bill provided for a complete and thorough study and review of our entire foreign aid program.

That study was to concentrate on the purposes, policies, and programs we ought to be pursuing through foreign aid. That study was to focus upon the administration of the foreign aid program and upon its future.

I supported the principle of the study and I supported many of the amendments on the floor of the Senate designed to strengthen the study and make it more effective.

I also supported the principle, essential to the conduct of that study, that this year's foreign aid authorization depart from our traditional practice and run for 2 years so that we would have the time needed to present the American people with a new, more effective, and more efficient foreign aid program for the future.

However, all the effort put into formulating the requirements in the Senate bill for that study were eliminated by the House-Senate conference on the foreign aid bill.

That conference not only dropped the requirement for a study but also even dropped the principle of a 2-year foreign aid authorization and thus made any meaningful review of the program by the Congress impractical and unlikely.

Because I consider a thorough study of our foreign aid program to be absolutely essential to the continued confidence of the American people in their foreign aid program and to the effectiveness of that program, I opposed the conference version of the bill, and I voted against it.

I will make every effort to see that this study is undertaken next year.

I will continue to do my best to see that Congress fulfills its obligation in the field of foreign relations by formulating an intelligent foreign aid program which meets the real needs of the real world to promote peace and to bring at least a measure of the blessings of modern life to all the free world's people.

The second reason I had to vote against this year's foreign aid bill was that the conference version of the bill deleted the Senate-passed provision which would have denied the Nasser government of Egypt and the Sukarno government of Indonesia foreign aid from the United States as long as those tyrants continue their aggression against their neighbors.

I need not recall here at any length the constant history of aggression by Indonesia against its neighbor Malaysia.

I need not remind you of Egypt's aggression against its neighbors in Yemen and Israel and Egypt's support of revolution against the legitimate governments of many newly independent nations in Africa.

Sukarno has vowed to crush Malaysia. Nasser has vowed to eradicate the nation of Israel.

Both of these tinhorn Hitlers have told the United States to "go to hell" with our aid.

Yet year after year Congress has failed to provide an effective bar against aid to these destroyers of the peace.

Year after year such aid has been provided.

This year the Senate vote 173 to 13 for a strong and explicit provision in the foreign aid bill that no aid could be supplied to either Egypt or Indonesia as long as the President determines that they are continuing their aggression against their neighbors. I considered this language to provide for the first time a truly effective bar against aid to these two predators.

I am aware that our aid to Indonesia has finally ceased.

But the provisions in existing law to bar such aid in the future have proved ineffective in the past and will almost certainly prove ineffective in the future.

And aid to Egypt continues.

I consider it a matter of highest principle that the Congress of the United States should go on record against our Government going hat in hand to the tyrants in Egypt and Indonesia to ask them to take our aid which then frees other assets for those countries to use in making war.

Yet this provision against aid to Egypt and Indonesia as long as they are aggressors was dropped in the conference version of the foreign aid bill.

And so I voted against that bill.

I regret that I should have to cast my first vote against a foreign aid bill in this year which opened upon such a note of promise for review and revision at long last of our entire foreign aid program.

But that review and revision were scuttled. And so was our declaration of principle against the aggression of Sukarno and Nasser. In these circumstances I had no choice but to vote against the bill.

#### THE DIVERGENT POLICIES OF THE UNITED STATES AND FRANCE

Mr. CASE. Mr. President, most of what has been published in recent months on the divergent policies of the United States and France has focused on the personality and—some might say—the idiosyncracies of France's President, Gen. Charles de Gaulle.

Frequent reference has been made to the fact that, during World War II, relations between General de Gaulle and President Roosevelt were strained at best, and that this friction has largely conditioned the present course of French foreign policy.

The exact nature of those wartime relations and strains has received only cursory attention in the press, however. It is for that reason that I draw the Senate's attention to a series of articles by Paul Martin, chief of the Washington bureau of the Gannett News Service, which appeared recently in the Camden, N.J., Courier-Post.

Using official documents and other reputable sources, Mr. Martin has drawn together the major elements of this wartime legacy of conflicting personalities and purposes. His articles furnish a valuable perspective that should be of interest to all Americans concerned about our relations with France.

I ask unanimous consent that, notwithstanding the cost, which the Public Printer has estimated at \$318.50, these articles be printed in the Record.

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

#### THE DE GAULLE STORY: WHY FRENCH PRESIDENT DISLIKES ANGLO-SAXONS

(By Paul Martin)

(NOTE.—This is the first installment of a five-part series telling the heretofore untold story of why President de Gaulle of France dislikes the British and Americans; it all goes back to turbulent dealings with Roosevelt and Churchill in World War II. There is a seeming disposition on the part of De Gaulle to make the Western Allies pay today for injuries real or imagined which he suffered during the war. This attitude is threatening to break up NATO, the Atlantic Alliance, the Common Market, and many other institutions of European unity which U.S. diplomacy has sought so hard to create in the postwar era.)

WASHINGTON.—President Charles de Gaulle's antipathy for the Anglo-Saxons goes back to his wartime relations with President Roosevelt and Prime Minister Churchill.

This story is not well known to the American public, but it was familiar in varying degree to the soldiers and diplomats who served in World War II, including De Gaulle.

The documentation is contained in many secret papers which have now been declassified and released by the State Department in its series of foreign relations volumes.

Here is what the record shows:

A clash of strong personalities developed after American troops under Gen. Dwight D. Eisenhower landed in French North Africa November 8, 1942, to help clear the Mediterranean of Axis forces preparatory to the invasions of Italy and Southern France.

Since 1940 when Churchill proclaimed an "indissoluble union" between England and France, the British had recognized De Gaulle as head of a French Government-in-exile in London which the British supported financially.

The United States continued to maintain diplomatic relations with the Vichy regime of Marshal Petain, 86-year-old hero of Verdun, who believed that preservation of traditional friendship between the United States and France was the best course for his country.

As a result of successful wartime intrigue, the Americans were able to obtain at the critical moment a directive to French North African troops to cease their resistance to the American landings, and the immobilization of the French war fleet tied up at Toulon.

Eisenhower brought Gen. Henri Giraud, a respected senior officer of the French general staff, secretly by submarine to become French high commissioner in North Africa in command of all French military forces in the region, more than 70 percent of whom were Arab natives.

De Gaulle in London, who had not been informed in advance of the U.S. invasion, set out to gain political control. He took the position that he was the rightful leader of the French Republic and the French Empire, and that he should be dealt with by the Allies on a basis of sovereignty and equality.

Roosevelt held that the French people could choose their own leaders and Government after the war was over. In the meantime, he said, "we can deal with local Frenchmen on a local basis wherever our armies occupy former French territory. And if these local officials won't play ball, we will have to replace them."

A conflict over De Gaulle's aspirations continued throughout the war. Roosevelt, who referred to De Gaulle as "the bride," fired off a barrage of stormy cables to Churchill during the North African cam-

of the Warroad River Watershed Project, which would aid in the drainage problem of our area.

We hope that immediate action can be taken to help restore the economy of this depressed area by putting in a new and effective farm program.

Sincerely,

JOHN R. HENEMAN,  
President.

STAHLER, GIBERSON & COLLINS,  
Morris, Minn., August 12, 1965.

To Whom It May Concern:

The economic plight of agriculture is obvious to anyone who resides in West Central Minnesota. The exodus by the farmer and the business and professional man who are dependent upon him, the abandoned farm buildings, the empty buildings up and down the main streets of the villages and cities, the paucity of building activity, and the defeatistic attitude of the many inhabitants of the area, are mute testimony to this great problem.

As a lawyer, I am in daily contact with these problems and, in that I prepare a considerable number of tax returns for farmer clients, I well know that for many years the prices that the farmer has received for food and fiber have diminished while the cost of production has risen to a point where there is a very little difference between the two. Under the present farm program, I fear that this condition will not improve and in fact will worsen.

Unless this unfortunate situation is changed and with great rapidity, West Central Minnesota will become a little Appalachia.

It would appear that this area's economic problem would be relieved to a great degree with the passage of the proposed omnibus farm bill—at least this would be a step in the right direction—and I would certainly urge that every effort be made so that this bill becomes law.

Yours truly,

DONALD R. GIBERSON.

LEWISVILLE, MINN.,  
August 14, 1965.

To Whom It May Concern:

As businessmen in a small town, we are concerned with the loss of farm families in our area and the economy of those remaining. Since this is a farm community, our businesses depend on the welfare of the farmer. Our ability to remain in business depends on their trade.

The recent trend for the younger people to leave the farm for work in larger cities is due to the low income the farmer is receiving. We feel it is greatly important that an effective farm program be established to meet their needs.

Not only are the young people of the farm leaving, but, because the future of small-town businesses are uncertain, our young people in our small town are also leaving for employment in larger cities. This situation is also disastrous to our businesses. Therefore, the existence of small towns depends on such a farm program which will effectively help small towns, as well as the farmers.

Sincerely,

Glen A. Davis, Glen's Appliance & Hardware; Henry Johnson, Mayor of Lewisville-Produce Owner; John Haycraft, Livestock Buyer; M. C. Bachman, Bachman's Restaurant; Delbert C. Wiedakop, Gamble Store Operator; Bernice Haycraft, Lewisville Spotlight News-Agriculture Enumerator for 1964.

Warren Denn, Lewisville Motor Co.; Ronald Johnson, President of Commercial Club and Grocer; G. O. Westumann, Creamery Manager; Leonard Hedation, Lewisville Farmers Elevator Manager; Lowell Flitter, Flitter's Machine Shop; Dean Haycraft, Former Privately Owned Grocer, Now Food Processing Employees.

SAUK CENTRE HERALD,  
Sauk Centre, Minn., August 12, 1965.

Senator EUGENE MCCARTHY,  
Senator WALTER F. MONDALE,  
Leaders of Agricultural Committees:

As editor of the Sauk Centre Herald, I come into close contact with farmers in this rural community, and with the businessmen in our city of approximately 4,000 population.

Farmer and city dweller alike are increasingly concerned over the price of farm products, and the inevitable unfavorable reflection on the businessman. The economy of areas like our own (and there must be hundreds of them much like the Sauk Centre community throughout the United States) is closely bound together between farmer and merchant. One cannot survive without the other.

We say honestly that we are very proud of our Main Street, as inhabitants of the rural areas almost always are.

That is why we are so distressed at the sight of vacant farm buildings that dot our pleasant fields, and at the blank store windows that face us in the small towns.

Rural America needs help. We are willing to help ourselves, and recognition of the problems we have is the first step toward solution.

I heartily endorse this fly-in, with the hope that progress will be made from these exchanges of information and ideas.

Sincerely,

ALLAN J. OGLE,  
Editor, the Sauk Centre Herald.

WINTHROP HATCHERY,  
Winthrop, Minn., August 15, 1965.

To Whom It May Concern:

For several years now, many farmers and business people in communities, such as ours, have written to our Senators and Congressmen in regard to the severe deterioration of the farm economy in our Midwestern States. Yet nothing of any value has been done.

It is a well-known fact that the strength of any nation lies in the productiveness of its lands—not only in mineral and timber, but also in the production of its farmlands. The mainstay of our economy has been the people who own and operate these lands. Large corporate farms will surely put our small farmers in the Midwest in a state of serfdom, a trend which seems to be condoned by not only many Senators, Congressmen, and agricultural experts, but also by our President. The thing that brought many a European nation to its knees was the fact that its government forgot the people that were the very backbone and strength of the nation; namely, the average-sized family farmers.

What would the large corporate farm operations do to the Midwest economy, or for that matter the national economy? They would—

(a) Deprive the Government of much needed taxation.

(b) Bankrupt thousands of small businesses.

(c) Take away the livelihood of many small farmers reducing them to virtual serfdom.

(d) Put many more on our overworked dole system.

(e) Cost millions of dollars to retrain these people for jobs in other fields, many of which are already overcrowded.

(f) Take away the very thing that has made this Nation strong—namely the independence and pride of a strong people.

Because of the fact that very little has been done to help the small farmer in the Midwest, the movement of corporate farming is coming closer and closer to reality.

Yes, it is high time something is done to help the economy of the small depressed midwest farmer. A vigorous program to bring farm prices up to parity and to restrict imports of commodities which our farmers produce in any sizable abundance, such as

beef, etc., is definitely needed. Also we should restrict making our knowledge available to other nations, who because of lower labor costs, can afford to export the products to this country in competition with the same product produced here by our own farmers.

Sincerely,

MAX E. WITT.

Mr. MONDALE. Mr. President, on August 16 through 18, the Minnesota Farmers Union flew in some 80 businessmen, farmers, cooperative managers, merchants—all at their own expense—to talk to Senators and Representatives about the farm programs and farm legislation.

Mr. Edwin Christianson, president of the Minnesota Farmers Union, brought with him over 150 letters from Minnesotans interested in strong and vigorous farm programs, but who were unable to travel to Washington to meet with their Congressmen. These letters represent a broad cross section of the community: farm machinery dealers, automobile dealers, truckers, foodstore managers, wives of farmers, farmers, bank presidents, school leaders, cooperatives, chambers of commerce, attorneys, and newspapermen. They are unanimous in pointing out that their livelihood, and the vitality of rural America—both on the farm and off—depends upon adequate farm income. They bear testimony to the fact that 38 percent of our Nation's work force is intimately connected with the production, handling, processing, and retailing of food and fiber products. They bear testimony to the fact that further decline in farm income will seriously affect this segment of the work force, and that our economy cannot afford such a blow.

Mr. President, I ask unanimous consent that the following letters, representative of all of them, be printed in the Record at this point. I wish that all of them could be read and printed, but I do not wish to delay the Senate unduly.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

C/CA/ETG  
FOREIGN ASSISTANCE ACT OF 1965  
CONFERENCE REPORT

Mr. MORSE. Mr. President, I ask unanimous consent that the conference report on the foreign aid bill be laid before the Senate.

Mr. FULBRIGHT. It was laid before the Senate yesterday.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state it.

Mr. MORSE. Mr. President, is the conference report on the foreign aid bill the unfinished business?

The PRESIDING OFFICER. The Senator is correct, but it would not come before the Senate automatically until 2 o'clock.

Mr. MORSE. Mr. President, I ask unanimous consent that the conference report be laid before the Senate now.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senate resumed the consideration of the report of the committee of con-

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ference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7750) to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, on the adoption of the conference report, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, in expressing my reasons for refusing to sign the conference report as a conferee, and in stating my urgings upon the Senate that the conference report be rejected, I wish to make a brief statement setting forth my appraisal of the parliamentary situation that confronts the Senate.

I believe it is well known in the Senate that I believe it is not in the interest of my country to continue foreign aid on the basis of its present format. I have taken that position for the past several years. I yield to no one in my support of the theory of foreign aid. I would yield to no one in trying to work out a foreign aid program that I would think would be in the best interests of my country.

Unfortunately, the conference report does not advance that cause but, in my judgment, sets it back, for reasons which I shall shortly explain.

I am also fully aware of the parliamentary situation that prevails in this debate. I do not care to participate in an exercise in futility.

There are some parliamentary proposals that I could make this afternoon, such as I made in committee. However, I am satisfied that the result would be the same in the Senate as they were in the committee.

I have tried in my 20 years in the Senate to cooperate with my colleagues in the Senate and face up to the parliamentary realities that confront me. Therefore, I shall make my major arguments in opposition to the conference report, but I do not intend to make any motions which are available to me to make. In making such motions, in my judgment, I would be engaged in an exercise of futility. I could make a motion to send the conference report back to conference with instructions, or a motion to send the conference report back to conference, urging that the Senate conferees give further consideration to a proposal I made in conference, that we urge the House to adopt a continuing resolution that would continue foreign aid on the basis of the authorization of last year.

Mr. President, we all know what the result of those motions would be. They would be overwhelmingly defeated in the Senate. I speak respectfully of my colleagues in the Senate. At the present time there is a combination of motivations in the Senate that assures the senior Senator from Oregon that due deliberation on such proposals would not be given in the Senate.

Most of my colleagues are anxious to adjourn sine die. I have already pointed out that I thoroughly oppose Congress adjourning sine die while American boys are dying in southeast Asia. I have pointed out many times in statements in the past 2 or 3 weeks in the Senate that

I believe that Congress ought to stay on the job as long as the war continues in southeast Asia to carry out a basic protection of the American people set forth in the Constitution—the function of Congress to constantly maintain a checking power upon the executive branch of the Government.

I cannot understand the point of view that I am satisfied prevails in Congress, that we should close up parliamentary shop, so to speak, go home, and leave the prosecution of an undeclared war to the President of the United States, the Secretary of State, and the Secretary of Defense, with no 24-hour check by the Congress of the United States, until such time as the President might decide to call us back in special session.

I have been heard many times here in the Senate in the expression of my view that there is a rapid trend in this country toward the development of a country by executive supremacy, thereby weakening and undermining and undercutting our system of three: coordinate and coequal branches of the Government, each branch constitutionally serving as a check on the other two.

That is the reality that confronts me. My voice will continue to be somewhat of a cry in a parliamentary wilderness, so far as Congress is concerned, but I never give up hoping that eventually the American people will come to a full realization of what such a procedure is doing to what I consider to be very precious constitutional rights of theirs in respect to the operation of our system of checks and balances.

Facing that reality, let this record be crystal clear that the senior Senator from Oregon is not going to offer any of the motions that he might offer—motions to send the conference report back to conference, or to urge the Senate to instruct its conferees to try to have a continuing resolution passed in conference.

I offered that resolution to the Senate conferees. It was defeated, 6 to 1, in conference. Therefore, nothing, it seems to me, could be gained by making a vote record here on the measure in the Senate. My statement makes the record. If I could get the slightest indication of any substantial support for such a motion, I would make it.

I do not propose to take up the time of the Senate in consideration of such a motion when each of us can take judicial notice as to what the result would be.

However, the American people are entitled to have Senators go on record by a rollcall vote of approval or disapproval of the conference report. I appreciate very much the cooperation of Senators and express my thanks to Senators who agreed to the rollcall vote for which I asked. In not so many minutes, that rollcall will result in every Senator standing up and being counted for history with respect to this conference report.

The conference report brought back by the Senate conferees is another retreat on the same foreign aid program that has produced little or nothing for American foreign policy in the last 5 years except stonings, burnings, and assaults on American property in many parts of the world. It is a victory only for those,

in both the Congress and the executive agencies, who prefer to wash congressional hands of control or responsibility over the program. It means another year of blank check to AID and the Departments of State and Defense to spend close to \$3.5 billion for whatever purposes they see fit.

Let me point out to the American people that the foreign aid bill which has been referred to by this administration as a "bare bones" bill is not a "bare bones" bill at all—\$3½ billion—in round numbers—is a great deal of money. When one talks to the senior Senator from Oregon about foreign aid, he must talk to him about all aspects of a foreign assistance program.

Let me point out to the American people in the State Department like to departmentalize foreign assistance, and how they like to keep different programs of foreign assistance in watertight compartments. But they cannot do it. So let the RECORD show that, in round numbers, our total foreign assistance is nearer \$7 billion, because we must take into account all the other programs and all of the other agencies that spend the American taxpayers' money in the field of foreign assistance.

I shall have something to say before I finish about the alibi of the State Department and the AID people that a part of that program involves loans. They were hurt in the annual debate on foreign aid in recent years in connection with giveaway or grant programs. The State Department and the AID people are masters in the use of semantics, and they use language to deceive the American taxpayers.

One of the characteristics of our foreign aid program is spelled out by the letters of the word "deception." The American people are constantly being fooled by the propaganda of the State Department and the AID officials in respect of the nature and content of foreign aid, because foreign aid is not what those in the State Department call it. Foreign aid encompasses all of our foreign assistance program.

I urge the American people to insist upon an analysis of the total foreign assistance program, which is in the neighborhood of \$7 billion, in spite of this administration's allegation about this bill being a "bare bones" bill.

In recent years, the Senate has reflected a deep discontent over the standards and objectives of the foreign aid program. We have said a lot about it; and we have adopted some amendments that explored the fringes of the jungle. But in the end, we have invariably yielded to the House, which reflects a more pure and unadulterated view from the seventh floor of the State Department than does even the Senate.

What the Senate conferees brought back to the Senate was a capitulation to the other body, meaning a capitulation to downtown. There is not a word or a sentence that holds the hope of any future changes for the better in the management or the objectives of foreign aid. As Senators know, the key issue in conference was the package amendments placed in the bill by the Senate Foreign Relations Committee. They called for

authorizing the program for 2 years, after which it would end in its present form and during which time a joint House-Senate committee would reconstruct new format for aid, including much of food for peace.

This arrangement provided the machinery for a congressional review, not another administrator review, of aid, but a congressional review of aid in all its manifestations.

Until this Congress assumes full responsibility for a review of aid, an adequate review of AID will never be accomplished.

If anyone believes that the State Department or the AID people are going to conduct a critical review of foreign aid, he could not be more mistaken. If people believe that, they are highly gullible, because we have had the oft repeated promise from the State Department and the AID personnel, year after year, that they intend to put their house in order.

As I said to the Secretary of State and Mr. Bell, the Director of AID, when they appeared before the Foreign Relations Committee not so many days ago, I remember an official spokesman for the administration coming to see me after my minority report last year—which I shall place in the RECORD later this afternoon—telling me that he found it very difficult to quarrel with many criticisms in that minority report, and suggesting a series of meetings with me, to be participated in by the State Department and AID representatives, before the administration submitted a foreign aid bill the next year, to see if we could not reach an understanding on the necessary modifications that would remove some of my criticisms, which he admitted were sound.

As I said to the Secretary, Mr. Rusk, and Mr. Bell, the other day, I took the position that I was not going to meet with them alone, but I would be glad to meet with them if all members of the Foreign Relations Committee were invited to attend the meeting; that I highly approved of such an approach to the foreign aid program. It was satisfactory to them. No such sessions were ever called. I continue to stand willing and able to participate in such conferences. All I can say is that I hope between now and next year such conferences may be held. But such conferences do not replace the primary responsibility of the Congress to conduct a thorough investigation of foreign aid and come forward with a foreign aid bill that removes the great abuse and waste that exist in the present foreign aid program.

I point out that the purpose of the joint committee, which the Foreign Relations Committee approved of, which I proposed, and which the chairman of the committee [Mr. FULBRIGHT] endorsed, and to whom I am greatly indebted for cooperation with respect to this proposal, was to consider the whole field of financial and military assistance programs abroad, to judge of unity of purpose or lack of unity, to consider whether our assistance was aimed at sound and reasonable objectives, and to establish what new guidelines for future

aid, including its administration, might seem desirable.

It became known in debate, covering a good many weeks' deliberation, as the Morse amendment. We coupled it with the Fulbright amendment. Although I do not believe in having an authorization bill beyond a year, I did admit, as a result of the discussions which we held in committee, that we could not very well have the program of analysis, study, and review which my amendment called for, in a year. It would take at least a year and a half, which would then put us in a position to put into proposed legislation the recommendations resulting from such a study.

The Morse amendment included a provision that all foreign aid, as we now call it, should come to an end at the beginning of fiscal year 1967, and that foreign aid would start anew, but on the basis of a different format. My amendment provided that instead of the large number of countries upon whose foreign aid programs we are throwing hundreds upon millions of dollars of American taxpayers' money, the number of countries would be reduced to 50.

Debate shows that I stated there was nothing magical about the number 50, that if the special committee which was to be set up under the Morse amendment found that the number should be less than 50, or more than 50, then whatever the number which could be supported would be substituted for the 50.

That was the program I offered. That was the program the Foreign Relations Committee unanimously accepted. That was the program adopted by the Senate and which went to conference. But we coupled with it the Fulbright proposal for a 2-year period for the study and drafting of a new foreign aid program. It was all thrown out the window, so to speak, in conference; and now we bring it back as a Foreign Relations Committee amendment to the Senate, with no aspect or element of the procedural reform features of the bill which went through the Senate. Not only that, but as I hope to show before I finish, we have worsened the situation.

The conference report entirely abandons the machinery of the Fulbright amendment and the Morse amendment, despite its unanimous approval this spring by the Senate Foreign Relations Committee.

In announcing the conference agreement, the Senator from Arkansas [Mr. FULBRIGHT] stated that the Senate conferees had abandoned the Senate's package amendments after placing reliance upon two factors. He said:

With respect to the 2-year authorization the Senate conferees receded on the basis of (1) the willingness of the House Members of the Committee of the Conference to urge their House colleagues next year to examine with the greatest care such proposals as may be submitted authorizing foreign aid programs for 2 or more years; and (2) the statement of the Secretary of State when he met with the Foreign Relations Committee on August 12, 1965, that next year the administration expects to request that the multi-year principle adopted by the Congress in 1961 and 1962 for development lending be extended to include all other authorizations

contained in the foreign aid bill to be proposed early in the next session of Congress.

I am hopeful—

The Senator from Arkansas continued—

that next year with the support of the Administration and with the agreement—

And I emphasize this—

of the House conferees to examine a longer term authorization with the greatest care that some headway may be made so we may get away from the dreary cycle of one-year aid programs.

Mr. President, I speak most respectfully. The Senate conferees did not get any agreement out of the House conferees. There is no agreement in that language. All Senators should have sat in on that conference and observed the wry smiles which crossed the faces of some of the House conferees. They gave us some language, but the language spells out no agreement whatsoever. There is no commitment from the House conferees in regard to any 2-year foreign aid program.

Let me say most kindly that it would have been better if the majority of the Senate conferees had not even used that language, because it misleads the American people.

I wish to spend a little time on it, Mr. President, because I wish to answer now the argument which will be made by many who will be misled by this language. I say to the American people that the Senate conferees brought back no agreement from the House conferees whatsoever in regard to any 2-year program for foreign aid beginning next year.

The language of the chairman of the Senate conferees shows that to be clear. I quote the Senator from Arkansas [Mr. FULBRIGHT]:

The Senate conferees receded on the basis of, one, the willingness of the House Members of the committee of the conference to urge their House colleagues next year to examine with the greatest care such proposals as may be submitted authorizing foreign aid programs for 2 or more years;

Mr. President, what does that commit them to?

The language is completely meaningless so far as any binding effects upon any House conferees is concerned.

Point No. 1, there is not a Senator or Representative who knows who the House conferees are going to be next year.

Point No. 2, what the House conferees said to the Senate conferees in effect was, "All right, you recede and we will tell you that next year we will examine your proposals with the greatest care."

That is not even as valuable as an infertile goose egg so far as having any value in connection with an agreement is concerned. They committed themselves to nothing.

I am sorry to say that what they did do, in the use of that language, was to give the Senate conferees what they thought was a face saver, but the Senate conferees have brought back no face saver, because neither the chairman nor any of my colleagues on the conference can show the Senate or the taxpayers of America what they did. I am now more interested in the taxpayers of America

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than I am in Members of this body, because only the taxpayers of America can give the answer to our foreign aid. They must give that answer, starting in the elections of 1966.

As I said in conference, and as I say today, to the voters of America, "You will get foreign aid cleaned up only when you clean up Congress at the voting booths in 1966 and 1968."

Mr. President, we have come to the point where, if we are to change foreign aid in this country and stop the shocking waste and corruption which the Comptroller General's reports show we shall have to make the politicians of America understand their duty in the voting booths. That is the only way we can ever stop this waste.

The Senate conferees brought back no agreement binding on the House. They gave us some language in which they said to us, in effect, with smiles on their faces, "You recede, and we will give you the assurance that we will give most serious consideration to your proposals next year."

I never thought that I would ever see a conference group come back to the Senate and advance such language as justification for receding from what the Senate passed when it passed the foreign aid bill.

The chairman of our Foreign Relations Committee said:

The second reason why the majority of the Senate conferees receded was the statement of the Secretary of State when he met with the Foreign Relations Committee on August 12, 1965, that next year the administration expects to request that the multiyear principle adopted by Congress in 1961 and 1962 for development lending be extended to include all other authorizations contained in the foreign aid bill to be proposed early in the next session of Congress.

Of what value is that? Up to the moment I speak we have had no assurance from the Secretary of State or from the Director of AID of any plan to correct abuses found in those files of critical reports on the administration of foreign aid around the world, compiled by the Comptroller General of the United States, who is an officer of Congress, and whose job it is to act as a watchdog the expenditure of taxpayers money appropriated by Congress.

Mr. President, the Senate conferees brought back no commitment from anyone—the House or the administration—that gives the American taxpayer any assurance that the maladministration of foreign aid around the world will be corrected.

Therefore, I say with deep regret that I am sorry that the conferees from the Senate receded and surrendered to meaningless semantics used by the House conferees and by the Secretary of State.

Clearly, the administration and the chairman of the Senate Foreign Relations Committee are agreed in their desire to see not only development lending, but all foreign aid, authorized on a long-term basis so that it will not come before Congress every year.

They want to get it away from us. They want to delegate to the executive branch of the Government more and more power for a longer period of time

in connection with the expenditure of taxpayers' money. That is another concrete example of what the senior Senator from Oregon has been warning the Senate about for years, namely, the divestiture of more and more congressional checking power.

American taxpayers have a right to have us take a look at the expenditures of foreign aid funds every year.

While the Senator from Missouri [Mr. SYMINGTON] is in the Chamber, let me say that I have worked shoulder to shoulder with him on various aspects of the foreign aid program, particularly in respect to dealing with foreign bodies, or so-called international monetary bodies on which the United States has representation but no control over even the expenditure of American taxpayer dollars. The American taxpayers put up most of the money, and no other country belonging to any of those international monetary bodies are even beginning to put up the money that the U.S. taxpayers put up. However, we give to those bodies, once we vest them with the power, control over expenditures of American taxpayer money. There is very little we can do then about how the money is spent.

I do not intend to support that kind of foreign assistance program. That is why I have been found to urge a complete overhaul of our foreign assistance program, to see to it that we exercise a greater control and check over the expenditure of taxpayer dollars.

The understanding that the chairman thinks he has, but which he does not have, assumes that the direction and the nature of the long-term program will be an executive creation and not a legislative one.

I am adamantly opposed to future foreign aid that operates the way it does now. Putting the present loose, slipshod, aimless, and pointless aid program into a multiyear authorization will only compound all its existing evils. It is bad enough now; but the administration is somewhat deterred by the knowledge that Congress is going to look at what it is doing every year. Remove that minor check, and the abuses and futility of the aid program will multiply rapidly.

About the only check we have left which causes any concern at the White House or the State Department or the AID administration is the fact that they at least must come to Congress to make a case once a year. If Members of the Senate had exercised the power that has been available to them, to check the White House and the State Department and the AID representatives in respect to the shocking abuse which the Comptroller General has brought out year after year, we would have cleaned up foreign aid years ago.

Foreign aid, adequately and properly administered, is the greatest weapon we have against the spread of communism. Let me make clear what I have said many times in committee and sometimes on the floor, that foreign aid as it is now administered makes Communists around the world. Foreign aid as it is now managed is one of the greatest allies the Communist forces of the world have. When foreign aid is administered in

such a manner as to support corruption in some of the underdeveloped areas of the world—and the Comptroller General has found that it does—when foreign aid is administered as it is in some parts of the world in support of fascist regimes, corrupt regimes, and military juntas, we join in building up communism.

I want a foreign aid program that is based upon the fundamental principle of exporting to underdeveloped areas of the world this unsurpassed system of ours, which we call economic freedom. When we make a people of a country economically free, they become politically free.

I shall always point with some satisfaction to the fact that my major effort in the field of foreign policy in the Senate has been in connection with the Alliance for Progress program, which originally came out of the Subcommittee on Latin American Affairs, of which I have the honor to be the chairman, at a time when the then Senator from Massachusetts, John Fitzgerald Kennedy, was a member of my subcommittee.

That is where the Alliance for Progress program was born. Those of us on the committee had nothing to do with the substance of it, but we made possible the procedure that resulted in the development of a series of studies which we authorized experts in Latin American universities and research foundations and recognized individuals who were authorities on Latin America to bring forth. That series of research studies on the problems of Latin America President Kennedy was able to take when he went to the White House as the format for the enunciation of the great program now attached to his name, known as the Alliance for Progress program.

What is the chief characteristic of the Alliance for Progress program? The exportation of economic freedom to the underdeveloped countries of Latin America. So long as we remain true to that objective, we shall make some progress against communism in the world.

But so long as we misuse foreign aid, so that we aid corrupt administrations, so that we support military juntas that use our military aid to stamp out freedom, we become causative, through foreign aid, of revolutions that play into the hands of communism. Mr. President, when we are long gone, and the history of our time is written, we shall find historians dealing us devastating historical blows, because of our failure to live up to our professed ideals as a democratic nation. We talk a good "game" about freedom, but we frequently fail to practice it abroad—as we have failed for years, in South Vietnam, to practice our ideals of freedom. When history is through with us, it will not be pleasant reading for future generations of American boys, if there is a United States left for anyone to read about, in the generations ahead.

The senior Senator from Oregon is pleading that we return to our ideals, and start practicing them, in the field of foreign aid, instead of following the shoddy and shocking practice of thinking that American money can buy support in corrupt regimes.



Corrupt men will not stay bought. Corrupt regimes will not stay bought.

Therefore, I am asking for a foreign aid program that will be sound because it will be administered on the basis of exporting into the underdeveloped areas of the world economic freedom. No one can ponder the reports of the Comptroller General of the United States and not appreciate the fact that the criticisms I have been making of the existing program are unanswerable.

The statement on behalf of the Senate conferees, though not on my behalf, because I did not sign the conference report, continues in this vein:

On the subject of the Senate's proposal to create a planning committee to examine the basic principles of foreign aid, the Senate receded on the basis of the following factors:

1. The statement of the Conferees of both House urging the President to inaugurate a review of the aid program as presently constituted, seeking to direct it more effectively toward the solution of the problems of the developing countries.

Mr. President, the Foreign Relations Committee has for several years given the Senate of the United States that language. Each year, in its report to the Senate, it admits that the foreign aid program needs to be overhauled, and it says to the President, "You ought to do something about about it." It says to the Secretary of State, the Director of AID, and the Secretary of Defense, "You ought to do something about it."

Then it dries its hands on a towel of lethargy, after a handwash, and does nothing itself. In the first place, it is the responsibility of the Foreign Relations Committee of the United States Senate, so far as this body is concerned, and the responsibility of the Senate of the United States itself, to clean up foreign aid, instead of, once a year, sending down to the administration a report which states that foreign aid is in bad shape, something ought to be done about it, and we strongly recommend that it be done before the Administration sends a bill to Congress next year.

That is not even a figurative slap on the wrist. Why should the administration pay any attention to such an admonition from the Senate? From experience, they have every reason to know that the Congress apparently will not do anything about it. That is why I said earlier to the voters of this country, "You must do something about it, unless you want to underwrite the shocking waste of hundreds of millions of dollars that has been going on every year since 1946."

Our total foreign assistance program since 1946 now amounts to more than \$111 billion. Not all of it is grant money. Some represents good, sound loans; and I am for more of them. But their totality is only a small fraction of the \$111 billion. For many years even the so-called loans were at three-quarters of 1 percent interest, with 10 years of grace when they did not have to pay anything, and then 40 to 50 years to repay. In American dollars? Not at all. In the cheap, worthless, soft currency of the underdeveloped country.

Mr. President, that spelled deception to me. That course misled the American taxpayer into thinking that the Congress

of the United States was protecting his interests by making a loan to some underdeveloped country, without even making clear to the American taxpayer that he had no more chance than a snowball in a hot oven of ever getting a dollar of it back in American money.

Billions of dollars in that category have been spent since 1946.

We have made a little progress—not much, but a little. We make dollar loans now instead of soft loans. We go the interest up a little. But even now, we are lending millions of dollars at interest rates less than the cost of the use of the money; which means that even from the standpoint of the interest rate, the American taxpayer is subsidizing foreign governments, and some of them are shocking governments.

Along with this concomitant, of course, are always the sleeper clauses, reserving to the President the authority to determine whether or not it is in the national interest to continue to give away millions of American taxpayers dollars, irrespective of whether or not we are dealing with a corruptionist in Egypt by the name of Nasser, or a corruptionist in Indonesia by the name of Sugarno, or a corruptionist in the Dominican Republic, or corruptionists in many other places in the world.

Mr. President, the present foreign aid program cannot be justified. Some people do not like to hear me talk about moral principles. There are even some who say that principles of morality have no place in foreign policy; that it is all right to justify anything desired to be done in foreign policy, irrespective of whether it is moral or immoral.

I have always repudiated that principle, and I shall always repudiate it. I believe that a government that is immoral, by the example set for its people will govern an immoral people.

There cannot be moral people in an immoral government. We ought to clean up the immoral aspect of foreign aid. We ought to clean up the immoral aspects of American foreign policy.

It is said that that is an argument of subjectivity, for each person has his code of morals. Of course, all of us have a common understanding of what is decent and right.

But no one can read these reports from the Comptroller General and conclude that a moral program is being followed in many phases of American foreign policy, including foreign aid.

So I shall continue to plead for a cleansing of American foreign aid so long as I sit in this body.

Continuing with the quotation from the report of the Senate conferees:

2. The statement of the Secretary of State on the occasion referred to above that, despite its opposition to the creation of the Foreign Aid Planning Committee and certain other related provisions, nevertheless, the administration recognizes the concern of this committee (the Senate Foreign Relations Committee) and the Senate about the future content and direction of the foreign aid program. The Secretary added: "We would be very pleased to assist in any way we could any studies undertaken by the two legislative committees. In addition, the executive branch, prompted by these congressional concerns, will conduct a special

study of the program, giving particular attention to the issues raised by this committee: the number of countries receiving assistance; the requirements for assistance and the prospects for achieving our objectives and terminating assistance; the contribution of other developed countries; and the appropriate relationships between bilateral and multilateral assistance."

Those were assurances, to use the word loosely, upon which the Senate conferees relied.

They are not assurances at all. That mumbo-jumbo has been repeated by the Secretary of State year after year, and by Secretaries of State who preceded the present one. Anything is suggested to avoid the cries for an investigation of foreign aid, such as that which was included in the Morse amendment. The Morse amendment was adopted by the Senate but was dropped in conference. That was how the fear arose. There was not the slightest idea that the Morse amendment had a chance of being adopted by the Senate. Some persons were shocked when it was adopted by the Committee on Foreign Relations.

In my 20 years in the Senate, I have seen lobbies at work, but I have never seen such a lobby at work as the State Department, the foreign aid people, the Defense Department, and the White House carry on in opposition to the Morse amendment to the foreign aid bill.

They knew that if the kind of planning committee called for by the Morse amendment for an investigation and examination of foreign aid were established, the report of that committee would be negative so far as many aspects of existing foreign aid are concerned.

The lobbyists won, but the people lost. The taxpayers are in for another fleecing. The lobbyists won, but good government suffered. The lobbyists won, but once again the Congress receded from its constitutional obligation to maintain its checking functions over the executive branch of Government.

Battles have been lost before in Congress. Some of the great issues before Congress throughout its history suffered defeat; and after defeat for many years, they finally won.

One has to have my confidence that eventually right will prevail in connection with foreign aid. Foreign aid will be cleaned up. Although the White House, the State Department, the Defense Department, and the AID administration think that once more they have won a great victory, I warn them that, in my judgment, through their victory they will learn that they have suffered a great defeat.

Once the people of this country understand what the evidence is against the administration of foreign aid, continuation of which is so strenuously urged by the Johnson administration, they will repudiate the program.

I do not believe that foreign aid of the type we know is needed should suffer the setback it receives in this conference report.

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

Mr. MORSE. I yield to the Senator from Kentucky.

Mr. COOPER. Does the Senator remember that in 1948, at the time of the enactment of the Marshall plan legislation, upon the insistence of Senator Vandenberg, a watchdog committee was established to watch the way in which that legislation was administered, according to the intent of the Congress?

Also, in that same year, as I recall, the House of Representatives appointed a special committee under the chairmanship of Christian Herter to perform the same function.

So there is precedent for the type of overseeing of foreign aid which the Senator is advocating.

Mr. MORSE. I appreciate the comment of the Senator from Kentucky. There is much precedent. Not only was there the commission to which the Senator from Kentucky refers, but in one respect the Hoover Commission, in connection with other administrative problems of the Federal Government, performed a function similar to that which the Morse amendment sought to accomplish in connection with foreign aid.

Mr. COOPER. I should like to speak of a similar committee which I thought would be proper to oversee a foreign aid program. The Senator knows that I have supported the foreign program, but I want it to be an effective program.

But as early as 1961, I said in the Senate that the foreign aid program would come under increasing attack, and properly so, and possibly die unless some organization was established to make a searching inquiry into its operations to determine if it was being used effectively.

In 1962 I proposed an amendment which was adopted by the Senate, but rejected by the House, asking that the President establish an independent committee which would report to Congress, as well as to the President, concerning the actual operations of the foreign aid program in each country which received our aid.

In December 1963 Congress adopted the amendment which I proposed, asking the President to establish an independent committee to make an examination of the foreign aid program in each recipient country, starting with 13 which, at that time, received more than half of the total volume of aid which Congress had provided.

The President established such a committee, this year, with very able membership. I understand that this committee will make an investigation of the program in a number of countries. It is my judgment that, no matter how many investigations and surveys are made of the program as a whole, we shall actually never know the effectiveness of the program until we know how it works in each country.

I assume that the Senator from Oregon holds the same view, because he has on his desk reports of the Comptroller General relating to specific countries. I know that the proposal which I made and which was adopted by the Congress is not exactly in line with that made by the Senator. The Senator's proposal would establish a committee of the Con-

gress. I support his suggestion, and hope that the Congress will adopt it. But I believe that the committee which has been established by the President ought to make a searching inquiry into the operation of foreign aid in each country receiving our aid.

Mr. MORSE. As the Senator from Kentucky knows, I supported his proposal. I would support it again. I was one of the cosponsors. However, I said then and repeat now that that would not relieve Congress from its basic responsibility to carry out its checking functions under our constitutional system.

The job of checking into the foreign aid administration is also a responsibility of Congress. That is why Congress ought to have an investigating or study committee to pursue what its own Comptroller General discovers. These reports are only spot-check surveys. They are not surveys in depth of all foreign aid. The Comptroller General merely warns us in these reports what to watch out for.

Congress has a duty to set up its own investigating committee with an adequate staff to oversee the expenditure of the taxpayers' money under the foreign aid program.

No personalities are involved. Under this system of government, as I used to teach my law students, "We are a government of laws and not of men. But law students should never forget that, although we are a government of laws and not of men, it is a government administered by mere men, with all their human frailties."

We cannot read the Comptroller General reports without seeing those human frailties come to the surface and defeat the objectives that Congress had in mind when it gave support to the various facets of foreign aid.

Mr. COOPER. Mr. President, for at least 11 years, perhaps 12, the United States has made available to the Government of South Vietnam a great volume of assistance and aid, not only military, but also economic aid.

I am commenting on past events, but I do so because my comments have application to the future. If there had been such an independent committee as that proposed by the Senator from Oregon, or the one which I have urged, and which, after 1954, and in succeeding years, had made a full examination of the AID program in South Vietnam, and had found that administrative and social reforms in South Vietnam were necessary—reforms which if the Government of South Vietnam had put them in force, might conceivably have been successful—the United States might have either avoided the situation in which we find ourselves today in Vietnam. We would have been in a position to insist that such reforms be undertaken; and if they were not undertaken and there were no hope of reform, we would have had grounds at that point to leave Vietnam.

This might have happened 4 or 5 years ago. This experience in the situation in Vietnam should lead us to avoid a similar situation in the future. We need

continuing review, supplied by an independent group to supply information to the Congress, whether the foreign aid program in specific countries is effective.

Mr. MORSE. Mr. President, I could not agree with the Senator from Kentucky more. It happens to be my view, too. In my opinion, if Congress had fulfilled its responsibilities of carrying out its checking duties under the Constitution in respect to foreign aid in South Vietnam, American boys would not be dying there at this hour.

I have no intention of letting Members of Congress cleanse themselves of their responsibilities in connection with the development of the undesirable features of the war in South Vietnam.

We cannot pass the buck to the executive branch of the Government. Congress has a responsibility in connection with what has developed in South Vietnam. We have known for years that a great deal of corruption existed throughout South Vietnam, and that much of it was related to our AID program, which now totals more than \$6.5 billion.

The House conferees throughout our meetings objected to the Morse amendment for a Joint Congressional Planning Committee on the ground that foreign aid has been studied to death. But the conferees on both sides were happy, in the end, to recommend another review of the program so long as it was done by the administration again and not by the Congress. It is interesting to note that in its report to the House, the House conferees state their objections to an overall limit on aid, as was adopted in the Senate. Said the House report:

The committees of the Congress as a result of their hearings on the program should be sufficiently informed as to the merits of the various segments of the program to exercise judgment as to the places where cuts are justified. To impose a reduction in the overall ceiling on the total authorization, leaving discretion as to where the cuts will be made, is an abdication of responsibility by the Congress.

Yet when it comes to reviewing the entire purpose and direction of foreign aid, the House conferees are most anxious to abdicate the responsibilities of the Congress and dump the whole matter once again in the lap of the administration. The review called for can be written right now because we all know that it is going to do nothing more than justify and explain existing practices and conditions.

Mr. President, I do not propose to be fooled by the semantics of the report.

The Senator from Alaska [Mr. GRUENING] has just arrived in the Chamber. He and I could go into the anteroom and, in 3 hours, write the report that the Secretary of State and AID will give next year, and there would not be any significant difference between our report and what they will give us. It will be a whitewash job. It will be another exercise in rationalization, trying to cover up the type of mistakes that are piled up on my desk and set out between the covers of the Comptroller General's reports.

Whom do they think they are fooling, Mr. President? They have been fooling

the American people, I regretfully admit. But they are not fooling Members of Congress. Congress knows better. It knows how bad the AID program is, but Congress will not assume its responsibility of cleaning up foreign aid. That is the sad fact, and that is why I had to say with great sadness in my heart that the only answer is at the voting booths of America. I say to the American people that the only answer is for them to write in little crosses on their ballots, because there is only one thing that most politicians understand, and that is ballot box votes. But if the taxpayers let them continue to waste their money by the hundreds of millions of dollars, I say to the voters that they have no one to blame but themselves.

All this conference language does is to go through another exercise of asking the administration to review itself. I say that that is the kind of review that is futile; and I submit it has been done to death. Nothing constructive will come out of a review by the AID administration, the Defense Department, the State Department, or the White House.

The one kind of review that is not futile, and that has not been done, is one wherein Congress not only makes the study but creates the guidelines it finds desirable as the framework for all future foreign aid.

The conference report is a classic example of what is wrong with foreign aid. The Congress is afraid of foreign aid. The Congress is afraid to exercise its legislative duties where foreign aid is concerned. It clutches at whatever straw is offered by any administration, and accepts any feeble language that will look like another review of the program, so long as it is done by somebody other than the Congress itself.

Nor did we hear anything from the Secretary of State that we have not heard before. Of course, State would be glad to cooperate with any study undertaken by the legislative branch, and they recognize the concern of the Foreign Relations Committee about the future content and direction of the foreign aid program. They have recognized our concern for a long time. They have told about it year after year, both in person and in our committee reports. But they are satisfied to have us "concerned" so long as we do not do anything about it.

The concern of the Department of State was with the provision of my amendment that announced that after July 1, 1967, all aid programs in their present form would terminate and would be renewed only under such terms as were fixed by our special planning committee. State, Defense, and AID do not care much what language we put into our committee reports and into our conference reports so long as the words are a substitute for action.

For another example of this, one need only look at what happened to the Senate amendment eliminating economic and military missions in countries where our aid program amounts to less than \$1 million a year. This amendment met one of the continuing objections of the Senate Foreign Relations Committee,

which is the proliferation of aid missions even where the programs are exceedingly small. The conferees agreed to language removing the criterion of a dollar amount and substitution of the old familiar words: "wherever practicable."

Mr. President, what administrative sins those two words cover up. How deceiving are those two words, "wherever practicable." They mean they can do anything they want to do. They mean the granting of unchecked power. They mean surrender to the arbitrary discretion of bureaucrats. They mean walking out on congressional responsibilities and duties.

It is catchy language. The person who does not take the time to study the details of foreign aid, the person who is completely unaware of the evidence that exists against the administration of foreign aid, can be fooled by the language "wherever practicable." It seems to be reasonable, commonsense language. But one must hitch that language to the power that it grants. It means that the officials do not have to follow any guide lines. It means that Congress gives to them discretionary authority. It means that Congress relinquishes its checking responsibility.

So, Mr. President, we say that a reduction of personnel overseas should be undertaken "wherever practicable, especially in the smaller programs."

Everyone is happy with that kind of compromise because it gives Congress some words and it leaves the decisions right where they were before—with the same executive officials who presumably thought it was practical to send those thousands of people into dozens and dozens of countries in the first place.

Mr. President, year after year for many years the Senate Foreign Relations Committee has pointed out to Mr. Bell, the Director of AID, that he is overstuffed in mission after mission abroad. Informant after informant comes back from abroad and advises those of us who serve on the Foreign Relations Committee that "we have so many people in AID missions abroad that they tumble over each other."

Here, we tried to eliminate missions. Note the guideline. We tried to eliminate missions where the aid programs amount to less than \$1 million a year.

We do not need to maintain a mission in those countries. We can provide for limited aid programs through the Embassies, without that overhead. Of course, if we did that, it would not provide for some nice, plush jobs.

The AID representatives have not scratched the surface of the problem of overstaffing. We do not have to go abroad to see that problem. Let me say to Mr. Bell that he could eliminate some of his lobbyists in connection with his AID program and make better representations to Congress than he does with the present number he maintains for lobbying purposes in Washington, D.C.

Mr. GRUENING. Mr. President, will the Senator from Oregon yield for a question?

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator

from Oregon yield to the Senator from Alaska?

Mr. MORSE. I yield.

Mr. GRUENING. Can the Senator inform me what happened to the Harris amendment, that excellent amendment which would deny aid to two of the most loathsome dictators who, for many years, have been receiving the benefit of our bounty, and whose every action has been contrary to every basic American principle? The amendment passed the Senate overwhelmingly.

Mr. MORSE. I will answer the Senator's question and then comment on it.

Some moments ago, I pointed out that the Senate conferees receded, surrendered, abdicated, threw in the sponge. They dropped the Harris amendment so far as its objectives were concerned.

Mr. GRUENING. That is a sad story.

Mr. MORSE. We are going ahead now with the presidential escape clause to leave it up to the President.

As every Senator knows, I do not believe in delegating to a President a congressional function. I do not believe in turning over to any President—and I am impersonal about it—a power and an authority which should be exercised by Congress.

The taxpayers of this country sent us to Washington to protect their funds. The Harris amendment sought to bring to an end the expenditure of taxpayers' money to support notorious international corruptionists in two countries. The amendment is entirely gone. The conference committee dropped it entirely.

Mr. GRUENING. It is a depressing spectacle to see the Senate—which, after all, has the constitutional duty to advise and consent on foreign affairs, despite the allegation that it is supposed to be solely a function of the Executive—year after year pointing out these flagrant abuses, but lading out vast sums of money to dictators who oppose every decent policy which we aim to promote. They preach aggression shamelessly, and also practice it and wage war on their peaceful neighbors who are associated with us. Nevertheless, our aid money—which is taxpayers' money—goes to these dictators almost without limit.

The Harris amendment is a reasonable amendment. It was an improvement over the amendment which had been in the bill for 1 or 2 years, which I sponsored and would merely require the President to declare that when countries stopped their aggression, aid could then be resumed to them.

It is depressing. No wonder the public is beginning to resent the foreign aid program. The American people are beginning to wonder how long these abuses are to continue, and how long in our foreign policy we shall continue to betray the principles we profess to proclaim as ours.

Mr. MORSE. The Senator from Alaska knows that I could not agree with him more. I wish the Record to show, because the Senator from Alaska is on the floor and the Senator from Oklahoma [Mr. HARRIS] is now in the chair, that I pay high commendation to both Senators.

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We remember, 2 years ago, and again last year, that the Senator from Alaska offered amendments, trying to bring to an end the expenditures, under the guise of foreign aid, of American taxpayers' dollars to support corruptionists.

His amendments suffered much the same fate as the amendment offered this year by the Senator from Oklahoma (Mr. HARRIS).

Interesting, is it not?

It is interesting that the Morse amendment was adopted in the Senate. The Senate also adopted the Harris amendment. There was general agreement as to the soundness of those amendments, but the Senate conferees surrendered in respect to those amendments.

I do not know how much harder we can fight to try to clean up the foreign aid bill, but I say to the Senator from Alaska, Do not give up hope, and do not stop fighting. We shall have to take them on again next year, and if necessary every year, until finally the American people, in sufficient numbers, wake up to the fact that they are being fleeced and hoodwinked by the shocking and wasteful program of foreign aid as it is now administered, when it should be made into a good program which would strengthen the cause of freedom around the world.

Oh, what a weapon we are throwing away.

We could do more good to strengthen the cause of freedom around the world by the exportation of economic freedom than we can ever do by the exportation of jet bombers.

Mr. GRUENING. Mr. President, will the Senator from Oregon yield further?

The PRESIDING OFFICER (Mr. TYDINGS in the chair). Does the Senator from Oregon yield to the Senator from Alaska?

Mr. MORSE. I yield.

Mr. GRUENING. I should like to ask the Senator, as a member of the Foreign Relations Committee, whether he has received any information from the State Department, during the briefings which are carried on before that committee from time to time, as to any efforts being made to secure compensation to their families from the Nasser government for the lives of the two pilots who flew the unarmed plane which was shot down?

Mr. MORSE. It is perfectly obvious that it should be treated by a U.S. Senator as a taboo subject. A Senator must not disrupt the political waters of the administration. That would be throwing stones, if he were to raise such a question. However, some Senators have raised such question. But we get no satisfactory answers from the administration.

Mr. GRUENING. Has the Senator any information as to any compensation, or act of contrition, or indication of any change of policy which has been forthcoming from Nasser?

Mr. MORSE. None.

Mr. GRUENING. As a result of the burning of the Kennedy Library?

Mr. MORSE. None.

Mr. GRUENING. Is there any provision in the current AID program to rebuild that library and restock it, and make it ready for the next burning?

Mr. MORSE. That will be done.

Mr. GRUENING. Has the Senator any information as to how much longer the war of aggression in Yemen, a war to which the United States is opposed, is to continue? Of course, the United States is opposed to any aggression, we are told.

Mr. MORSE. In Yemen.

Mr. GRUENING. We are fighting a large war in southeast Asia allegedly because we oppose aggression. Is the Senator aware of any corresponding efforts we have made to stop aggression by Nasser in Yemen?

Mr. MORSE. No.

Mr. GRUENING. Nasser has 50,000 troops there, and they will have been there next month for a period of 3 years, at an estimated cost of half a million dollars a day. Meanwhile our dollars are continuing to support Nasser.

Mr. MORSE. Nothing effective has been done. Thousands of people have been killed in the Yemen war. Today the press, as the Senator knows, carries stories to the effect that Nasser is going over to talk to King Faisal, but he cannot wash his bloody hands clean by any belated attempt to arrive at some kind of deal in regard to Yemen.

That is another war which should have been taken to the United Nations a long time ago, just as the undeclared and therefore unconstitutional war of the United States in southeast Asia should have been taken to the United Nations a long time ago.

Our contribution in regard to the United Nations authority under the charter is to send our new Ambassador to the Secretary General of the United Nations with a letter, in which we state that we are perfectly willing to get any help we can from the United Nations.

That is fooling the American people.

I listened to Rusk and Bundy and Goldberg on the CBS television program last night. I was shocked by the misinformation those three gentlemen gave to the American people on that program. Why do they not read to the American people the Geneva accords? Why do they not read to the American people the controlling section of the United Nations Charter? It is because Goldberg and Rusk and Bundy cannot read those sections and support the alibis and rationalizations they set forth in the telecast last night.

Goldberg should have been sent by the President of the United States to the Security Council of the United Nations with a letter or a formal resolution, laying the threat to the peace to the world in Asia before the Security Council.

What have we done? We have undermined and undercut and damaged the United Nations by walking out on our responsibilities as Senators.

In the first part of next week I shall answer the Ambassador to the United Nations in regard to the proposal he made before the Security Council in connection with article 17 and article 19.

What is the United States afraid of? Is it afraid of a vote against us in the General Assembly? Shame on this administration. Instead of forcing that vote we welcomed before the United Nations.

We surrendered.

We should have put Russia and France on the spot in respect to article 19 and article 17 of the United Nations Charter.

As the Senator from Alaska knows, the senior Senator from Oregon led the fight against the first rumblings of this shocking proposal last year, on the floor of the Senate, and Senator after Senator in the Senate stood up and supported the senior Senator from Oregon. They are remarkably silent today.

Let the new Ambassador to the United Nations do what I have suggested. The other day in the Foreign Relations Committee I stood all alone in opposition to his proposal. Senator after Senator on the Foreign Relations Committee said that the senior Senator from Oregon was correct as a matter of principle, but that my great fallacy was that I was not pragmatic.

That is their "out," that is their escape hatch, when they cannot answer me on principle; they say, "You are not pragmatic." When my country surrenders on principle, as Ambassador Goldberg surrendered on principle before the Security Council the other day, my country walks out on its ideals and will have to assume the responsibility of striking a body blow against the Charter of the United Nations.

What would the senior Senator from Oregon do? That is the question that is asked of me, and that is the question that is supposed to floor me. My answer is: Take a vote; exercise the procedures of the charter. We ought to find out how many members of the United Nations want to reject the advisory opinion of the World Court.

We talk about supporting the rule of law. I say to the Senator from Alaska that we have had a determination of what the rule of law is in regard to article XVII and article XIX of the charter. The World Court gave the United Nations an advisory opinion. Of course, it is only an advisory opinion. However, let us not forget that at that time a majority of the members of the United Nations supported it. Now we are told by the new Ambassador to the United Nations that we do not have a majority vote available.

We do not have a two-thirds majority, at least, and probably not even a majority, we are told. Why do we not find out? Why adopt a course of expediency? Following the rule of law is the same responsibility the Ambassador of the United States to the United Nations has that was his responsibility when he sat on the Supreme Court. There he did a magnificent job. I still think he was one of the greatest judges we have ever had. He is an Ambassador now, and feels that he must follow instructions. He does not sit as an independent judge. That is why I am so sad to find him in that position. We should have stood for our principles. We should have said we want to find out whether a majority of the United Nations, in respect to the operative facts of this particular issue, will follow the rule of law instead of adopting the course of expediency that the administration has adopted in regard to article XIX of the United Nations Charter.

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

Mr. MORSE. I yield.

Mr. HARRIS. I thank the distinguished Senator from Oregon for yielding to me. I intend to join him—and I hope there will be other Senators—in voting against the conference report on foreign aid. In doing so I am not rejecting the position of the Senate conferees and of the Senate. By voting against the conference report, I am voting to sustain the Senate.

By a vote of 73 to 13, as the distinguished Senator from Oregon knows, the Senate adopted my amendment prohibiting aid to Sukarno and Nasser "so long as they continue to commit aggression."

I appreciate the generous comments made by the distinguished Senator from Oregon and the distinguished Senator from Alaska [Mr. GRUENING] concerning my amendment. The conference report deletes the amendment.

I shall vote against the conference report because I am in favor of the Senate's position on it.

The Senate also had adopted a committee amendment to the bill which provided for a 2-year cutoff and a complete review and revamping of the entire foreign aid program. I was strongly in favor of this amendment. I still am. I shall vote against the conference report, which deletes that amendment from the bill.

There are portions of the bill I dislike opposing, but I cannot in good conscience vote for a bill in which virtually all the positions for the Senate have been lost.

Under the Constitution, the Senate has especial responsibility in the field of foreign relations. We cannot shirk that responsibility. We cannot pass the buck, so to speak, to the House. We cannot delegate that power to the executive department. As the bill does not, in my judgment, represent the proper constitutional acceptance of responsibility by the Senate, my vote will not help enact it into law.

I thank the Senator.

Mr. MORSE. Mr. President, I say to the Senator from Oklahoma, as he knows, that I completely agree with his observations and conclusions. I am proud to associate myself with him. I believe that, as the years go by, he and his descendants will be proud of the voting record that he will leave when he votes against the conference report. I congratulate him.

Before the comments by the Senator from Alaska and the Senator from Oklahoma, I had stated, in speaking about the compromise that the conference report represents, that everyone is happy with that kind of compromise because it gives Congress some words and it leaves the decisions where they were before—with the same executive officials who presumably thought it was practical to send thousands of people into dozens and dozens of countries in the first place.

In my judgment there should be a great reduction in the personnel in foreign aid. It is a gross understatement to say that in my judgment the person-

nel in foreign aid could be cut by 25 percent, and we would still have a better aid program after the cut was made.

But Congress has abdicated its powers and its authority in this instance again. We have reduced ourselves, through language of the kind that runs through this report, to an advisory board on foreign aid. We tell the agencies what we would like them to do, if they find it convenient and practical. But we are afraid to lay down a guideline even to the extent of saying that if an aid program does not run over \$1 million in a given country, then handle it through the regular embassy staff and do not create additional economic or military missions.

The Congress is afraid to do even that. It is why we are going nowhere in the effort to curtail the waste and abuses in the program uncovered by the General Accounting Office and reported so frequently in the press.

Of the amendment that was attached to this bill by the Foreign Relations Committee and accepted by the Senate, Senator FULBRIGHT had this to say in his statement:

I regret that the Senate conferees were not able to prevail upon their House counterparts to accept this year the provisions of the so-called Morse amendment. That amendment would immediately have inaugurated a much needed review of the program. It provided clear mandate as to the desirability of interrupting aid continuity in its present form. The series of basic principles set forth in that amendment went to the heart of the proliferation of country programs without tying these programs to principles by which we might have promoted a tightened definition of the national interest.

This amendment provided the opportunity for the Congress to establish a foreign aid program in which it and the country can have confidence. The loss of the Morse amendment means that the only kind of review the taxpayers can expect will be another executive review. They deserve more than that. They are entitled to have their elected representatives in Congress carry out the job we are here for, and that does not mean turning our duties and functions and responsibilities over to the executive branch.

By junking the Morse amendment, the conferees lost their opportunity to correct the conditions in the aid program which led the Comptroller General to call it the most wasteful civil program in the Federal Government. Senator CLARK engaged in a colloquy with Mr. Campbell, the Comptroller General, during the course of the hearings that brought out that startling testimony. Senator CLARK asked him:

I am wondering if you could give us your view as to whether the administration of this AID agency is any worse than the others you audit in terms of waste or inadequate handling of the money which is appropriated to this agency?

And the answer was:

As far as I know, let us put defense agencies aside, in the civil area, in which the economic assistance program would logically fall. I don't think that you can compare the problem of waste in other agencies with the problem in AID.

Senator CLARK. I am not quite sure I know what you mean when you say "you can't compare." Do you mean AID is so much worse?

Mr. CAMPBELL. I think the AID problem of waste is greater than it is in any other civil agency.

I repeat his answer. Mr. Campbell said:

I think the AID problem of waste is greater than it is in any other civil agency.

Continuing to read—

Senator CLARK. Do you mean any other civil agency that you audit?

Mr. CAMPBELL. We see them all, with the exception of a very few which are exempt from our surveillance.

Senator CLARK. How about USIA?

Mr. CAMPBELL. That would generally be comparable to the State Department's problem, as contrasted with AID's problem.

Senator CLARK. You would say, of course, there is an enormous State Department establishment overseas outside of AID. Would it be your opinion that the waste in AID would be substantially greater than the regular State Department activities?

Mr. CAMPBELL. I am not so sure. I think that from where I sit, the reports coming to me would indicate that the percentage of saving of waste is greater than it is in the State Department proper.

Senator CLARK. Well, they have more money to spend.

Mr. CAMPBELL. There would be more money to spend.

Senator CLARK. I am not trying to press you for an answer you are unwilling to give.

Mr. CAMPBELL. No, but—

Senator CLARK. This program has been in the doghouse of the Congress for goodness knows how long. It is awfully easy for individuals to whom the program is unpopular to talk in generalities about waste and inefficiency and ineffective personnel. I am asking for a specific answer to a question which may not be susceptible to a specific answer. In your opinion, is this an agency that is badly run and which Congress—

Mr. CAMPBELL. I am glad you said it that way, Senator, because we are talking about waste. You might also be talking about an agency that is well run and in which there could be substantial waste.

Senator CLARK. That is true.

Mr. CAMPBELL. Because by the nature of its activity—

Senator CLARK. And because of the individuals with whom they must deal; take the Philippine situation.

Mr. CAMPBELL (continuing). Waste is a fundamental part of it. It may well be. But I say that the AID program is in a class by itself with respect to prospect waste.

Senator CLARK. Is this not equally true of the defense program overseas?

Mr. STOVALL. —

Mr. Stovall, let the record show, is assistant to Mr. Campbell.

Mr. STOVALL. Except the defense purposes seem to be a little more definable.

Senator CASE. You mean not military assistance?

Senator CLARK. I am not talking about defense support. I am talking about the actual deployment of American troops overseas with all the attendant problems which that raises and which are not so very different from the problems which affect AID. I am seeking an answer from you as to whether you think the Defense Department and the military do a better job in eliminating waste and running an efficient shop than AID does. That is a value judgment.

Mr. CAMPBELL. In my judgment I would say the military does a better job.

Mr. President, the record is full of such negative findings by the Comptroller General of the United States. And who is he? He is our agent. He is our officer. His office was created by an act of Con-

gress to serve as the congressional watchdog of the expenditure of the taxpayers' funds.

According to our own Comptroller General, AID is not only the most wasteful civil program, but even more wasteful than our military programs. Yet Congress, in face of this testimony, still finds it possible to shove the whole subject under the rug for another year.

It is no wonder that Senator HICKENLOOPER was moved to point out the real reason behind the great public dissatisfaction with foreign aid. He commented to Mr. Campbell:

I see no reason whatsoever why administration, from the top of this Agency down, couldn't lay down very rigid specifications which require the holding to account of individual and local administrators of the program to see that they make sure—for instance, in this surplus property that is available that could be used rather than buying new property—that there is no surplus property in these depots or anything else that could be substituted already owned by the Government.

I have maintained for a long time that if people on the ground in a lot of these foreign countries have a Federal checkbook with any kind of leeway, or if they can get away with it, it is a lot easier to write a Federal check than it is to go out and do a little work and turn up substitutes or see that these countries do what they are supposed to do in return for the receipt of American aid and American property. It makes it very difficult for a great many of us, I am sure, who don't want to see the AID program completely eliminated, who believe it has a place and who believe there is a responsibility. But one has to be increasingly apologetic for this AID program because of these deficiencies that show up year after year and don't seem to be corrected. That is one of the reasons why on the floor of the Senate and over on the floor of the House the resistance to these aid programs is increasing. It is going to keep increasing if the administration of this program doesn't show more evidence of efficiency of results or a greater percentage of results for the money we put in. And it is going to have increasing difficulty.

I thoroughly agree with the Senator from Iowa. The Senator from Iowa has been making those comments for many years. A majority of the members of the Committee on Foreign Relations have been making similar comments, or at least issuing similar warnings, to the administration in the committee's annual report to the Senate on the foreign aid bill. My quarrel with my colleagues on the Committee on Foreign Relations is that they ought to stop passing the buck on this issue to the executive branch of the Government. They ought to conduct their own investigation through the committee, if they cannot have the type of commission that was contemplated in the Morse amendment included in the conference report.

AID is the worst of all Federal programs, including the military, and Congress has a responsibility to clean it up. I have on my desk reports from the Comptroller General setting forth many findings of inefficiency, waste, and causes of corruption around the world, resulting from our foreign aid program. The reports that are bordered in red have marked on them "Secret. Report to the Congress of the United States by the

Comptroller General of the United States." I have previously referred to these reports in my speeches in the Senate each year in opposition to the foreign aid program as it is presently administered.

I have not found a single one of the so-called "secret" documents that should be concealed from the American people. The taxpayers pay the bill for the items that are covered by these reports. I believe that in a democracy it is safer to disclose the public business than to conceal it. Every foreign country or government that participates in the American aid program ought to be taught that lesson of democracy. It ought to understand that in a democracy the legislators and the executive branch of the Government conduct the public's business in the public's interest, or are supposed to do so, with full public disclosure of their transactions. When a foreign country gets money from this country, it subjects itself to certain of our procedures—that ought to be our policy. It does not have to have Comptroller General investigators making these reports if it declines to participate in the AID program. But if it does participate, the findings of the Comptroller General should be public.

Someone may ask, "Do you not believe there are things that should be kept from the American people?" My response is that nothing should be kept from the American people that it is safe to give them from the standpoint of the security of our Republic; and there is nothing in these reports, in my judgment, that it would not be perfectly safe, from the standpoint of the security of our Republic, to give to the American people.

Let me emphasize that the Comptroller General has not asked for the label of secrecy. To the contrary, he has stated to the Committee on Foreign Relations that he is not responsible for the label of secrecy on these reports. That label is attached to them by the executive branch of the Government.

I shall not dwell on this subject at length today, although I have in the past, as Senators know, given full, lengthy speeches on the subject of this one precious safeguard of freedom and liberty of the American people that is being weakened more and more, year by year, as our Government develops a greater and greater trend toward Government by executive supremacy.

In my judgment, we cannot read the Comptroller General's reports and his testimony that aid is the most wasteful program in the Federal Government, and not recognize that foreign aid must be cleaned up. Sweeping reforms must be adopted if the public interest is to be protected. These reports and this testimony were submitted to the Foreign Relations Committee. It proposed a remedy that was approved by the Senate. But in conference the proposal was sacrificed entirely.

In the past, I have read some of the titles; but I do not know of a more powerful argument that I could make against the conference report and the failure of the Senate conferees to insist, if they had to sit until doomsday, on a conference report that would put into effect the ob-

jectives of the Fulbright amendment and the Morse amendment, than merely to read the titles of the Comptroller General's reports. No rule is breached, and no security protection is violated, by reading the titles of the reports. I may not open them to read the contents, but one has only to listen to the titles to have some understanding of the implications of the contents between the pages. I shall read for the RECORD, the titles of the reports from the Comptroller General:

Review of Payments Made by the United States for the Construction of Airfields in France.

One who reads the report learns of the shocking waste of taxpayers' money in connection with airfields in France. I can bear witness to some of the waste, because before I was placed on the Committee on Foreign Relations, I served on the Committee on Armed Services. When he was a Senator from Texas and chairman of a subcommittee of the Committee on Armed Services on which I had the privilege to serve with him, the present President of the United States said many times, both on the floor of the Senate and on public platforms, including some in my own State, that he and the Senator from Oregon never voted differently on a single issue before the famous Johnson subcommittee, which dealt with investigations of waste in connection with the military.

The President does not support waste. As chairman of that subcommittee, he made a notable record in trying to clean up waste in the military.

In my capacity as a member of that subcommittee, and at the request of the then Senator from Texas, now the President of the United States, I was sent by the subcommittee, together with the Senator from Louisiana [Mr. Long], the present whip of the Senate, to inspect American military installations and the installations of other countries that had been largely financed by American taxpayer dollars in Europe, the Middle East, and Turkey.

When we returned, we filed two reports. We were allowed to file a public report, which, I am sorry to say, dealt with generalities; but even the implications indicated that we had found some shocking examples of waste.

Then we filed with the Committee on Armed Services a secret report, which the chairman of the subcommittee, then a Senator from Texas, now the President of the United States, put to effective use, and about which I have heard him make favorable comment many times while he was serving in the Senate.

The first report that I happened to turn to refreshes my memory in regard to that trip to France. This report deals with a review of the payments made by the United States for the construction of airfields in France.

The French authorities wasted millions of dollars. They took us for an economic ride. The Senator from Louisiana [Mr. Long] and the senior Senator from Oregon stood, for example, on one airbase in France on which an American fighter plane had never been landed because it was not safe to land

an American fighter plane on that airfield. The airfield was poorly constructed, and the French Government insisted that the matter of construction should be left to their entire determination.

The Senator from Louisiana and the senior Senator from Oregon stood on that air base, and we walked great distances on that airbase, kicking out, with the toes of our shoes, stones as large as hen eggs. That is why American fighter planes could not be landed on that base. It was unusable as an airbase.

What did we do? We provided them with more money to resurface it to a much greater depth so that the base could be used. There was inexcusable waste.

That is why I came back not very enthusiastic about the administration of NATO in 1950 and 1961. I made some speeches expressing my dissatisfaction with the administration of NATO. I became dissatisfied with the administration of NATO. Although it was not controlling, it contributed to a decision which I made in 1952 when I exercised an honest independence of judgment and left the Republican Party because I could not give support to what I was satisfied had become a very unsound administration. And how right I was. How well I recognize the background of that report of the Comptroller General.

The next report of the Comptroller General which I picked up is marked "Confidential." It is subject to the same rules of privilege so far as concerns disclosure of the contents between the covers. However, it does not prevent my reading the title. The title is: "Review of the Utilization and Maintenance of Army Equipment Furnished Under the Military Assistance Program for Thailand." This report is dated August 1962. Senators can go to the committee room and read the report.

Mr. DODD. Mr. President, where can it be read?

Mr. MORSE. In the Foreign Relations Committee Room.

Mr. DODD. How long would it take to read the document? Suppose I were to go down and read these documents; how long would it take?

Mr. MORSE. Knowing the remarkable reading ability of the Senator from Connecticut, I am sure that he could read that report in 30 minutes.

Mr. DODD. Why can we not, as members of the Committee on Foreign Relations, be trusted to take confidential documents to our offices and read them after the Senate has adjourned?

I do it in other committees.

I handle many classified documents every day.

Why should we not be able to do that in this case?

Mr. MORSE. Mr. President, as the Senator knows, he and I are of one mind with regard to that committee rule of procedure.

We ought to be able to take them to our offices. If U.S. Senators cannot be trusted to take a secret document out of the committee room to their offices to read them, we have come to a pretty sorry pass in this system of representative government.

Who reads the documents downtown? Mr. DODD. I do not know.

Mr. MORSE. The documents are read by bureaucrats, staff members who never face the ballot, but they have access to top secrets of the Government. However, we cannot have a trusted administrative assistant help us. We have administrative assistants whom we would be willing to put to the same security test that any bureaucrat downtown has to take. These assistants are available to help us analyze the secret documents.

One of the many things wrong with us, in the Senate, is that we will not appropriate the money to supply ourselves with the assistance that we need to do the research job essential to protecting the public interest in carrying out our checking responsibility against the executive branch of the Government. We will not adopt the procedural rules that we ought to adopt so that we can do the job that the public thinks we are doing, but which our rules and policies and lack of staff prevent us from doing.

I have talked with many constituent groups. When they find out that we have a rule such as this and that we are so parsimonious that we will not supply ourselves with the research staff that we need to do the job, they reply, "That is not the kind of economy, if you want to call it economy, that we expect Senators to effectuate. We are not objecting to your appropriating enough money to protect the public interest."

The question of the Senator from Connecticut raises a question of great interest to me in regard to the procedures of the Senate. The Senator has put his finger on one of the shortcomings of the Senate.

Mr. DODD. Mr. President, I do not wish to interrupt the Senator further, but this is an important matter.

I have been criticized for not having read the minutes of some executive sessions. Most of them contain top secret information and information of a confidential nature which would require that I sit there for hours at a time when the Senate and the committees of the Senate are in session.

I do my reading, as I assume most Senators do, after the Senate session, almost every night. I cannot keep up with the work of three Senate committees and the chairmanship of two important subcommittees without doing this.

It is little enough to ask that the reports be made available so that Senators can read them after hours and thus keep up with this important information.

Mr. MORSE. I completely agree. There is not a Senator's administrative assistant that I would not be willing to trust with the reports of the Foreign Relations Committee. I do not know how they expect us to do our job unless we have at least that procedural latitude.

The next report is dated September 1963, and the title is "Ineffective Programming, Delivery, and Utilization of Aircraft and Related Equipment Furnished to the Portuguese Air Force Under the Military Assistance Program."

That tells us a great deal. But, if we read between the covers we learn much more. We cannot support a foreign aid

program which practices the waste that a report such as this brings out.

That is why this conference report should be defeated. It is not going to be, but it ought to be.

Let me read the next one: "Inadequate Administration of Military Budget Support Funds Provided to Pakistan Under the Foreign Assistance Program"—September 1963.

Let Senators read it and try to justify in their own consciences a vote for this conference report.

I read the next one. These are reports by our own watchdog, I say to Senators. These are reports by our own congressional officer. These are reports by one of the most dedicated and most able public servants that I have had the privilege of coming to know in my two decades of service in the Senate of the United States.

I do not intend to ignore the findings of the Comptroller General of the United States.

I noticed stories in the press today as to whether or not we should start filling up the funnel to Pakistan again, in spite of the fact that we equipped Pakistan and India with hundreds of millions of dollars of military aid, and put them in a position so they could threaten the peace of the world by a war between themselves, each side fully equipped with American military equipment.

Mr. President, that would be a nice problem of morality to be placed before an American university graduate seminar on philosophy. The sad part is that the United States would fail most graduate seminars in philosophy when it comes to passing judgment on the morality of our foreign policy in many of its aspects. We cannot possibly justify the American aid we have been giving Pakistan, India, Greece, and Turkey. But that question goes into the substantive issue of whether we ought to do it as a matter of public policy. I am raising at this time the question of the waste entailed in these programs.

Here is a report for July 1963, "Ineffective Maintenance and Utilization of Equipment Furnished to Iran Under the Military Assistance Program."

Next, one of July 1963, another report of "Inadequate Administration of Military Budget Support Funds Provided to Iran Under the Foreign Assistance Program."

Those are two different programs within the foreign aid program.

One of May 1963, "Ineffective Programming, Delivery, and Utilization of Aircraft and Related Equipment Furnished to the Portuguese Air Force under the Military Assistance Program."

May 1963, "Ineffective Programming, Delivery and Utilization of Aircraft and Related Equipment," also involving Portugal.

February 1963, "Review of License Fees Being Charged U.S. Government for the Right To Produce SS-11 Antitank Guided Missile Mutually Developed by France and United States."

We participated in a joint program, and then we have to buy a license fee. If they can find any way of weaseling

any more money out of us, they will weasel.

The next one, "Review of the Programming, Delivery and Utilization of Selected Missile System Equipment Delivered to European Countries Under the Military Assistance Program."

Another one involving waste in connection with the military program in France.

Another one, "Review of the Programming, Delivery and Utilization of Selected Missile System Equipment for delivery to European countries."

The next one, "Review of the Military Assistance Program for a Far East Country, Department of Defense, 1964."

The name of the country is not put on the title, so I cannot name it, but it represents more shocking waste.

Another one, "Review of Military Assistance Program for a Far East Country, Department of Defense."

Next, "Deficiencies in the Military Assistance Program for the Spanish Army, Department of Defense."

Next is a duplicate.

June 1964, "Deficiencies in the Administration of the Earthquake Reconstruction and Rehabilitation Program for Chile, Agency for International Development, Department of State."

Why should that be secret? Why should any of them be secret?

Next, "Review of the Military Assistance Program for Indonesia."

As the Senator from Alaska [Mr. GRUENING] and the Senator from Oklahoma [Mr. HARRIS] pointed out, Sukarno should not be getting any dollars. Every dollar we have been providing him has been wasteful in one sense, but it has been inexcusable from the standpoint of national interests.

The next one is a duplicate.

Next, "Furnishing of Military Assistance to Ethiopia in Excess of the Country's Ability to Effectively Utilize the Equipment," May 1964.

Next, "Furnishing of Military Assistance to Ethiopia."

Next, "Inefficient Utilization of Personnel To Administer the Military Assistance Program in Advanced Western European Countries," March 1964.

Another, March 1964, "Unnecessary or Premature Procurement of Sidewinder Missile Training System for Delivery to Foreign Countries Under the Military Assistance Program."

The next one is a duplicate.

Next, "Excessive Charges for Leased Telephone Services Incurred by U.S. Forces in Japan."

"Development, Procurement and Development of Unsatisfactory Missile System by Department of the Army."

"Inefficient Utilization of Personnel to Administer the Military Assistance Program in Advanced Western European Countries—March 1964."

"Review of Economic Assistance Provided to the Republic of the Philippines for Development Purposes—AID—Department of State."

When we read that, we run into documentation which shows the kind of waste in the Philippines of which the foreign aid program has been guilty.

Next, "Inadequate Planning, Programming and Contracting for a Fixed Communications System for the Government of Indonesia Under Military Assistance Program—April 1965."

"March 1965, Waste Funds and Construction Depot in Iran under the Military Assistance Program."

"February 1965, Unnecessary Dollar Grants to Iran under Foreign Assistance Program—AID—Department of State."

Next, "Reports on Review of Military Assistance Provided the Republic of the Philippines."

This is more evidence of waste in our program there.

Next, "February 1965, Ineffective and Overly Costly Aspect of Military and Economic Assistance Program to Thailand."

"Inadequate Consideration Given Utilizing Reserve Fleet Ships in Lieu of Providing New Ships to Iran"

The last of the secret reports which I have before me is entitled "Inadequate Consideration Given to Utilizing Reserve Fleet Ships."

Mr. President, these are not all the secret reports, but these are plenty, so far as secret documents are concerned, to support my premise that we should insist that foreign aid is cleaned up, and not pass the buck to the State Department, the Defense Department, the AID representatives, or the White House.

That is our job. We were elected to perform that job. We cannot shuffle it off on someone else. We should appoint our own investigating committee. We should provide it with funds for the employment of the necessary staff. It would be a drop in the bucket in comparison with the hundreds of millions of dollars which the reforms I am convinced could be brought about by such an investigation would save the American taxpayer.

Now we go into some of the reports of the Comptroller General, dealing with the economic features of foreign aid.

For the most part, I have stressed—although a couple of them marked "secret" got into economics—the reports on military aid.

Here is one for October 1962, entitled "Review of Administration and Utilization of U.S.-Owned Foreign Currencies in Selected Countries."

That brings up the soft currency issue which has been debated in the Senate for years.

Their banks are bulking with U.S.-owned soft currency. We cannot spend it, unless we get the consent of the government. We cannot even use it to pay service charges in some of these countries.

Although most of the members of the Foreign Relations Committee know about this, I wish to let the Senate in on a procedure which I worked out some years ago when I represented the Senate at the Interparliamentary Conference of the British Commonwealth of Nations in New Delhi, India.

At that time I noticed, as I went around, that in our consulates and Embassies our Ministers were short of

the necessary funds called—as all Senators know—representation funds.

When I reached Madras, India, I found that our council general there had used up his representation funds for some months and was paying out of his own pocket the necessary funds to some of his attachés, particularly his agricultural attaché, who needed money to perform his agricultural attaché work in the villages in that area in India.

The supreme court of that province in India wished to have a luncheon because of the presence of the American delegation. It was to be quite a state affair, but, of course, it would be paid for by our consul general, which he was willing to do.

As a Senator, I had the authority to draw on those funds owned by the United States, although they were Indian funds, and no one could stop me. Therefore, I requested the finance officer of the ministry to draw the funds in the amount necessary to pay for this official luncheon.

When I returned to the United States, I reported the incident, and it will be found in the records of the Foreign Relations Committee. I told the committee that it should know what I had done, and I made an accounting of it.

That procedure set a precedent. I was told that was the first time it had ever happened.

Why not? At least, I made a tiny dent in our foreign currency funds in India. We should do more of it.

We cannot read this report without having a good idea of the soundness of the observation that I am making, that we should make clear to those countries that the representation funds should not be in their control but in ours. For that matter, we have now reached the point where more and more of our surplus food should be sold on the basis of American dollars, to be paid for on the basis of American dollars.

I recognize that a certain amount of grant programming will still have to be done—such as food for the starving medical programs—and some educational programs. I have never been parsimonious about it.

But, where a project has a sound economic potential, it is essential, in my judgment, to lend dollars to build the project, with the full understanding that the loan will be repaid in dollars.

I am willing to provide long-term loans for goods or food. I am willing to allow a low-interest rate, but not an interest rate lower than the cost of the use of the money. The American taxpayer is entitled to get his money back by way of an interest rate for the cost of the use of his money. We should teach beneficiary countries that that is a part of a sound private enterprise system upon which their economic freedom is dependent.

The next document is entitled "Examination of Economic, Technical Assistance Program for Korea—September 1962—Part II."

The next one is part I of the same report.

The next is "Inadequate Controls for Determining Compliance by Foreign



Governments With Restrictions Placed on the Disposition of Agricultural Commodities Made Available Under Title I, Agricultural Trade Development and Assistance Act of 1954"—commonly known as Public Law 480, Department of Agriculture.

Mr. President, the whole of Public Law 480 needs to be surveyed. Certainly, it is not a "sacred cow." The food-for-peace program and the Public Law 480 program should be subject to scrutiny. If we check them, we shall find a great deal of waste in them. My amendment would have done that.

Next, "Review of Economic Aspect of Loan for Construction of Water Supply System in Saigon, Vietnam—Development Loan Fund—September 1963."

"Unnecessary Payment by United States of Costs Properly Chargeable to Japan for Administrative and Related Expenses of the Military Assistance Program for Japan—June 1963."

"May 1963: Excessive Costs Incurred for Rehabilitating to Original Appearance and Service of Military Equipment Donated to Foreign Nations Under the Military Assistance Programs."

We decorate it for them and give it to them.

What suckers have been made out of the American taxpayers.

Next: "Review of Local Currency for the Budget Support Program for Korea—January 1963."

"Follow-Up Review of the Department of Defense Action on Reimbursements from Foreign Countries for Administrative Expenses Under the Military Assistance Program—March 1964."

"Improper Payment of Colombian Port Charges for Surplus Agricultural Commodities Sold Under Title I of the Agricultural Development Assistance Act of 1954, Commonly Known as Public Law 480—November 1964."

"November 1964: Loss of Interest on U.S.-Owned Foreign Currencies in the Republic of China, Taiwan."

October 1964: "Excessive Ocean Transportation Costs Incurred for Shipments Under Title I of the Agricultural Development and Assistance Act, 1954."

September 1964: "Summary of Deficiencies Related to the Inadequate Administration of Military Budget Support Price Provided to Certain Foreign Countries Under the Foreign Aid Act."

September 1964: "Additional Interest Cost to the United States Because of Premature Release of Funds to the Social Progress Trust Fund Administered by the Inter-American Development Bank."

August 1964: "Improper Reduction of Dollar Collection Loans Made by the Corporate Development Loan Fund."

August 1964: "Follow-up Review of the Department of Defense Action in Canceling Excessive Procurement and Redistribution in Connection With the Spare Parts Program for Portugal Under the Military Assistance Program."

July 1964: "Review of the Administration of Assistance for Financing Commercial Imports and Other Financial Elements Under the Economic Technical Assistance Program for Vietnam, 1958 to 1962."

All those corrupt puppets of ours have lived well in Saigon. Wait until the American people find out the shocking waste and corruption that our foreign aid has helped develop in Saigon, and in South Vietnam generally, in which nothing has been done about freedom since the United States set up its first puppet in 1954. Our administration talks about saving freedom in South Vietnam. Neither the South Vietnamese nor the Vietcong seem to know what real freedom means.

"Undercollections of Interest and Principal of Foreign Aid Currency on Certain Loans to Foreign Governments"—July 1964.

July 1964: "Unofficial Use and Overstated Needs of Commercial Type Vehicles by the Military Assistance Advisory Group Headquarters in Taipei, Republic of China."

July 1964: "Review of Certain Payments Related to Administration of Economic and Technical Assistance Program for Vietnam."

July 1964: "Examination of Economic and Technical Assistance Programs of Turkey."

I have said earlier that many millions of dollars of taxpayer money have been wasted in Turkey.

June 1964: "Deficiencies in the Administration of Earthquake Reconstruction Rehabilitation Program in Chile."

That is a much bigger volume than the previous one.

June 1964: "Ineffective Administration of U.S. Assistance to Children's Hospital in Poland." We must watch out as we examine foreign aid and as we come across a program that has a heart-appealing title, like a children's hospital in Poland. Everyone looks the other way when it comes to a matter of waste. The best way to serve those little boys and girls is to see to it that they get the benefit of every dollar that the taxpayer supplies, under efficient administration.

"Understatement of Claims Against the United Arab Republic and the Federal Peoples Republic of Yugoslavia for Recovery of Excess Ocean Transportation Costs Financed by the Commodity Credit Corporation."

February 1964: "Examination of Certain Economic Development Projects for Assistance to the Central Treaty Organization by the Agency for International Development."

May 1965: "Improper Payment of Port Charges on Shipments to Colombia on Food Donated Under Title III of the Agricultural Adjustment Act."

April 1965: "Questionable Aspects of Budget Support Loans to the Government of Ecuador."

April 1965: "Followup Examination on Certain Aspects of U.S. Assistance to the Central Treaty Organization for a Rail Link Between Turkey and Iran."

April 1965: "Ineffective Utilization of Property Under the Foreign Assistance Program."

May 1965: "Overprocurement Resulting From Ineffective Supply Management in Korea Under the Military Assistance Act."

March 1965: "Unnecessary Dollar

Costs Incurred by Financing Purchases of Commodities Produced in Brazil."

January 1965: "Weaknesses Involving Primarily the Disposition of Surplus Nonfat Dried Milk."

These are samplings of what spot checks made by the Comptroller General of the United States have disclosed. I urge my colleagues to go to the Foreign Relations Committee room and at least sample them, and to take a few out into the reading room and read them. Then I ask my colleagues to ask themselves the question: Are we really justified in voting for this conference report?

This is the worst program in Government and the conference report does nothing about it. It continues it for another year in the same form.

Even as the conferees passed up their opportunity to do something about these conditions, we read in the press that the American taxpayers have been asked to foot the bill for several dozen plush executive style chairs, at a cost of some \$250 each, for a new medical school we are constructing in Saigon. Of course, the local Vietnamese officials looked through a catalog and found some very ritzy chairs and desks for sale. Naturally, they wanted only the best for themselves. That is understandable, because we have been keeping a great many South Vietnamese in high style in the last 10 years, and they expect nothing but the best from us. And if we do not give it to them, we will hear that their confidence in the Americans might be shaken.

So our aid officials in Vietnam promptly okayed the plush chairs and other office equipment. You do not find them looking into the possibility of surplus stocks already on hand in AID, which was one of the criticisms made by the Comptroller General. It is easier to write out a check. Can anyone doubt why foreign aid is so often referred to by American taxpayers as the foreign aid Rathole?

#### MEAGER RESULTS FROM FOREIGN AID

All the answers and rationales that are offered for this state of affairs revolve around the allegation that we do get something for our aid money, and that is military allies. How many times have we heard the old story about the millions of soldiers being maintained by aid-receiving countries, soldiers who will be there to fight with the United States in case of any outbreak of war?

Well, the war is on in Asia. And where are all the millions of soldiers in Asia that were supposed to have been bought, or hired, or induced to fight for freedom, with all these billions of foreign aid money?

There will never come a time when the military forces of other countries who have been receiving aid from us will be needed more than they are needed now in Vietnam. But where are they? There has been a lot of talk about troops from the Philippines, from Korea, from Taiwan. But no combat troops in any number to amount to anything have showed up.

August 24, 1965

The American people are about to find out the ultimate illusion of foreign aid. It is that we are getting no help from any of the nations we have been helping with huge doses of both economic and military aid. Those millions of troops that are described to us each year in the hearings as being cheaper to maintain under arms than a comparable number of U.S. troops are going to stay right at home while American troops do the fighting and dying in Asia. There will be no Pakistanis, no Indians, no Thai, no Filipinos, no Formosans. Conceivably, there may be some Koreans eventually, but if so, it will be at considerable expense to the United States.

That is why I say that the great illusion of aid is that it maintains allies for the United States, especially military allies. It has done nothing of the sort in our hour of contest and crisis in Asia. If it has failed the test in Vietnam, where is it ever going to produce friends and allies for the United States?

The plain truth is that countries that depend upon us for money and military equipment are not allies at all. They are dependencies. The United States has in the world today almost no genuine allies. Canada, West Germany, and Japan come the closest to being true allies because they share our general foreign policy objectives and they are able to sustain and maintain themselves in both their economic and military activities.

I would point out to the American people this afternoon that the war in Asia, and the total lack of any meaningful assistance from other nations, denotes and emphasizes and highlights the futility of foreign aid as a means of gathering allies. If a crisis comes to any one of the nations in Asia or the Middle East that receives our economic and military aid on the ground that it is building an indigenous force to fight communism, that country will still have to be defended by American troops if it is defended at all. And we will get no more help from its neighbors than we are getting in Vietnam.

No nation that cannot maintain itself in time of peace can be an ally in time of war. It can provide a geographic location for American military operations, but nothing more. An ally is a country with which we act in concert for a common goal. But a true ally has its own resources out of which it can maintain a policy or an operation. And today, the nations of the world that can maintain a policy or a military operation out of their own resources and whose policies in general coincide with ours are few and far between. Not even Britain qualifies any more as a true ally, because her total dependence upon the United States for support of her currency means that she, too, like so many of our dependencies in Asia, is incapable of any military operations supported and maintained by herself alone.

So when the waste and the inefficiency of the foreign aid are brushed aside with pompous explanations of how it is all really an investment in the political friendship and military cooperation of recipient countries, let the American

people ask: "Where are those friends, and where is that military cooperation now in Asia, when we need them? If we don't need them now, we never will."

The results of over 10 years of foreign aid are coming in in Asia, and they are virtually nothing. But in this conference report, the American people are subjected to another year of more of the same. The conference report does not merit their confidence, and it should be rejected.

Mr. President, I ask unanimous consent that at this point in my remarks a column written by Robert S. Allen and Paul Scott entitled "Inside Washington," discussing some of the money that is being spent under our aid program, be printed.

The PRESIDING OFFICER (Mr. HARRIS in the chair). Is there objection?

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

#### INSIDE WASHINGTON:

(By Robert S. Allen and Paul Scott)

WASHINGTON, August 23, 1965.—More than \$25 million in foreign aid funds has been spent for scores of so-called research and analysis projects ranging from diffusion of innovations in rural societies to the interaction of social values and political responsibility.

Cost of these studies runs from \$5,405 to Haverford College, Pennsylvania, for effect of foreign aid on U.S. balance of payments, to \$2,463,275 to Wisconsin University for research and training in land tenure and reform in Latin America.

Most of these foreign aid-financed research dispensations went to U.S. universities, with a few to private institutions and business concerns.

These are the latest disclosures by Representative VERNON THOMSON, Republican, of Wisconsin, member of the Foreign Affairs Committee who has determinedly crusaded against waste, extravagance, bungling, mismanagement, and other costly failings in the administration of the multibillion-dollar foreign aid program.

His jolting new exposé comes as Congress is preparing to approve the compromise \$3.36 billion foreign aid authorization bill agreed on by the House-Senate conferees under strenuous White House pressure.

In an effort to put an end to foreign aid spending on such studies, THOMSON has drafted an amendment barring that, as follows:

"None of the funds appropriated or made available under this act for carrying out the Foreign Assistance Act . . . may be used to make payments with respect to any contract to which the United States is a party which provides for research into the administrative organization or operation, or personnel practices, of the Agency for International Development."

This amendment will be offered by THOMSON when the foreign aid appropriation bill is considered by the House in the next several weeks. He has been assured of bipartisan support in his economy drive.

#### THE PLUM LIST

Representative THOMSON has demanded of the Agency for International Development (AID), which administers the multibillion-dollar foreign aid program, detailed explanations of these expensive and esoteric studies.

He is baffled why large sums of money voted by Congress for foreign aid should be spent for probing the impact of electric power on rural development, development planning and planning assistance criteria, and numerous other subjects with no apparent relation to foreign aid.

"We have spent hundreds of millions of dollars in the past 30 years on rural electrification," points out THOMSON, "so I would think we know a great deal about that. I can't understand why foreign aid funds should be spent for research in this field. Yet the records show three contracts totaling \$560,000 were granted for such studies."

As ascertained by THOMSON from AID files, the \$25,193,163 spent for research and analysis includes the following projects:

#### Contractor, title, and amount

Michigan University, "Research in Foam Plastics for Housing"-----	\$236,000
Yale University, "Quantitative Study of Economic Structure and Growth"-----	1,513,730
Stanford Research Institute, "Industrial Location and Development Planning in Newly Industrializing Countries"-----	196,029
Michigan State University, "Mapping of Research Requirements of the Food for Peace Program"-----	124,040
American Institute for Research, "Research and Development of Aptitude Testing"-----	245,950
Hoffman Electronics Corp., "Development and Performance Test of a Solar-Powered Battery Recharging Center"-----	30,025
International Institute for Educational Planning, "Development of Guidelines for Determining the Feasibility of Using New Educational Media in Developing Countries"-----	196,129
Johns Hopkins University, "Research in Health Manpower Planning for Selected Less-Developed Countries"-----	865,684
Medical College of Virginia, "Study of Methods for Improving the Training and Use of Middle-Level Health Manpower"-----	130,300
Brookings Institution, "Transportation and Economic Development"-----	1,469,720
Cornell University, "Comparative Study of Social and Cultural Change"-----	647,938
Educational Services, Inc., "Mathematics Curriculum Development in Africa"-----	1,823,012
MIT Center for International Studies, "Improved Analytical Methods for Development Planning"-----	200,910
National Planning Association, "Development Planning and Planning Assistance Criteria"-----	1,377,120
Ohio State University Research Foundation, "Analysis of Program for the Development of Agricultural Credit Institutions and Services"-----	636,821
Pennsylvania University, "The Interaction of Social Values and Political Responsibility"-----	250,000
University of Pittsburgh, "Research on the Process of Institution Building"-----	158,380
Williams College, "Import Substitution and Economic Policy in Economic Development"-----	173,299
Purdue Research Foundation, "Evaluation of AID University Contracts for Agricultural Education and Research Programs Abroad"-----	998,931

In a \$281,000 study uncovered some months ago by THOMSON, former Wisconsin Lieutenant Governor, on the functions, procedures, training, and other pertinent details concerning four key positions in AID missions abroad, he found the following high-flown bafflegab:

"Feasible means for measuring the degree to which a prospective incumbent possesses some of the requisite characteristics may not

be currently available to AID. However, the inability to measure the characteristics within the constraints that now bind the Agency should not be confused with the issue of whether or not a characteristic is essential to do a job effectively. If the characteristic is needed, and AID chooses and places a candidate lacking it in the appropriate degree, the aspects of the job in which the characteristic is required cannot be performed effectively."

From AID records, Thomson has ascertained the Agency has more than 15,000 employees; some 6,600 Americans, the remainder foreigners. Of the latter, approximately half are paid with counterpart funds—local currency credited to the United States through the sale of surplus farm commodities.

Mr. MORSE. I ask unanimous consent that my individual minority views in opposition to the foreign aid conference report of 1964 be printed in the Record at this point.

There being no objection, the individual views of Mr. MORSE were ordered to be printed in the Record, as follows:

#### INDIVIDUAL VIEWS OF SENATOR WAYNE MORSE

The foreign aid program has become one of the most stagnant, unproductive, and misrepresented of all Federal activities. It is stagnant because its objectives are still tied largely to American strategic interests of the 1950's; it is unproductive because much of it goes for uses that neither build nor develop; and it is misrepresented because, in spite of all the official hand-wringing pleas that we help the underprivileged and deprived people of the world, not more than 40 percent of it goes for that purpose.

The basis of my approach to foreign aid is that it must serve the interests of the United States. I believe in "strings" on aid. Congress may spend public money only for the general welfare of the United States, not for the general welfare of any other people, no matter how deserving they may be. Therefore, foreign aid cannot serve a purely humanitarian purpose, devoid of self-interest, for the United States.

My difference with much of the program is over what really does serve the interests of the United States. I do not believe that aid extended for military reasons, security reasons, or for reasons of political intrigue serves our longrun interests—and this is a longrun program. I think that foreign aid should be primarily developmental and for specific purposes, with the shortrun considerations very secondary instead of the other way around.

Unless and until it is put on that basis, foreign aid will remain a dole and its recipients will be either dependencies of the United States or, in some cases, they will take our military aid and then use it for their own national purposes that may be quite contrary to our own.

#### FOREIGN AID AS A SLUSH FUND

Many advocates of aid think they are being sophisticated in recommending foreign aid as a slush fund to buy off other countries. They often say that every great nation has had to do the same thing, and that the United States should now undertake to carry the same burden, with the understanding that it is a waste of money and is spent only to prevent unfavorable things from happening.

Several things are wrong with this view. First of all, it assumes that money (or military equipment) buys more than it does. To holders of this view, the giving of money is synonymous with the influencing of the recipient; but more often than not, recipients, in the manner of Sukarno, take the money and then do as they intended to anyway.

Secondly, handing out money and weapons with the idea that they will promote political stability, or keep friendly governments in power, or prop up a bloated military establishment in a foreign country are all efforts to impose a political order from the top down. The underlying causes of unrest or susceptibility to communism are ignored, and sometimes worsened.

These uses of foreign aid are justified with such phrases as "forward defense against communism," "vital to the interests of the United States," and "of strategic importance to the United States," concepts that now embrace virtually the entire globe. Most of the countries receiving huge and largely unconditional aid on the ground that they border the Communist bloc are already protected by mutual defense treaties with us, and by our retaliatory capacity.

The real justification for "forward defense" aid is not that the recipient can use it against communism, because a nonindustrial country that cannot support a peacetime army cannot sustain a war effort against Russia or China. Once Europe and Japan were rebuilt and rearmed, military aid ceased to have much practical value for indigenous forces. What "forward defense" aid does buy is entree for American military and intelligence agencies close to Communist borders. For these privileges, we have paid since World War II a dozen times more than we need to have paid.

Many will say, "Anything that helps us against Russia and China is worth while." But our failure to insist on sound economic standards even for this aid has not helped us. It only means we are still vulnerable to eviction from these countries without, in the meantime, having improved their economic prospects.

#### ECONOMIC FREEDOM SHOULD BE BASIC PURPOSE OF AID

In the long run, climates and attitudes sympathetic to the United States and compatible with American objectives will have to be created by the creation first of economic freedom in these countries. And economic freedom can only be advanced through the developmental part of the program.

But, sad to say, of the economic section of the program, not more than half is devoted to bona fide economic development. Supporting assistance, the contingency fund, and nonproject loans from the Development Loan Fund are but political props and payoffs to foreign governments. They do not develop; they merely patch over and perpetuate the lack of development.

Even the technical assistance program is being used for transportation and communication projects against the day when they may be of use to American forces, and to train smalltime police states in emerging countries.

The words "economic freedom of choice," without which the security of this country will never be strengthened in this world, are being relegated to whatever is left over in the foreign aid plot. Education, sanitation, vocational training, capital projects, agricultural extension—the activities that our officials trot out to gain support for aid among the unknowing American people—these constitute at most only about 40 percent of the \$3.5 billion being requested.

Cutting the \$1 billion-plus military aid expenditure in half and applying the unproductive economic aid to genuine economic development projects would do more to strengthen the longrun security of the United States than any other changes that could be made in the foreign aid program.

#### NO EVIDENCE OF CHANGE IN CURRENT PROGRAM

Since January, Congress and the American people have been told again and again that

this year the program is being tightened, curtailed, and improved. But there is no hint in any of the material presented to the committee of where these changes are taking place. All that Congress is given in the annual presentation is a look at ongoing programs, started in the current fiscal year or before.

Contrary to past efforts and directives from Congress, requested funds for supporting assistance have been increased over last year, even without the additional request for Vietnam. This grant economic aid has been a target for congressional criticism since adoption of the Mansfield amendment in 1959, calling for its eventual termination. The aid request for this category is a backward step from the Mansfield reform.

Unspecified loans called program loans abounded in fiscal 1964, and they apparently are to be used just as freely in fiscal 1965. Project loans finance the importing of commodities for specific projects whose soundness can be verified by AID officials; but program loans go to balance accounts and finance imports in general. In many countries these include imports that contribute nothing to local development. They only create a debt obligation to the United States whose chances of repayment are slim.

Moratoriums on debt obligations due us from Turkey and Brazil, and the prospect of renegotiation of Argentina's obligations, call for a much tighter control by Congress over this type of loan. In the case of Brazil and Turkey, we are making them a new soft loan even as we give them moratoriums on repayment of old ones.

These loans, as with aid in general, are touted as creating a future market for American goods. This theory is based on the advertising gimmick of giving away free samples. But their cost is absorbed by the American taxpayer, not the manufacturer. Yet testimony to this committee—not from administration sources but from U.S. commercial sources—brought out that in Colombia and Chile, U.S. exports declined as these countries received our goods under program loans and diverted the foreign exchange saving into new purchases from the European exporters. Worst of all, the chances that the taxpayers will ever recover any of this subsidy to American business are not good.

It is no wonder that committees of U.S. businessmen are becoming the major tub thumpers for foreign aid.

So far as Latin America is concerned, the indications are that the aid standards are being loosened, not tightened. A \$50 million loan for no particular development purpose, but just to balance international payments, has been extended to Brazil. This is despite the suspension of loans, pending fulfillment of certain economic conditions by the Brazilian Government. There is as yet no more or better economic performance to justify a loan than there had been under the previous Government. But once a new junta takes over in Latin America, we rush to curry favor with it, and in Brazil it is costing \$50 million.

In fact, the U.S. aid program in four other junta-ruled countries of Latin America where constitutional governments were pushed out, has been resumed. These are the Dominican Republic, Guatemala, Ecuador, and Honduras. This is a full turn back to the evil days of the 1950's when the United States gained a record level of ill will and ill repute among the people of Latin America who had to live under the brutal heel of U.S.-supported tyrants. The Alliance for Progress was supposed to have changed all that by financing economic reform within a framework of political freedom and democratic institutions. But today we are merely hand-

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ing out more money for the same old purposes as before.

Having ignored ourselves the political conditions for aid under the Alliance, our partners feel free to ignore the self-help conditions. Why shouldn't they when they get this money anyway?

**FUNDS SHOULD NOT GO ABOVE FISCAL 1964**

As reported by the Committee on Foreign Relations, the bill increases the program for fiscal year 1965 over the program for fiscal 1964. This has been done despite the overwhelming evidence that the American people are demanding long-overdue reductions in the foreign aid burden, that the impact of the aid program is woefully smaller than its size, that U.S. Government funds are increasingly needed at home, and that our so-called allies are permitted to shirk their responsibilities because of our often feckless generosity.

Undoubtedly the administration sincerely believes its appropriation request for \$3,616,700,000 to be a "bare bones" budget. However, the determining factor in shaping this request had to be the judgment of the Agency for International Development. And our past experience has made it painfully clear that—at a minimum—there is nothing sacrosanct about the AID judgment. The Congress, on the other hand, is not (or should not be) content merely to accept the arguments of stanch advocates, but takes into account a range of other sources of information. Foremost among the latter are the reports by the Comptroller General of the United States, which time after time have severely criticized in detail the planning, the programing, and the implementation of the aid program. On the basis of such information, as well as a full study of the AID presentation material, I can only conclude that there is a great deal of fat clinging to the bare bones.

The appropriation last year, for fiscal 1964, was an even \$3 billion—a cut of almost \$2 billion from the original budget request. Judging by the cries of anguish and forecasts of catastrophe which rose from Foggy Bottom during that trimming process, one might have envisioned the United States and the rest of the free world sliding irretrievably toward disaster. Yet a year later the Republic still stands, and no one is able to point to any foreign policy reverse attributable to a lack of aid funds. Indeed, our setbacks appear to have come in the Mediterranean and in southeast Asia, areas into which the United States has poured money most lavishly.

During this year's hearings and committee discussions no evidence was presented to justify an authorization for fiscal year 1965 of almost \$467 million more than the \$3 billion appropriated for fiscal 1964. It might be noted in this connection that a great deal of attention and lipservice was given last year to the so-called Clay Committee report. While I disagreed strongly with that report's inflated financial recommendations, it did contain the extremely valid proposition that there should be a gradual but steady reduction in the size of the aid program annually in the future. Our experience last year with a program scaled to \$3 billion in new funds certainly suggests that a cut even below that level could be safely made this year.

Because of a carryover from prior year appropriations, the final figure for the fiscal 1964 program was almost \$3.4 billion, rather than \$3 billion. The carry over this year supposedly is only to be about \$53 million. If true, and if the \$3 billion level of new money were maintained, the end result would be a reduction of about \$344 million under last year's figure. The word "supposedly" must be emphasized. For the administrators of the AID program are highly accomplished producers of rabbits from their hats, and there is good reason to believe that other

funds may in time be brought out of hiding. Indeed, when such a wonderland category as "deobligations of prior year obligations" is counted, the understandably confused American man in the street finds that the foreign aid program which he thought was \$3 billion last year turned out to be in excess of \$3.6 billion. The conclusion that \$3 billion in new money would not represent any real reduction from last year is shared by many Members of the House, who wrote in the "minority views" in the House Appropriations Committee report:

"Further, it is impossible for the Appropriations Committee to ascertain with any degree of accuracy the amount of unobligated funds which are left at the end of the fiscal year. It has been stated that these figures for any fiscal year are not available until October of the following year."

**FOREIGN ASSISTANCE ACT ONLY A PART OF TOTAL FOREIGN AID**

This leads to another major objection to the character of the foreign aid program as it now stands. It is only the beginning figure for what we spend overseas on an annual basis. Many Members of the Congress, much less the American public, have only the haziest idea of how much money is involved in our contributions to a large number of international financial aid development organizations, and in our shipments of agricultural surpluses.

Moreover, executive branch requests for the same general purpose in successive years have a tendency to disappear from one bill or category and turn up in another. For example, \$135 million for Latin American development (through the Inter-American Bank's Social Progress Trust Fund) contained in the 1964 foreign aid appropriation bill does not recur this year. At first blush this might appear as a reduction in our total aid. But no, the administration has just submitted a separate new request for \$750 million over a 3-year period for the same purpose with a slight change in terminology. There is no corresponding cut in this bill. Under these circumstances it is extraordinarily difficult to perceive the overall total of U.S. foreign aid, and to make intelligent judgments about the validity of its components, such as those contained in this bill.

**EXCESSIVE NUMBER OF COUNTRIES CONTINUE TO RECEIVE BILATERAL AID**

This confusion carries over to the question of how many countries are feeding at the American trough. If only aid under the Foreign Assistance Act is counted, then some 83 countries are scheduled to receive assistance in fiscal year 1965. But the total rises to over 90 countries and territories when all forms of assistance are counted. And indeed they should be counted. The administration can scarcely claim it is extending little aid to Nasser's Egypt, for instance, when Public Law 480 supplies are flooding that country.

Now it appears that the number of countries getting help under the Foreign Assistance Act has fallen by something like the figure of 10. It is noteworthy that there is no commensurate cut in the administration request for new funds. On the contrary, the AID officials point with pride to the growing concentration of effort in fewer "key" countries. By that standard, no matter how many nonessential applicants are cut off the aid payroll, the level of foreign assistance requests is likely to remain unchanged.

Anyone reading the majority committee report, supported by the majority of members who voted for this bill, will be struck by the absence of persuasive answer to the outstanding questions which have always surrounded the foreign aid program. It is said that it is unrealistic to expect agreement on the purposes and aims of the foreign aid program. This at least is refreshing candor, although there is little novelty in the observation. My own experience with AID officials

has always been that when I make a valid criticism of an economic project, they say the objective in that case is not economic but political—and vice versa in other cases. In numerous instances those officials have accepted the validity of my criticisms "in principle" but have cited so-called special circumstances which prevent them from taking corrective action. It is no wonder that we have difficulty in justifying foreign aid expenditures to our constituents.

The committee report states that the total of U.S. bilateral aid is declining. Yet, as substantiation, it merely cites the difference between last year's administration request and the one this year. The fact is there is no hard evidence to cite which would back up that statement in terms of last year and this.

The majority report then goes on to note that "aid has been terminated in 17 countries . . ." But it ignores the fact that some of these countries were cut off several years ago, and have been trotted out each year since as happy examples. In any event, as stated above, a reduction in recipients means little without a consequent reduction in expenditures.

A table is inserted in the report which supposedly "should provide some reassurance" that our development loans will be repaid. The only conclusion I draw from that table is that the World Bank—whose record is not at issue—has done extremely well with its hard loans on stringent criteria. I join Senators MUNDT and LAUSCHE in their objections to the easy terms of most of our loans.

Finally, the report meets the criticism that our industrialized friends are failing to take a fair share of the foreign aid burden by stating that: "This is a complicated question, for which there is no categorical answer." Again, the statistical information contained in the report just does not support an optimistic conclusion.

In the following sections I set forth my own specific conclusions and recommendations for cutbacks in funds, which latter are summarized at the end in tabular form.

**DEVELOPMENT LOANS**

Congress should reduce funds for development loans so long as these loans continue to be made for general purposes and not for specific projects. The House Foreign Affairs Committee report in both its majority and minority views was critical of the large sums in "program" loans during fiscal 1964. Yet Congress must be aware by now that mere criticism in a committee report makes no impact whatsoever on the foreign aid program.

Said the majority report:

"Nevertheless, the committee believes that countries which progress to the point where they qualify for large development loans should be encouraged to assume increasing responsibility for financing their imports, except imports related to projects for which loans are made. There is danger that dependence on the United States for such financing could result in levels of consumption higher than the recipient could normally sustain and could encourage unsound financial and monetary practices."

The minority report of the House committee showed program loans in fiscal 1964 as follows:

	[In millions of dollars]
Tanganyika	1
Tunisia	10
India	275
Pakistan	100
Turkey	70
Chile	40
Colombia	15

for total of \$511 million. Since then, Brazil has received a \$50 million program loan.

This means that about a third of all development loan funds available for fiscal 1964 have already been lent for general purposes unrelated to any specific development project.

Turkey again ranks as the No. 1 failure of the foreign aid program and among the No. 1 recipients of program loans. She is receiving over \$100 million in economic aid this fiscal year, and considerably more in fiscal 1965, most of it in "program" loans.

Both the Organization for European Cooperation and Development and the General Accounting Office of the United States have found Turkey's economic development to have stagnated despite the huge American aid program there since 1947. The OECD report of 1963 was prepared for a consortium of Western European countries that were supposed to join the United States in financing Turkey's development. AID presentations always refer to this consortium but do not mention that its total pledges amount to less than the American aid alone, and that the European members are not coming through on their pledges because Turkey has not carried out the reforms required.

Judging from the presentation figures for fiscal 1965, it appears that the United States is going to make up the difference, reforms or no reforms.

Although the United States has put \$1,670 million into Turkey's economy since 1947, and given her combined military and economic aid of over \$4 billion, that country's economic condition is worsening. The population increase has almost entirely wiped out the increase in the gross national product.

Reform of the grossly wasteful state enterprises and tax reform are the most urgent. The U.S. General Accounting Office reported a few weeks ago:

"In the absence of a development plan and adequate information about the economy's resources and needs, the commodity import program (which has been the largest segment of the U.S. economic dollar aid to Turkey) was an integrated part of the financing of Turkey's overall import programs and as such was not geared to specific long-range objectives. Moreover, substantial amounts of local currency generated under the commodity import program were allocated for the general support of investment budgets of state economic enterprises (those owned by the Turkish Government). Because neither the Turkish Government nor the mission exercised adequate control over commodity imports and the operations and investment programs of state enterprises, aid funds frequently were used to nonessential or low-priority purposes. State enterprises also received U.S. dollar aid to finance the foreign exchange cost of facilities which had been poorly utilized or not utilized at all. Assistance was freely provided some state enterprises notwithstanding their inefficient operations and uneconomical practices.

"In a supplement to our prior report on the Turkey program, we pointed out that accomplishments in Turkey's economic development and support of the country's defense efforts had been accompanied by serious economic problems with consequent increases in the amount of aid required from the United States. \* \* \* The average level of U.S. aid for the 5 fiscal years (1958-62) covered by our recent examination increased significantly over the level for the preceding periods. Moreover, U.S. officials estimate that during the 5-year period which began March 1, 1963, Turkey will need more aid than heretofore from both the United States and others and that Turkey will not reach self-sustaining growth before 1975. Steps taken since the military coup of May 1960 offer promise that sound and necessary economic control measures may be forthcoming, but much remains to be done. As can be seen from the above there is a need for more effective action to improve operations and increase earnings of state economic enterprises and for more productive utilization of resources available to Turkey."

The Turkish Government, continues this report, operates about half of the country's industrial production, including enterprises in the fields of manufacturing, mining, trading, banking, transportation, and public utilities. They have steadily lost money due to "poor organization, inefficient operations, and poor pricing policies."

"Despite these basic management deficiencies, the United States continued to provide substantial sums of direct and indirect dollar aid and counterpart and U.S.-owned local currency to some state enterprises. This aid has contributed little toward improving operations of the enterprises, relieving their drain on the Turkish economy, and thereby reducing the need for outside aid."

Turkey's failure to correct the worst of these conditions has led the consortium to curtail its scheduled aid. But instead of doing the same, the AID presentation indicates that the United States is going to increase its aid substantially over last year.

#### DEBT DEFAULT BY TURKEY

The GAO report also found that Turkey was by 1957 in arrears on three loans, with the arrearages amounting to \$6.4 million. In May 1959, AID deferred for periods ranging from 28 to 31 years all principal and interest payments originally due between 1956 and 1965. The Government of Turkey is to make the three interest and principal payments due between 1966 and the original maturity dates pursuant to the original repayment schedule, and make the deferred payments after the original maturity dates. But interest will not be charged on the principal and interest payments that were deferred, which represents another grant of \$31 million to Turkey.

The dreary details of American aid for importation of station wagons, for a meat-packing plant that is virtually unused, for modernization of the state-owned bituminous coal industry that continues to sink deeper into indebtedness, and for grain storage silos whose peakloads averaged less than 40 percent of capacity are included in this GAO report. It should be read by every citizen who still believes that the foreign aid program is designed to help the world's unfortunate.

Says the report:

"The Agency (AID) advised us that it had encouraged Turkey to adopt necessary reform measures for management of its fiscal and economic affairs. However, although actions taken by the Government of Turkey were not satisfactory, the Agency decided to not insist on a greater measure of cooperation because of foreign policy considerations."

Primary in these considerations are the extensive intelligence and military installations operated in Turkey by thousands of American personnel. They largely explain why protests about Turkey's stagnating economy and misuse of aid funds are pushed aside with references to Turkey's being "vital to American security."

Our aid to Pakistan is in very much the same category, and we seem to be heading in the same direction with India. The "forward defense" policy of aid is not one of promoting economic freedom of choice at all.

What is happening now in Laos and Vietnam is typical of what would happen in each of these peripheral countries should it come under any pressure from within or without. The American aid that we send them now would be only a drop in the bucket of what it would take to prop them up under conditions of war or near war.

Program loans to these countries are little better than outright grants and should be stopped.

#### TECHNICAL COOPERATION

For many years, this descendant of the point 4 program has been an almost un-

touchable segment of the foreign aid program. But a close examination of its current projects, and those in the comparable category in the Alliance for Progress, indicates that technical cooperation is moving far away from the original point 4. Today, a major function of "technical cooperation" is the training of local police forces in internal security matters. These programs are zealously pursued by American authorities even in countries like Panama and Indonesia, where their uses are more likely to be anti-American or anti-British instead of anti-Communist.

In short, these programs are being conducted in the countries where we have little or no control over the purposes to which they will be put. They include the recent military junta-ruled countries of the Dominican Republic, Honduras, Ecuador, and Guatemala. Just what we think we can teach the Dominican National Police that they did not learn for themselves in Trujillo's day is hard to guess. But we are trying.

We are undertaking similar endeavors in Somalia, Chad, Tunisia, the Central African Republic, Dahomey, the Ivory Coast, the Malagasy Republic, Niger, Upper Volta, the Congo, and Ethiopia in Africa. The programs are equally widespread throughout Latin America and Asia.

In few of these countries is there the institutional framework that would make them a wise undertaking. All we are doing for most of them is making their police states a little more efficient—maybe. But we have not the slightest idea to what use this efficiency will be put, and whether it will advance any interest of the United States.

In many ways, this kind of technical assistance is the most dangerous aid program ever undertaken by the United States. Any reduction Congress makes in it will be a step in the right direction.

The aid presentation for technical assistance gives no real reason for the \$9 million increase it plans over fiscal 1964. AID declares that it is moving the capital projects that have been under "Technical cooperation" into the "Development loan" category. But if so, what does it plan to do with the money saved, plus the increase over last year? "Research" is the only explanation for this in the presentation.

Many of the other projects undertaken in the name of technical cooperation and assistance have a similar flavor of political and military intrigue. In the Near East and Asia, many of the transportation projects seem to be directed at military rather than commercial use. In Afghanistan, for example, we have a total program of \$10 million worth of continuing projects. One of them is to plan a highway to the Iranian border. Its justification is that it would give Afghanistan an outlet in the west. But we had already helped her build a highway to the Pakistani border for the same purpose; then there were troubles between Afghanistan and Pakistan, causing the border to be closed off and on.

It seems a great hypocrisy to call this "technical cooperation," when it does not appear that Afghanistan is not as much interested in having an outlet to the West as we are in insisting that she have one, no matter how much it costs the American taxpayers.

Cyprus is another question mark. Cyprus is down for many hundreds of thousands of continuing projects. What has happened to them during the civil war? No one will ever know from reading the presentation.

Turkey, of course, is the most shameful failure of all aid recipients, not only in the technical aid but in all categories of aid. In technical assistance, many of the programs we are maintaining in Turkey are designed to help Turkey run her state enterprises. Since it is these state enterprises that are largely

responsible for the stagnation of her economy, and the responsibility for their continuation is a political rather than a technical problem, it is hard to see how the United States is helping to improve her economic situation by aiding in the perpetuation of these enterprises. Another way of putting it is that we are training Turks in socialism, and creating more bureaucrats who will have to be employed in these establishments already suffering from bloated payrolls.

As for Thailand, one cannot read the continuing projects there without concluding that they are laying the foundation for an American military operation in Thailand. The so-called transportation projects include a four-lane highway from the country's main international airport to Bangkok. From Bangkok, a two-lane highway is to continue to the northeast area where the border with Laos is threatened. Much the same picture is seen in the projects for aeronautical ground services which are "intended to make several airfields fit for military use, as well as civilian." It is hard to see where any civilian use in Thailand could justify "several airfields of this nature.

In sum, showing people how to live better is on its way to becoming only an adjunct to the technical cooperation program, as it is to the rest of foreign aid. It is the Peace Corps, that is making the greatest contribution to this cause.

#### AMERICAN SCHOOLS AND HOSPITALS ABROAD

In my opinion, the funds authorized for this activity rank high among the most worthwhile expenditures made in the name of foreign aid. Indeed, I have made a matter of record my willingness to support a larger sum for these purposes than the administration requested.

A number of my committee colleagues and I expressed great interest during the hearings in providing assistance to Mexico City College, now renamed the University of the Americas. This eminent institution certainly seems to qualify for help under the aid category of American-sponsored schools. Unfortunately, the university had not submitted its detailed application by the time of committee action on the bill. I believe it likely that the majority of members would have voted to increase the authorization for this section had they been in receipt of data from the university which seemed to require such action.

However, the committee was assured by the Administrator and other AID officials that the university's application, when forthcoming, would be reviewed most sympathetically. We were also assured that the funds requested for this general purpose would be sufficient to permit assistance to be granted to the University of the Americas in fiscal 1965. I take this occasion to express my intention of seeing to it that this project is not lost in the bureaucratic shuffle.

#### THE ALLIANCE FOR PROGRESS

As chairman of the Subcommittee on American Republics Affairs, I yield to no one in my deep interest in the countries of Latin America and their progress with economic and social reforms in the context of democratic political institutions and practices. I would certainly subscribe to the words of the committee report that "... dramatic breakthroughs and economic 'takeoffs' are unlikely in the absence of a basic social and political reorientation in most of Latin America." But sadly inadequate emphasis has been given to the fact that U.S. policy, rather than American public money, is the instrument through which we can best help our Latin American friends to help themselves.

It is a truism that a change in the price of a basic Latin American export commodity by a few pennies, or a reversal of capital flight from that area, would have many times the effect of all the financial aid which the

United States could possibly make available. What is irreplaceable, on the other hand, is a U.S. policy which actively encourages democratic constitutional means of governing and of tackling the fearsome social and economic problems of the Latin American countries. Regrettably, one cannot avoid the conclusion that such a policy still is not sufficiently in evidence.

Time and again we have reacted to the military overthrow of a constitutional regime by temporarily withholding recognition and foreign aid funds, and then by granting them without any reliable assurances that the new rulers are moving to re-establish constitutional and popular government. It is not merely that such practices evoke justified criticism from all parties involved; they serve to undermine our entire overall policy toward Latin America. Until the United States unequivocally aligns itself with those democratic elements which are trying to bring about peaceful revolution in the social and economic spheres, the Alliance for Progress will be a pious exhortation rather than an instrument for dramatic change.

Our "aid as usual" policy toward the Dominican Republic, Guatemala, Honduras, and Ecuador is the greatest single threat today to the success of the Alliance.

Because it is clear that money alone is not the key to the Alliance for Progress, there is no reason why foreign aid requests for Latin America should not be scrutinized—and reduced when necessary—on the same basis as AID programs in other world areas. Last year's appropriation for the Alliance totaled \$455 million, but the administration has requested \$550 million under that heading for fiscal year 1965. Although the overall foreign aid appropriation should be gradually reduced each year this should not involve a rigid approach which would inevitably cut each and every component of the act. Therefore, I am recommending \$485 million for the Alliance in the 1965 authorization, or an increase of \$10 million over last year. Of this total, \$80 million would be for grants (the same figure as in 1964) and \$385 million would be devoted to development lending.

My reasons for cutting \$5 million from the administration request for Alliance grants stem from a painstaking examination of the presentation material. On the same basis of listing projects which seem, inadequately justified, unduly extended (often for 15 or 20 years), or otherwise of dubious value, I might have sought a precise cut of \$8,243,000 had I not again preferred to err on the side of caution. In two major countries we make technical assistance grants to encourage the production of export items which are surplus in the United States. In a number of cases there are projects which involve the United States in paying local expenses which could be met by the Latin American country concerned. In other cases the United States is making grants of both heavy and light equipment which properly should be purchased by the local government with the proceeds of a development loan. The ill-visibility of training and equipping of police forces in totalitarian states is discussed in the section on technical cooperation. It is for these reasons that it seems correct to hold grants at last year's level while providing \$10 million more for lending.

There should be no confusion about my position regarding technical assistance for Latin America and other regions of the world. So long as this cooperation is extended in terms of working with fellow human beings through education and training in productive activities, it is of supreme value and it is self-justifying. But this fine program must be kept separate from the provision of capital equipment, other material, and commodities. Development loans obviously are required in order to make such provision, but we must also make it as certain as possible

that loans are confined to those purposes, and not devoted to budgetary and balance-of-payments support. The comments made elsewhere in these individual views concerning the Development Loan Fund are equally valid in the Latin American context.

One further point about the Alliance for Progress. There is no activity in Latin America which is more important in terms of reaching the people than the construction of decent, low-cost housing. Yet all indications are that there has been too little movement in this sphere, despite the special authority in the Foreign Assistance Act. I strongly urge far greater attention to this subject by AID officials on an immediate basis.

#### SUPPORTING ASSISTANCE

It is inexcusable that the administration request for supporting assistance funds should be raised over the amount available last year, even before the special request for additional money for Vietnam was sent to Congress. The Mansfield amendment of 1959 called for an eventual phasing out of these financial grants. Yet \$335 million was initially requested, compared to \$330 million appropriated last year. On top of this, \$70 million more was later requested for Vietnam, bringing the total to \$405 million.

Congress has suffered in the past from the shifting by AID of supporting aid funds away from the purposes presented in the hearings into other uses. If past experience is any guide, it is more than likely that much of the supporting assistance requested for Vietnam will be used elsewhere.

The \$30.3 million reduction in this category by the full committee is not enough. Three countries in Latin America, for example, are scheduled to receive supporting assistance. One of them is Haiti. Although the program being supported is malaria eradication, our program is in addition to UNICEF and Pan American Health Organization programs in Haiti for the same purpose, to which we also contribute. The brutality of the Duvalier dictatorship in Haiti is not exceeded even in Castro's Cuba. There is no more reason for the United States to maintain a unilateral health program in Haiti than in Cuba, or for that matter, in Communist China.

Supporting assistance aid to Bolivia simply undercuts the requirements of the Alliance for Progress and underwrites the incredible mismanagement of the Government-owned tin mines. As with Turkey, the excuse for this aid is the old reliable Communist bogeyman, and the result is the subsidizing by American taxpayers not only of Socialist enterprises but of outrageously inefficient Socialist enterprises. In the case of Bolivia, we have been supporting these tin mines with their grossly padded payrolls since 1954 and there is no end in sight so long as the word is out that there is more supporting assistance coming from the United States. Why should Bolivia change so long as she can scare money out of us?

Jordan and Yemen will account for another large chunk of supporting assistance. Despite the pretentious and glowing references to Jordan's "progressive" government in the presentation, there are no plans for loan aid to Jordan in this year's budget, and one of the three remaining capital projects under technical cooperation is also in Jordan. Nothing but grant money is planned for Jordan this year because with her present policies she is an economic impossibility. The presentation uses the phrase: "Eventual viability may be more securely rooted" in Jordan. That is the best outlook.

Much of Jordan's poor outlook is directly due to her expenditure of \$60 million for defense. Offense is probably the better word. Jordan's army is concerned with nothing in the world but Israel and King Hussein has made it quite clear that he is ready to move against Israel if the Jordan River project goes through. If he does, it

will be only because the United States has subsidized his military establishment since 1947 through supporting assistance grants.

Jordan is not of interest exclusively to the United States. If she needs subsidization to exist, in the same way the Congo does, she should become an international ward, supported by some kind of consortium. That might also reduce the military threat she poses to Israel. But so long as the United States furnishes her this wad of money as a military subsidy, this will never happen. The contributions to her budget from Britain are very small, compared to ours, and Jordan's other sources of aid are loans, not grants. At the rate we are going in Jordan, it will be the American taxpayers who will repay these loans. The budget support to Jordan should be cut by several million this year, so a start can be made toward a longrun solution to Jordan's problems.

In Yemen, we are giving supporting assistance to a government that is little more than a creature of Nasser's and that is still fighting against a royal government that is in turn backed by Britain.

Unilateral American aid to Yemen is in the same class with aid to Sukarno. Worse yet, a good half of it is for highway construction that is of far more military significance to Yemen now than commercial significance. This aid is nothing but an attempt at political intrigue. It should be stopped until the civil war there is over.

In the Far East, South Korea, Laos, Thailand, and South Vietnam are scheduled to receive large amounts of supporting assistance. Although much is claimed in the presentation for South Korea's economic prospects, no reason is given why supporting assistance to her is being increased over last year. It is all nonproject aid, and although the presentation indicates that it will be released only in increments as the South Korean Government makes good on its promises of economic reform, I see no reason why more should be provided than was provided last year.

Moreover, the only other non-American aid to Korea is taking the form of loans. As with Jordan, the United States will end up repaying these loans unless we develop a more effective program in Korea.

The optimistic note in the presentation book about Korea's future depends heavily upon its renewing aid and trade ties with Japan. The people of Korea, including the young people who rioted recently against this policy, should understand that the United States is not going to underwrite indefinitely their emotional aversion to Japan, however real it may be. We do underwrite it when we raise their budget support considerably over last year.

This large sum for Korea is also a result of the 600,000-man Korean Army we are supporting, in addition to the 50,000 American troops in Korea. This compares with figures I have seen that the North Korean Army is about 400,000. No good reason has ever been offered for maintaining this vast preponderance of military force in South Korea. The latter's army should be brought down at least to 500,000 and preferably to 400,000.

The levels of supporting assistance to Laos and South Vietnam are indicative of what we face in every other underdeveloped country where we are maintaining large military aid programs. The presentation books stress over and over again the meager economic resources of these countries and the high concentration of military activity. The result is that the United States finances a Western-style war effort in feudal countries. It costs us a yearly average of about \$40 million in Laos, a country of 2.5 million people, exclusive of military aid. In South Vietnam, it has run about \$130 million for economic aid, with this year's level much higher, in a country of 15 million. In both countries, much of this money goes for the enrichment

of ruling classes and factions that we "hire" to fight communism.

Anyone who thinks the United States gains something by maintaining these indigenous armies in undeveloped countries around the world should figure out first how much we would have to subsidize any one of them if it became involved in any kind of a war.

The figures for Korea, Laos, and Vietnam should be a lesson to us, because in addition to direct action by the U.S. Armed Forces, it would cost us billions of dollars to subsidize a war effort in such countries as Turkey, Greece, Iran, Taiwan, or any of the others whose military establishments are creatures of the United States.

#### CONTINGENCY FUND

Once again, the uses of the contingency fund were advertised as being for unforeseen emergencies. But one of the largest transfers out of contingency funds was \$50 million into development loans to make a program loan to Brazil. Other uses of the contingency fund have been \$38 million for Vietnam (in addition to its programed funds and the special request of \$125 million) and a transfer of \$75 million into military assistance. All these obligations were entered into only in the 2 months before Congress acted on the foreign-aid bill.

Use of the contingency fund for Brazil's balance-of-payments problem continues to typify the abuses of this fund. This is neither an unforeseen nor an emergency situation. The contingency fund only provides the loophole whereby Brazil evades the stipulations of the Alliance for Progress.

This use of the fund alone justifies a \$50 million cut.

#### MILITARY ASSISTANCE

There is no part of foreign aid on which the Congress has received a worse flimflam from the executive branch than on military assistance.

One of the major criticisms leveled by both the Clay Committee and the Senate Foreign Relations Committee last year was that we had too many token military aid programs that seemed to be designed merely to give the American military a "presence" in most countries outside the Communist bloc.

Figures prepared for the hearings at my request indicate that the total number of countries receiving military grant aid in fiscal 1965 will be 55, compared to 63 in fiscal 1964. However, the March 1964 publication from the Defense Department called "Military Assistance Facts" includes an estimate that 62 countries will receive grant military aid in fiscal 1965, and that 10 more countries will acquire American arms through direct or credit purchases.

If there is, in fact, any reduction planned in the total number of countries receiving grant military aid next year, it does not show up in the request for \$1,055 million. There is no explanation of why we are sending the same total aid to fewer countries, if that is in fact what we are doing.

On March 6 of this year, the General Accounting Office issued another of its periodic reports that have consistently found extensive waste in military aid. This one reported that the Defense Department has continued to maintain large military aid staffs in the countries of Western Europe even though military aid to them is being phased out.

The report also stated that these military aid missions continue to prepare military aid plans even though no more grant aid is supposed to go to these countries.

To quote from the GAO report:  
"We found that in 1962, when the value of grant aid deliveries to 8 of the countries covered by our review was \$190 million, the Military Assistance Advisory Groups in these countries were staffed in total with approximately 345 U.S. personnel or 66 percent of the level maintained to administer programs

during the peak year of 1953, when the value of grant aid deliveries was \$2.3 billion.

"The failure to eliminate or reduce the Military Assistance Advisory Group's functions and to make appropriate reduction in the number of personnel assigned, as the military assistance programs were accomplished or reduced, has resulted in the unnecessary expenditure of millions of dollars overseas; the ineffective utilization of highly skilled, highly trained personnel; and the continued but unnecessary support overseas of the dependents of many Military Assistance Advisory Group personnel. \* \* \* The Department of Defense furnished us with comments in response to our findings and proposals for corrective action by letter dated July 26, 1963, classified secret. The Department of Defense has informed us that a worldwide review is now being made of the missions and functions of Military Assistance Advisory Groups to determine the feasibility of reducing U.S. representation abroad. We believe that immediate personnel reductions can be made by eliminating or reducing functions now being performed by these groups. We intend to make a followup review at a later date, and at that time we will examine into the adequacy of the Department of Defense's action to reduce or eliminate the staffs of the Military Assistance Advisory Groups in the countries involved.

"Although virtually no additional grant aid is to be provided to the eight Western European countries, we were advised by the MAAG's that they are continuing to prepare military assistance plans. In France, the plans were being prepared in the same detail and on the same basis as though grant aid were to continue, whereas in other countries the plans were being updated and revisions were being made as necessary."

Secretary McNamara, in his testimony to the Foreign Relations Committee, pointed out that only Denmark and Norway in Western Europe are receiving grant military aid in fiscal 1965, and that no new commitments are being made in Europe. Yet the military aid budget does not reflect any curtailment anywhere of small aid programs or of oversea missions.

A real deception of Congress took place in connection with Vietnam. The original 1965 budget reduced military aid to South Vietnam considerably below the level of fiscal 1964, and parceled it out to other countries. Then the President sent a special message to Congress claiming that conditions in Vietnam were so critical that an additional \$55 million for military aid was needed to meet that emergency. The addition only brings South Vietnam's military aid back to last year's level.

Those who have been through 15 years and more of that kind of shell game from various administrators can no longer take at face value anything about aid that is told us by either military or civilian officials. In the case of this "bare bones" request, the funds available for military aid this year include not only the \$1,055 million in new appropriations, but \$25 million which was unspent last year and for which reappropriation is requested, \$135 million which is expected to be recouped from cancellations, price changes, and various slippages, plus a continuing standby authority to use \$300 million in Defense Department stocks when the President finds it "vital to the security of the United States." In recent weeks, \$75 million in contingency funds has also been used for military assistance.

This means there is really available not \$1,055 million but \$1,515 million for military assistance, plus the contingency funds. It is why an eventual cut of \$500 million in military aid would be one of the soundest

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steps that could be taken toward a sound and useful long-range foreign aid program.

It is becoming clear from the testimony Congress receives year in and year out, that the Pentagon has come to consider military aid a permanent program. Each year, the requests are justified with accounts of Greece or Pakistan or some other country using obsolete equipment that must be replaced by the United States to keep it current with Bulgaria, in the case of Greece, and to keep current with India, in the case of Pakistan.

It is about time that the Pentagon were required to produce some long-range plans for what it expects of military aid in the future. We should find out whether these countries are going to have their obsolete equipment replaced by us forever, and by whose standards it is obsolete. For example, a perennial favorite is the claim that countries in the Far East need new jetplanes. But the only conceivable enemy against which we are arming them is Communist China, whose jet aircraft from the Soviet Union was cut off several years ago and who does not produce its own jets. Published estimates put the Chinese jets at the period of about 1956.

There is no reason for upgrading the level of any military forces in the Far East above that of Communist China, whose air, naval, and mobile capability is very low.

Future Pentagon estimates for military aid should also include an estimate of how much it would cost the United States to finance a war effort in each country receiving military assistance. We are told, for example, that Taiwan no longer receives huge sums of economic aid, but she continues to receive large quantities of military aid. All this means is that Taiwan still cannot support a large peacetime military establishment. How much would it cost the United States to underwrite a war waged by Taiwan?

It continues to be any opinion that any military aid given to a country in peacetime is only a small fraction of what it would cost the United States to support that country in time of war, if indeed, we decided to support it at all. Such nations are not allies against communism; they are only dependencies. It is worst of all to continue giving large-scale, Western-style military aid to nations that have no prospect of being able to support a modern war out of their own economies in the foreseeable future.

It is not these indigenous forces that deter China or the Soviet Union—it is the likelihood of American response to an invasion of any one of them.

We are having a hard enough time trying to advise the South Vietnamese how to fight, after giving them the most modern equipment, without committing ourselves to the same undertaking with the several million foreign soldiers we keep under arms under the pretext that they are contributing to free world defenses.

The most astonishing testimony of all has been that this amount of the request is needed to upgrade the armed forces of Greece and Turkey. Why we should advertise that we want to do even more than we have in the past to prepare them to fight each other, I cannot imagine.

A 20-percent reduction in the military aid for both Greece and Turkey, and for Pakistan and India, would do more to end the quarrels over Cyprus and Kashmir than all the high-level conferences held to date. The spectacle of stoking their war machines while we beg them to be peaceful is as much a reflection upon Congress as upon the executive branch.

#### CRITICAL REPORTS FROM GENERAL ACCOUNTING OFFICE CONTINUE

Reports by the U.S. Comptroller General criticizing the aid program in Turkey and the size of military aid missions in Western Europe have already been cited. But there are other reports, too. They continue year

in and year out to cite examples of wasted money in the foreign aid program. These reports are in no sense a comprehensive review of aid; they are only reports of practices uncovered in spot checks.

On March 5, 1964, the Comptroller General summarized as follows a report on "Certain Economic Development Projects for Assistance to Central Treaty Organization":

"Because the availability of local resources was not adequately explored, grant and loan funds aggregating more than \$8 million were used for purposes other than those for which they were initially obligated and for financing imports which were not needed or could be produced in the recipient country. Furthermore, the economic feasibility of the three projects for which the funds were obligated was dubious and, as conditions existed at the time of our review, there was no assurance that two of the three projects involved would ever be completed."

"In light of the foregoing findings, we suggested certain basic policy guidelines for consideration by the Agency. The Agency expressed agreement with the principles of our proposals but claimed that the origin and objectives of the projects were primarily political and that its decisions and actions in the implementation of the projects were concerned principally with the achievement of political success."

"The annual program presentations of the Congress on three of the projects did not fully disclose the unusual circumstances and the problems which have attended the projects. Moreover the presentations were incomplete and inaccurate and indicated that the aid provided to these projects was more effective than was actually the case. We are repeating our recommendation made in previous similar instances, that the Agency make more informative, clear, and accurate disclosure of significant data in annual program presentations."

On March 12, 1964, a report was sent to Congress on "Unnecessary or Premature Procurement of Sidewinder Missile Training Systems and Their Delivery to Foreign Countries Under the Military Assistance Program." It said in part:

"Tow target systems costing in excess of \$1 million, designed for training pilots in the use of Sidewinder missiles, were unnecessarily or prematurely delivered to 11 foreign countries because responsible Department of Defense agencies had not given consideration to the countries' inability or unwillingness to use the systems. Six countries were unwilling to use the tow target systems for reasons of safety and cost, and five countries did not have the equipment, missiles, or test programs to enable them to use the tow targets at the time of delivery. An additional \$240,000 had been expended by the Air Force for tow targets for which no firm requirement existed and which were never delivered under the military assistance program. These targets were still in storage at the time of our review."

"In commenting on our findings and proposals, the Department of the Air Force advised us that action had already been taken or was underway to recover the excess equipment in six countries and that no immediate action was proposed in five countries because utilization had been planned."

"With regard to the procurement of unneeded tow targets that were never delivered to recipient countries and are now in storage, inasmuch as the Department of the Air Force failed to comment on our finding, we are recommending that the Secretary of Defense require that an appropriate inquiry be made to determine the reasons for the overprocurement and which persons were responsible so that appropriate corrective and disciplinary measures may be taken."

"Our reports on the military assistance program over the past 7 years have shown that a basic deficiency in the administration of

the program has been the failure of the Department of Defense to limit materiel deliveries in accordance with the capability of the recipient countries to maintain and utilize equipment even though this is required by the Department's own regulations. Accordingly, we have recommended to the Secretary of Defense that these regulations be strengthened by requiring that future deliveries of major end items included in approved military assistance programs be made only upon a written certification by the chief of the Military Assistance Advisory Group based on a specific determination that the recipient country has the necessary capability to effectively absorb, maintain, and utilize the item to be delivered."

"The Department of Defense has disagreed with our recommendations and has maintained that, under current directives, the Military Assistance Advisory Group chiefs have the continuing responsibility for screening undelivered military assistance program materiel and for taking timely cancellation or deferral action where delivery of materiel is not consistent with host country capability to absorb, maintain, and utilize the equipment. The Department of Defense maintained also that certification by the Military Assistance Group chief would serve no significant useful purpose."

"We believe that such a certification requirement would encourage a current reappraisal of the need for the equipment and the country's capability to maintain and utilize it before it is delivered and would help to prevent future deliveries of military assistance program materiel in excess of the country's capability to effectively absorb, maintain, and utilize the items delivered. Military assistance program materiel has continued to be delivered for a number of years to countries which cannot effectively absorb, maintain, or utilize the equipment and has been the subject of numerous reports to the Congress and the Secretary of Defense, even though during that time the Military Assistance Advisory Groups have been charged with the responsibility of preventing this from occurring. We therefore believe that affirmative action by the Military Assistance Advisory Group chief before delivery should be required."

"In view of the position of the Department of Defense with respect to this matter, the Congress may wish to consider the enactment of legislation requiring additional safeguards before delivery of military assistance program materiel. We shall be pleased to assist in drafting such legislation if desired."

Certainly the inclusion of legislation along this line must be considered at the next drafting of foreign aid legislation.

On June 17, 1964, a report was received on "Ineffective Administration of U.S. Assistance to Children's Hospital in Poland." It said in summary:

"Our examination into U.S. assistance to a children's hospital in Poland, for which about \$2.2 million in dollars and the equivalent of \$5.3 million in United States-owned Polish currency has been appropriated, disclosed an almost complete lack of U.S. Government surveillance of project activities. Consequently, U.S. officials were not aware of certain unfavorable financial and operational factors attending this project."

"We found that cost estimates submitted to the Agency for International Development did not include supporting details and that the Agency had not made a proper review and evaluation of the estimates. We found also that (1) the Agency disbursed more funds to the private sponsor of the hospital than were provided for in the original grant agreement; (2) the sponsor had incurred costs in excess of the maximum amount provided for in the original grant agreement and in excess of the erroneous amount disbursed by the Agency; and (3) the sponsor continued to incur costs even though all avail-



able funds were exhausted. We found further that the hospital may not be adequately staffed for effective operation at the time of its completion. We believe that this loose administration was caused in good part by a failure to define Agency responsibility.

"The Agency made a commitment in August 1961 to finance the local currency costs of constructing the hospital on the condition that the sponsor would attempt to raise from private contributions in the United States the dollar funds required for certain material and equipment not available in Poland. The Agency made this commitment in the face of overwhelming evidence at the time that the sponsor would not be able to raise the dollar funds and that U.S. Government dollar financing would ultimately be necessary to complete the hospital. As far as we could determine, the Agency did not present this matter for the consideration of the Congress prior to making the commitment.

"At the time of our review, construction was well underway with Polish currency made available by the Agency but the sponsor had raised only a fraction of the dollar requirement and reported that no prospect existed for raising the dollars. Consequently, in order to complete the hospital, the Agency requested \$2.2 million in dollars for the hospital in its fiscal year 1964 budget presentation to the Congress. The request was made, notwithstanding the then existing prohibition against giving dollar aid to Communist countries. The funds were appropriated in the Foreign Aid and Related Agencies Appropriation Act, 1964, approved January 6, 1964.

"In requesting funds for the hospital in its budget presentations to the Congress for fiscal years 1963 and 1964, the Agency did not disclose the unusual circumstances and problems which have attended this project, as described in our report, and furnished incomplete and inaccurate information regarding some of the financial and operational aspects of the project. Also, because the dollars were not available when needed, completion of the hospital will undoubtedly be delayed considerably beyond its scheduled date.

"The comments of the Agency for International Development, concurred in by the Department of State, reflected general disagreement with our findings and conclusions. After an analysis of these comments and further review of files and records, however, we concluded that the Agency had

presented no information which would cause a significant change in our basic report with respect to our presentation of the facts or the conclusions drawn.

"We believe that, in addition to the corrective actions cited in the report, it is incumbent on the Agency for International Development to take steps to assure that arrangements have been worked out for adequate staffing of the hospital. Also, we are again recommending that future annual foreign aid budget presentations to the Congress describe projects and other significant activities in such clarity and specifics as will facilitate a full and correct understanding by the Congress of their scope, status, and administration."

On June 29, Congress received a report on "Deficiencies in Administration of the Earthquake Reconstruction and Rehabilitation Program for Chile." It said in summary:

"On the basis of our review of projects financed under the reconstruction and rehabilitation program in Chile following the earthquakes in May 1960, we believe that serious problems were encountered because the Agency for International Development did not adhere to accepted standards of programming and project planning for the large number of projects included in such a vast program.

"For the most part, no meaningful review was made of the Government of Chile's plans, specifications, and cost estimates for the projects undertaken. The Agency did not adjust the size and makeup of its mission staff to meet the tremendous expansion of assistance to Chile under the earthquake program. Also, appropriate consideration was not given to the abilities of the various agencies of the Government of Chile to carry out their part of the program. As a result, serious cost overruns and delays occurred in many projects and a number of projects had not been completed, or in some cases had not been started, some 3 years after the earthquakes and substantially after their estimated completion dates.

"For a substantial part of calendar year 1962, the maximum rate of exchange was not obtained for dollars disbursed under the earthquake reconstruction program. The resulting loss to the earthquake program was estimated to be in excess of 26 million Chilean escudos, the equivalent of \$13.8 million on a most conservative basis. As a practical matter, it can be said that earthquake reconstruction funds were used for a period

of time to subsidize and help maintain the Chilean escudo at a rate that was known to be overvalued in relation to the dollar.

"Despite the disbursement of large sums in calendar years 1961 and 1962 under this program, Chile imports from the United States declined in those years, both in dollar value and in relation to total imports. Also, we noted that several earthquake reconstruction projects were adversely affected because of Chile's shortage of foreign exchange, despite the fact that \$120 million was being supplied under the earthquake program, and the amount of foreign exchange required for earthquake projects was relatively minor. We are recommending that, in future agreements providing dollar financing for projects or programs consisting principally of local currency costs, adequate provision be made requiring the utilization of the dollars so provided for any direct foreign exchange costs of the specific projects or programs being financed.

"To the extent deemed appropriate, the comments of the Agency on our findings have been included in this report. The Agency's comments on the exchange rate matter, together with our evaluation of such comments, are contained in a supplementary report which has been classified as 'confidential'."

In May, two more reports were received. They concerned waste in the military aid programs to Indonesia and Ethiopia, and both were marked "classified."

This year's reports on foreign aid are only typical of those Congress receives every year. The answer always comes back: "Some waste must be expected in a program of this size." But I do not know of any Federal program of any size where so much known waste of money continues with so little action being taken to stop it. So long as these critical reports on foreign aid come in from the General Accounting Office, I shall continue seeking to reduce and tighten the program.

CONCLUSION

On the basis of the foregoing discussion and other information which cannot be made public, I am recommending cuts totaling \$466,700,000 less than the figures approved by the Committee on Foreign Relations. This would bring the overall foreign aid authorization to the \$3 billion level of new money which was appropriated last year. The following table gives the statistical details of my proposal:

	Appropriation, fiscal year 1964	Administration appropriation request, 1965	House appropriation bill	Senate Foreign Relations Committee	Reduction by Senate committee from administration request	Recommended further cuts	Recommended Senate authorization
Pt. I. Economic:							
Ch. 2. Development assistance:							
Title I. Development loans.....	\$687,300,000	\$922,200,000	\$782,200,000	(1)		\$140,000,000	\$782,200,000
Title II:							
Technical cooperation, development grants.....	155,000,000	224,600,000	204,600,000	\$215,000,000	\$9,600,000		215,000,000
American schools and hospitals.....	19,000,000	18,000,000	18,000,000	18,000,000			18,000,000
Title IV: Surveys of investment opportunities.....	(1)	2,100,000	2,100,000	2,000,000	100,000		2,000,000
Title VI:							
Alliance for Progress loans.....	375,000,000	465,000,000	425,000,000	(1)		80,000,000	385,000,000
Alliance for Progress grants.....	80,000,000	85,000,000	85,000,000	85,000,000		5,000,000	80,000,000
Ch. 3. International organizations.....	116,000,000	134,400,000	134,272,400	134,400,000			134,400,000
Ch. 4. Supporting assistance.....	330,000,000	405,000,000	405,000,000	374,700,000			374,700,000
Ch. 5. Contingency fund.....	50,000,000	150,000,000	150,000,000	150,000,000	30,300,000		11,700,000
Pt. II. Military.....	1,000,000,000	1,055,000,000	1,055,000,000	1,045,000,000	10,000,000		50,000,000
Pt. III. Administrative expenses:							
AID.....	50,000,000	52,500,000	52,500,000	52,500,000			52,500,000
State Department.....	2,700,000	2,900,000	2,900,000	(1)			2,900,000
Pt. IV. Other laws: Latin American development.....	135,000,000						
Total.....	3,000,000,000	3,516,700,000	3,316,672,400	2,076,600,000	50,000,000	466,700,000	3,000,000,000

1 Previously authorized.

It will be noted that in virtually every category but military assistance my recommended figures exceed the amounts appropriated for fiscal year 1964. The fact of this excess should counter the tortuous argument for increases based on carryovers, deobligations, and so forth—an argument which plagues and distorts our debates on the subject of foreign aid each and every year.

Needless to say, I am convinced that any authorization for a foreign aid program of more than \$3 billion is not in the national interest, and is actually inimical to the individual American taxpayer.

Mr. MORSE. I shall not take the time to discuss the report. It speaks for itself. I set out some of my major objections to the foreign aid program in 1964. The chairman of the Foreign Relations Committee, in filing the report for the majority, admitted my case and pointed out that the objections should be faced up to by the administration; that if something was not done to correct them, the administration would be in trouble in connection with future foreign aid bills. The administration did nothing about correcting the deficiency which the chairman of the Foreign Relations Committee admitted should be corrected, and so we have him back again this year, speaking for the majority, again saying to the administration, in effect, "You ought to do something about it. If you do not do something about it, you will be in trouble in the future." That is passing the buck to the administration.

The Foreign Relations Committee of the Senate has the responsibility of doing its own investigating of foreign aid in behalf of the Senate. Its conference report should be repudiated. The committee should be told to go back to conference, try to get an extension of foreign aid by way of a continuing resolution, set up its own investigating body, and proceed to get this job of investigating foreign aid done before the administration comes in with another bill.

I close by saying that once again I find myself in the very unhappy position of standing with a small minority in the Senate, pleading for the Senate to assume what I think is its clear responsibility of checking the administration in connection with the wasteful and inefficient foreign aid program with which it continues to shackle the American taxpayers. I would much rather find myself with the majority. Some day I hope to be with the majority on this issue. But I shall never be with the majority until the majority of the Senate proceeds to perform the responsibility which is clearly its job, and that is to stop transferring to the executive branch of the Government the responsibility of cleaning up foreign aid by conducting our own Senate investigation if we cannot persuade the House to join us in a joint investigation, and bringing in next year a revised and reformed foreign aid program that all of us can support with enthusiasm. That is my hope, and to that end I intend, so long as it is necessary, to raise my voice in opposition to the present format of foreign aid.

I yield the floor.

Mr. DODD obtained the floor.

Mr. MANSFIELD. Will the Senator yield?

Mr. DODD. I yield.

Mr. MANSFIELD. Mr. President, I understand the distinguished Senator has a statement which will take approximately 10 minutes.

Mr. DODD. Fifteen minutes.

Mr. MANSFIELD. I ask unanimous consent that at the conclusion of the statement of the distinguished Senator from Connecticut, the Senate vote on the conference report.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Senator from Connecticut is recognized.

Mr. DODD. Mr. President, I shall refer briefly to the conference report. I have looked it over, and do not find the language which we adopted in this Chamber by a vote of 73 to 13. As I remember, this language reads something like this: "That so long as Egypt and Indonesia continued their aggression against other countries, subject to the discretion of the President no money under the program would be made available to them."

I do not find that language in the conference report.

In more than 10 years in Congress, I have voted for every foreign aid bill. I shall not vote for this one, since this language has been taken out. I have seen what has happened over the years. I remember when we offered restrictive amendments about Communist aggression, and the argument was made in reply, "We will leave that up to the President."

We have now evidently reached the point where even the President will not be able to decide. Unless the language which was stricken is put back in the conference report, I shall not vote for it, and I do not believe the American people would vote for it.

Mr. President, with unanimous consent, I would like to continue my remarks on the Dominican Republic.

The PRESIDING OFFICER. The Senator from Connecticut is further recognized.

A REPLY TO SENATOR FULBRIGHT ON THE DOMINICAN REPUBLIC

Mr. DODD. Mr. President, yesterday I took the floor of the Senate to point out that a recent publication of the Senate Foreign Relations Committee entitled "Background Information Relating to the Dominican Republic" had been heavily slanted against the administration through a one-sided selection of press quotations and documentation.

Among other things, I pointed out that the chronology had quoted exclusively from press sources that were critical of administration policy and had completely ignored the hundreds of newspaper articles by veteran correspondents and by columnists of national reputation which in general vindicated the administration's decision to intervene in the Dominican Republic; that I had ignored the statement supporting the administration's action issued by the AFL-CIO and by Conatrol, the major Dominican Labor Federation, as well as by the inter-

American Regional Organization of Workers; and that it had completely ignored the report of the OAS Special Committee on the Dominican Crisis and the minutes of the OAS meeting at which the committee had submitted its report.

I think that anyone who takes the trouble to read my statement will agree that my remarks were carefully documented and that they in no sense constituted an ad hominem attack.

I did not at any point refer to any Senator directly or indirectly, nor did I attempt to assign any blame for the unfortunate one-sidedness of the presentation.

I did ask that the staff of the Foreign Relations Committee be instructed, in preparing such future studies "to bring together all pertinent documents and not merely selected documents, and to select their press quotations in a manner that presents both viewpoints, or all viewpoints, rather than just one viewpoint."

I do not think that anyone can construe this very modest recommendation as a blanket condemnation or blanket criticism of the Foreign Relations Committee staff. I believe that this staff is competent and dedicated and I have the highest regard for its members. But this in no way mitigates the fact that a serious mistake was made.

I avoided all personal references for the simple reason that I did not in any way consider this a personal issue.

A document had gone out to Members of Congress and to newspapermen and reference libraries across the country which was bound to become part of the historical record of our time.

This document was demonstrably and grievously one-sided.

I considered it my duty as a Senator to attempt to redress the balance of the historical record by presenting to Congress a brief review of some of the most important press items that had been ignored by the report and of some of the critical documents that had been omitted.

I, therefore, regret that my colleague, the distinguished Senator from Arkansas, saw fit to respond to my presentation yesterday afternoon by completely ignoring the substance of my speech and by launching into a personal criticism of me in an effort to undercut my credibility.

I intend to reply to the charges of the Senator from Arkansas in the course of my further remarks. But let me say at this juncture that, even if every one of them were true and valid, which they are not, they would still constitute no reply to the points I made in my statement of yesterday morning.

The Senator did not challenge my statement that the report had quoted exclusively from newspaper sources that were bitterly critical of the administration's actions—the New York Times, and New York Herald Tribune, and Washington Post, and several European publications which I named.

I read this over this morning and, to be exact, of 102 quotations from the press covering the period from April 24,

1965, until the end of the chronology, 90 quotations came from the Times, Tribune, and Post, while 12 others were culled from papers like the London Times, and LeMonde of Paris.

The Senator from Arkansas did not challenge my statement that the study completely ignored the hundreds of articles by newspapermen and columnists of national reputation which in general substantiated the administration's version of events.

He did not challenge my statement that the report had completely omitted mentioning the two single most important documents put out by the OAS in connection with the Dominican uprising—the report of the OAS Special Committee and the minutes of the meeting at which this report was presented.

He did not challenge my statement that the report had ignored the resolutions adopted by the AFL-CIO, Conatrol, and the Inter-American Regional Organization of Workers.

To give Senators an idea of just how badly the entire report was slanted through the simple mechanism of selective quotations, I want to take just one example of the press quotations in the report and contrast it with reality.

The report quoted the London Observer for May 2, 1965 as follows:

What is \* \* \* unprecedented is the unanimous condemnation of U.S. intervention by the Governments of Latin America, whatever their political complexion, with Mexico and Chile in the lead. Notable among the complainants is Venezuela, whose Foreign Minister summoned the U.S. Ambassador to receive an official protest. (Observer, London, May 2, 1965.)

The charge that the Latin American Governments were virtually unanimously opposed to our intervention in the Dominican Republic, is made nonsense of by the fact that the five-man OAS Committee, which investigated the situation, agreed unanimously that law and order had broken down completely at the point where we intervened and that there was a serious danger of a Castro Communist takeover. They also reported that this was the view of the many Latin American diplomats in Santo Domingo with whom they discussed the situation.

On this point I would again urge Senators to read the minutes of the OAS meeting of May 5, which I inserted into the Record and from which I quoted extensively in my remarks of yesterday.

Incidentally, I think it worthy of note that the New York Times and other newspapers which were so bitterly critical of our intervention in the Dominican Republic also saw fit to ignore the report of the OAS Special Committee.

In replying to my remarks, the chairman of the Foreign Relations Committee made the point that I had attended only 1 of the 13 meetings of the committee which took executive testimony on the situation in the Dominican Republic.

I consider this reply to be both irrelevant and evasive.

Even if I were not a member of the Foreign Relations Committee, or if, as a member of the committee I have failed

to attend a single meeting, it would in no way affect the validity or invalidity of my criticism of what the study says.

However, since the Senator raised this matter, I would like to comment briefly on it.

I am a member of three major committees of the Senate—the Foreign Relations Committee, the Judiciary Committee, and the Space Committee. In addition, I am the chairman of the Senate Subcommittee on Juvenile Delinquency, the vice chairman and chairman of the Senate Subcommittee on Internal Security, and a member of the Subcommittee on Antitrust and Monopoly, the Subcommittee on Constitutional Amendments, and the Trading with the Enemy Subcommittee.

I believe that the record will show that I have presided over as many committee hearings, or almost as many committee hearings, as any other Member of the Senate. I try hard to be diligent about my committee duties, but there are so many committee meetings that it is humanly impossible to attend all of them.

I am sure that many Senators feel the same way about it as I do. And I believe that the Committee on Reorganization, under the chairmanship of the distinguished Senator from Oklahoma [Mr. MONROE], might do well to look into this situation with a view to seeing whether some better system cannot be devised.

As for the charge that I have not troubled to examine the transcript of the committee's hearings on the Dominican Republic, I believe that this, too, is irrelevant and evasive.

The charge, however, gives me an opportunity to discuss an aspect of the committee's functions which has troubled me and other members.

Under the committee's regulations, a Senator who wishes to read the record of any executive session at which any top secret matter has been discussed cannot have this record sent to his office, but must instead go to the Foreign Relations Committee Room during office hours, sit himself down at a table, cut off from all contact with his own office, and there go through a record that may require as much as several hours reading.

Like most Members of the Senate, I am obliged to do my serious reading after the day's session adjourns. To deny members of any committee access to documents is a serious matter. And it is my contention that the present rules of the Foreign Relations Committee have the effect of denying us access, or seriously limiting our access to those documents which the committee considers confidential.

Actually, I believe that the business of classification is greatly overdone. It has been my experience that 90 to 95 percent of the information at our executive sessions has already appeared in the press and what has not appeared in the press at the time of the meeting generally turns up in print a few days or a week later.

As my final point, I want to comment

on the Senator's statement that the material in the study on the Dominican Republic crisis was collected by the Legislative Reference Service and by the State Department as well as by the committee staff.

I, too, use the Legislative Reference Service in compiling information that I may need for statements. But since I must assume final responsibility for any statement or document that originates in my own office, I try to have my own staff do an independent job of research so that they can check their findings against those of the Library of Congress.

If the criticisms I have made of the Dominican study are valid, then it is completely irrelevant whether the Legislative Reference Service or any other Government agency was involved in gathering the material for it.

The only fact that matters is that, somehow, a report was issued under the auspices of the Foreign Relations Committee which turned out to be prejudiced and one sided in content.

For this the committee cannot escape responsibility.

All I ask is that the study be read. I shall leave the decision as to who is right up to any fairminded man who takes the time to read that study.

I did not charge anything willful or sinister. I think that a mistake has been made here, but it is a kind of historical mistake when this study goes out across the country, into the libraries and reference files.

I felt that it was my duty to make a record on it, and point out that this study was slanted and one sided, and that it left out all columnists and journalists and commentators who wrote in an entirely different vein.

If a report of this kind is to be given to the Senate, we ought to get all views and not merely one side.

Out of 102 press comments, we get 90 from the newspapers that have been notoriously against the administration policy. The other 12 are from European newspapers which were also opposed to our policy.

We do not get any quotations from American newspapers which have reported in a manner which supported the administration.

I ask any Senator how we can consider that that is a fair study of accurate reporting or editorializing on the Dominican Republic situation.

That is why I have made this statement today.

I shall not withdraw my statement.

I stand by it.

I am glad that I made it.

I shall make a statement on every occasion when I believe that the public interest requires me to do so, and when my conscience requires me to do so.

All I ask is that I receive fair treatment.

I do not believe that it is fair to make a personal attack on me because I dare to say what I think is right about a committee study.

Mr. President, I yield the floor.

The PRESIDING OFFICER. In accordance with the previous order, the vote must now be taken on the pending question.

Mr. FULBRIGHT. Mr. President, I should like to be given an opportunity to reply.

The PRESIDING OFFICER. The Chair has no discretion in the matter.

Mr. DODD. Mr. President, I ask unanimous consent that the Senator from Arkansas may have whatever time he needs.

The PRESIDING OFFICER. The previous order was to the effect that the vote would be taken upon the conclusion of the remarks of the Senator from Connecticut.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the previous order be extended for 5 minutes so that the Senator from Arkansas may reply, and that then a vote be taken.

Mr. DODD. If that is acceptable to the Senator from Arkansas, it is agreeable to me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, we have been listening for a considerable time, or at least, some have, to talk about this report.

I do not wish to argue with the Senator from Connecticut. My statement was not a personal attack. It was an observation on the validity of his charges against the Committee on Foreign Relations.

It is most unusual that Senators who seldom attend the committee meetings are so free with their criticism of the committee.

The Senator talks about the report of the committee. It was not a report. What he referred to is a committee print entitled "Background Information Relating to the Dominican Republic." It is not a report but is an informational document. It expresses no opinions and reaches no conclusions.

Among other statements it contains several made by President Johnson. Such statements are normally taken from various newspapers.

There was a meeting of the committee which the Senator from Connecticut did not attend. At this meeting we discussed whether or not we should cull reports from various newspapers. We also asked the Ambassador to the Dominican Republic whether he thought any of the reporters were impartial and objective in their reporting. He said that there were those which he considered, at least, very much inclined to bias toward one side or the other side.

I believe that he mentioned two or three that he would possibly consider as being impartial.

Later the committee considered whether or not we should call these reporters as witnesses. We concluded that we should not call any, because if we started to call any of them, there would be no end to it. It would have put this committee in this position of having to pick and choose which were to testify. So we did not call any of the reporters. As I said before, all the witnesses whom we called with one exception, were ad-

ministration witnesses. The exception was Luis Muñoz Marín, former Governor of Puerto Rico, who is quite friendly to the administration. His testimony certainly was not inimical to the position of the administration. There are 760 pages of testimony in all.

There was nothing personal meant by my statement. It was only a rejoinder to the Senator's statement. I did not initiate the matter. I did not say anything about the Senator from Connecticut never attending a meeting. I know that he has many other meetings and I regret that we do not have the benefit of his attendance at more of our meetings.

The fact is that he does not attend our meetings often, because he is burdened with other committee meetings, as are other Senators.

My statement does not pertain only to the Senator from Connecticut. About half the Senators are unable to attend the meetings as a rule. I doubt if half of them attend 50 percent of the meetings. They have too many other meetings that they must attend. I have been unable to understand why Senators ask me and the leadership to get appointed to the Committee on Foreign Relations and then they seldom put in an appearance. It is well known that we have trouble obtaining a physical quorum at the committee meetings.

The committee work does not deal with the immediate affairs of constituents. I support, but for reasons unknown to me, some Senators must view this committee assignment as carrying a certain amount of prestige with it. Otherwise, I do not know why they would want to be on the committee. Many do not attend the meetings regularly. That is, of course, no reflection on any Senator. The demands on a Senator's time today are a fact of life which we all recognize.

I believe that if the Senator from Connecticut had been present at the committee meetings he would have been in a better position to determine whether the committee approached this whole subject from a biased or anti-administration viewpoint.

The document which has been discussed is a compilation of background information collected, as has already been stated, by the Legislative Reference Service of the Library of Congress, the Department of State, and the committee staff.

The Senator says that the committee staff is all right on the one hand, that it is a good staff; but, on the other hand, he says that the staff exercised no judgment in the selection of the materials.

I do not believe that is true. I doubt that anyone who read the study would agree with that statement.

The Senator made reference to an OAS report. There have been several reports by OAS groups. I do not know which one the Senator had in mind. I do know of the report issued by the Special Committee of the OAS which was printed by the Internal Security Subcommittee. The introduction to the publication containing this report stated that the committee's report supported the conclusion that the United States had to intervene

to prevent the spread of communism in Latin America.

I read that OAS report, which was included in the Internal Security Subcommittee publication. The report cited said no such thing. It made no reference to communism or subversion. The OAS Committee did not comment on the matter at all or say that they agreed or disagreed with any view as to Communist domination of the revolution.

The report did state that law and order had broken down. We all knew that. There has been no dispute concerning that. But the OAS Committee did not comment on the justification for our intervention as the introduction states.

In the Foreign Relations Committee, there have been some questions as to the extent which the Communists dominated the revolution in the early days—April 24, 25, and 26. There was a difference of opinion among the members, but there has been no report issued on the question. I doubt that there will be any report, because of the difference of opinion.

This is a difficult committee to manage. The legislation it handles is often very unpopular. For example, there is a convention on the Executive Calendar, which the leadership feels must be laid aside. We must handle the foreign aid bill—usually the most criticized bill of all measures coming before the Senate each year.

It has held this Congress back from adjourning year after year. This is the first time in many years that it has reached the point it has today so early in the session.

Serving on the committee is not the kind of work one takes great pleasure in, and I do not like to hear the committee being judged by critics who do not attend meetings, except on rare occasions. I have to attend as chairman. Perhaps I do not have to; I could resign. I have thought of resigning. It may be a good idea. I shall give further thought to it. But I do not feel very good about the criticism of the work of the committee by Senators who rarely attend meetings. If the Senator does not like my saying that, that is his privilege. The fact is that those who do not attend its meetings should not criticize the committee's impartiality.

Mr. LAUSCHE. Mr. President, I am a member of the committee—

The PRESIDING OFFICER. Just a moment. Under the order—

Mr. LAUSCHE. Mr. President, I ask unanimous consent to have 3 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered. The Senator from Ohio is recognized for 3 minutes.

Mr. LAUSCHE. Mr. President, I am a member of the Foreign Relations Committee. I attended substantially all the meetings that were held with regard to the Dominican Republic. In my judgment, the proof before that committee was clear that within 3 days after the violence broke out, groups connected with Peiping, Moscow, and Castro took over.

In the Dominican Republic the people of the United States were definitely

faced, unless we intervened, with the establishment of another Cuba on our shores.

In the hearings I took violent exception to efforts to develop a situation to show that this country was erroneously and wrongly in the Dominican Republic.

My conclusion, based upon what took place there, was that a methodical effort was made to prove that the United States improperly entered into the Dominican Republic.

A reading of the transcript will show that I violently opposed those efforts. Documents were prepared containing information in favor of those who said the United States was wrongly within that Republic. Arguments were made, quoting newspapers especially, to the effect that the United States was improperly in that country.

I recall asking if it was not a fact that one newspaper had labeled Castro as a Robin Hood, as a Lincoln. The same type of argument was made in the committee.

Then the question was raised, "Do you challenge the truth of the quotations in the newspapers? Are not the writers honorable? Are they not honest and of good reputation?"

My answer was that the man who said Castro was a Robin Hood and a Lincoln also had a good reputation and character, but the fact that he was a newspaperman did not make him infallible. Subsequent events proved that the writer who said Castro was a Lincoln and a Robin Hood was grossly in error, in error to the point that the damage done to the United States is beyond repair.

Whether or not the Senator from Connecticut was present, he has put his finger absolutely on the essence of what occurred.

Mr. MANSFIELD. Mr. President, I modify my previous unanimous-consent request, and ask that at the conclusion of the statements of the Senator from Rhode Island [Mr. PELL] and the Senator from California [Mr. KUCHEL], the Senate vote on the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I should like to make, as part of the record of our consideration of the conference report on foreign aid, some observations relating to sections 214(b) and 214(c), which apply to schools and hospitals abroad.

On June 10, the Senate approved my amendment to the Senate version of the foreign aid bill, which would have increased the amount of assistance to such institutions by \$2 million, from \$7 million to \$9 million, in each of the next 2 fiscal years. Although I did not presume to earmark specific beneficiaries for the increased assistance, I did suggest two candidate applicants which seemed to me most worthy applicants. They were the Polish Children's Hospital at Krakow, Poland, and the Hadassah Hebrew University Medical Center in Jerusalem.

Regretably, the House conferees did not accept my amendment and the total amount of assistance provided under the act remains at \$7 million for the next 2 fiscal years. While there is therefore

no increased authorization that might allow the AID agency a little more latitude in considering new projects. I do hope the Agency will give full and fair consideration to the two worthy prospective applicants which I have noted.

In particular, I am informed by AID that they should be able to provide \$175,000 desired for a feasibility study of an expansion of the Krakow hospital—either from the \$7 million authorized by section 214(c) or from some other source. In view of this assurance, I do hope that the Agency now will make an administrative determination to proceed with this feasibility study.

Mr. KUCHEL. Mr. President, the foreign aid program of the United States continues to be of great concern to many Americans. As a U.S. Senator I share their concern. I am convinced that some kind of foreign aid program is in the national interest, but I feel disturbed with some of the program as conducted under the Foreign Assistance Act of 1961, as amended. Furthermore, I believe that Congress has a clear duty to aid in the development of our Nation's foreign policy, including foreign aid. I support the proposals made by Congress this year because I believed very strongly that there is reflected in the current legislation a remedy for some of the more frustrating aspects of previous legislation.

The administration sought \$3,457,670,000 for fiscal year 1965-66. The actual amount now agreed to by the House-Senate conferees would authorize \$2,094,195,000, but a limitation of \$3,360 million was placed on the foreign aid authorization for fiscal year 1966 which means the administration has received \$97,670,000 less than it requested in March. Foreign aid still has to survive the actual appropriations process.

When the authorizing legislation was before the Senate, I supported the establishment of the Foreign Air Planning Committee. This Committee was to have reported to the President its findings and recommendations no later than July 1, 1966, for a fresh new and more effective approach to foreign aid. The make-up of this Committee was to reflect the responsibility the Congress feels for involvement in foreign policy, hence, two-thirds of the Committee membership were to be from the Congress. I regret that the conferees did not see fit to approve this provision.

Frustration over some well-publicized failures should not cause us to overlook the many successes of the program such as the Marshall plan which kept Western Europe out of the clutches of the Communists. Our aid to India and Latin American nations have enabled people to develop their resources, to progress, and to withstand communism whether it be of the Soviet, Chinese, or Castro type.

None should forget that approximately one-third of our foreign aid is of a military nature. Gen. Earle G. Wheeler, Chairman of the Joint Chiefs of Staff, testifying before the Senate Committee on Foreign Relations said:

I consider this program (foreign aid) an integral part of our national military

strategy and feel a personal responsibility to support this program as an essential complement to our own national military programs.

I associate myself fully with General Wheeler's view.

This year Congress urged the United States to encourage other free world nations to increase their assistance programs, and that the United States continue its efforts to improve coordination among programs of assistance carried out on a bilateral basis by free world nations.

I am in total agreement with that portion of the foreign aid bill which expresses the sense of Congress that assistance to any country should be ended if appropriate measures are not taken by that country to prevent mob action against U.S. property in that country and that aid should not be resumed unless the foreign government concerned has taken, in the judgment of the President, appropriate measures to prevent a recurrence.

As you perhaps know, I have opposed all administration attempts to amend the Battle Act to permit economic assistance to Communist satellites. I helped draft the section imposing economic sanctions on Cuba and providing American assistance only to "free, friendly nations." I have coauthored legislation designed to withhold aid from any aggressor nation. An amendment I successfully offered to a previous year's foreign aid bill provides that American nationals will be given preference to those from a third country in securing jobs on AID projects overseas. In addition, I have worked in the Senate to prevent various nations from harassing American fishing vessels who ply their trade on the high seas.

Thus, it was that I studied most carefully and cast my vote on the Foreign Assistance Act of 1965 which passed the Senate on June 14. I respect very much the nonpartisan tradition of foreign aid discussion. The spirit which characterizes such discussion imparts added strength to this vital program. Largely because of it, the world has made great strides against the forces of political and economic tyranny. This spirit prevails as Congress endeavors to root out the inefficiencies and failures which have occurred in our AID program in the past. This year, conscious of the acute crisis over the U.S. gold reserves, the tax burden upon citizens caused in great part by the darkening clouds which hang over the world, the Senate took, I feel, significant steps to improve our foreign aid program. I supported these measures, as did most of my fellow Republicans.

Thanks to the established success of the Marshall plan in western Europe, these nations can—and should—gradually move toward assuming more of the aid burden from the United States. This must occur. We can move forward in this direction within the realm of economic development aid. Organizations such as the International Development Association, the International Finance Corporation and the International Bank for Reconstruction and Development provide the structure through which a sharing of the aid burden may come about.

This year of the total aid recommended by the Senate Committee on Foreign Relations, almost one-third will go toward economic development assistance. Of this one-third, I have supported an increase in the limitation from 10 to 15 percent of the development loan funds which might be made available to these international development organizations. I voted against amendments offered by Senator GRUENING and Senator LAUSCHE which would have cut the proposed allocation by 10 percent and by 5 percent respectively. Both amendments were defeated. I am delighted the conferees agreed with the position which I and a majority of the Senate took on this issue.

I voted to increase the allocation to these organizations from the development assistance section of the bill for a number of reasons. In the long run, by sharing the foreign aid burden which can effectively be done through these agencies, American citizens will bear less of the tax burden for foreign aid in the world. The allocations would go to organizations where our country retains authority and influence, and is in a position to influence the expenditures of these funds. Given the degree of patriotic nationalism of the peoples of underdeveloped nations, multilateral aid projects can perhaps go further toward softening the suspicions of imperialism among these people thus making foreign aid dollars more effective and successful. In the past, loans advanced by the agencies have been repayable and have in fact been repaid. Formosa is an example. The standards of financial integrity of these organizations are even higher than Congress has stipulated.

In particular, these funds would be directed for African and Asian economic development and for creating political stability and freedom in these troubled areas. The agencies' goals are virtually our own. The United States should make this move toward sharing the burden of economic development with other major world powers. The results, as this multilateralization grows, would be a diminishing of the American taxpayer's heavy burden.

I wholeheartedly supported an amendment sponsored by Senator FULBRIGHT which would allocate of the \$55 million available, \$25 million to the assistance of an inter-American military force, a force to be maintained on a cost-sharing basis. The amendment encourages joint military planning within the Organization of American States—OAS—on all security problems. The effect would be, ultimately, to reduce the burden carried by the United States in maintaining the unstable peace in Latin America while at the same time substitute an effective deterrent to those who challenge the democratic freedoms of this area. I am glad the conferees have agreed to this provision.

We cannot underestimate nor underestimate the precarious balance of freedoms which struggle to survive in Latin America. I voted against two amendments authored by Senator MORSE, as did the majority of my colleagues. I think their adoption would have damaged the cause of freedom in our own

hemisphere. One amendment would have reduced military aid to Latin America from \$55 million to \$40. Such a reduction would have seriously crippled our defense efforts in this hemisphere. It would have meant less funds for 20 Latin American countries, where internal security is an acute and continuing problem. The other Morse amendment would have reduced the Alliance for Progress authorization from \$600 to \$500 million. That was defeated 178 to 8. I think there is reason to be encouraged with the response to our foreign aid projects in the Southern Hemisphere, a response which justifies its continuance. But, I would be the first to say that much more must be done. Brazil, for example, is struggling, almost at the cost of political collapse, to achieve economic reforms through Alliance for Progress funds. In addition, of the \$600 million authorized in this bill, only \$75 million, as a result of the conference is in the form of grants. The rest would be issued in repayable loans.

When the Foreign Assistance Act of 1965 was before the Senate, Senators MORSE and CHURCH proposed amendments to reduce military assistance spending. The Church amendment would have reduced spending to last year's level which was the lowest level of military assistance spending in the history of our aid projects. I think it significant to note that one-half of U.S. military assistance goes to key countries such as South Vietnam, Korea, Turkey, Free China on Formosa, and Greece. To cut aid to these countries now would, in reality, only mean the necessity for a much greater American effort later. Witness, for example South Vietnam. The threat to these key countries is greater now than ever before. Amendments were proposed which would have limited assistance to 30 percent of the sum submitted in the briefing presentation for Pakistan, India, Jordan, Iran, and Ethiopia, Greece and Turkey. The Senate overwhelmingly rejected these amendments. It was argued by some that in light of the war-like situation which existed between India and Pakistan and between Greece and Turkey, since our aid is used to abet these disputes, it should be reduced. I feel, however, that to reduce aid to these nations which border Communist countries is not in any way a method of solving disputes which might have arisen between allies. Such resolution and peaceful settlement must be sought through diplomatic channels. India and Pakistan represent the forefront of our defense in Asia. Greece and Turkey occupy equally key positions in the NATO Alliance in the Mediterranean area. Turkey's leadership will be decided in elections this fall, and troubled relations have made their outcome tenuous. It would be, in my judgment, very poor timing to announce a reduction in American assistance for these countries. In addition, internal instability plagues Greece. I believe that it is wrong, I might add, to establish the precedent of singling out by name countries who receive aid in this manner.

I am, however, anxious to assure that the aid is given where the rights and dignity of Americans and American property are respected. To further this end, I introduced an amendment to the effect that no assistance would be furnished to any country which extended its jurisdiction for fishing purposes beyond that recognized by the United States, and which imposed any penalty, or sanction against any U.S. fishing vessel on account of its fishing activities in such an area. I feel that such a stipulation is long overdue. Over 87 unprovoked incidents involving U.S. vessels off the coasts of South America had come to my attention. Unless these incidents of piracy and harassment are ended, foreign aid should not be extended to these unfriendly nations. The Senate, I am happy to say, approved my amendment by a roll call vote of 59 to 24. The Senate-House conferees agreed, I regret to say, to eliminate the rigid prohibition of my amendment and require, instead, that consideration be given to the behavior of recipients of our aid with respect to these problems in determining the nature and amount of aid to be provided. I hope this warning will be sufficient to prevent future incidents similar to the outrageous conduct of the past. The legislation which passed the Senate on June 14 authorized expenditures to extend over a period of 2 years, rather than on an annual review basis. The conferees have rejected this; however, they have expressed an interest in considering longer term authorizations. "taking into account the demands on the U.S. budget and the nature of the world situation next year."

I supported an amendment sponsored by Senators KENNEDY of New York and CLARK to include within the bill a stipulation that in this reevaluation, significant emphasis be given to an increased attempt at sharing with other nations economic development programs. The final bill further asserts that aid be withheld if American property damages have not been granted full restitution. I believe that this year's bill, as passed by the Senate took significant strides toward making U.S. aid more effective, in our goal of assisting in the creation of stability among those free nations who reject communism, and intend to keep their freedom.

As a member of the Senate Committee on Appropriations I intend to continue to work to eliminate inefficiencies in our AID program and for a forward-looking program. The Senate has recognized the need for change in the content of our aid effort. I hope that in the time we have between now and consideration of next year's authorizing legislation that study by the administration, by interested Americans, and by the Congress will occur in depth so that a comprehensive, effective program can be devised which will meet America's foreign policy needs in the latter half of the 1960's.

The PRESIDING OFFICER. The question is on agreeing to the conference report on H.R. 7750.

The yeas and nays have been ordered, and the clerk will call the roll.

August 24, 1965

The legislative clerk called the roll. Mr. LONG of Louisiana. I announce that the Senator from Wyoming [Mr. McGEE] is absent on official business.

I further announce that the Senator from Pennsylvania [Mr. CLARK], the Senator from Minnesota [Mr. MCCARTHY], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

I further announce that, if present and voting, the Senator from Pennsylvania [Mr. CLARK], and the Senator from Wyoming [Mr. McGEE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Iowa [Mr. MILLER] is necessarily absent.

The Senator from California [Mr. MURPHY] is absent on official business.

On this vote, the Senator from Iowa [Mr. MILLER] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Iowa would vote "yea," and the Senator from California would vote "nay."

The result was announced—yeas 67, nays 27, as follows:

[No. 235 Leg.]		
YEAS—67		
Aiken	Hayden	Moss
Allott	Hickenlooper	Mundt
Anderson	Hill	Muskie
Bartlett	Holland	Nelson
Bass	Inouye	Neuberger
Bayh	Jackson	Pastore
Boggs	Javits	Pearson
Brewster	Kennedy, Mass.	Pell
Burdick	Kennedy, N.Y.	Prouty
Byrd, W. Va.	Kuchel	Proxmire
Cannon	Lausche	Randolph
Carlson	Long, Mo.	Ribicoff
Case	Long, La.	Saltonstall
Church	Magnuson	Scott
Cooper	Mansfield	Smathers
Dirksen	McGovern	Smith
Dominick	McIntyre	Symington
Douglas	McNamara	Tydings
Fong	Metcalf	Williams, N.J.
Fulbright	Mondale	Yarborough
Gore	Mouroney	Young, Ohio
Hart	Montoya	
Hartke	Morton	
NAYS—27		
Bennett	Fannin	Russell, S.C.
Bible	Gruening	Russell, Ga.
Byrd, Va.	Harris	Simpson
Cotton	Hruska	Stennis
Curtis	Jordan, N.C.	Talmadge
Dodd	Jordan, Idaho	Thurmond
Eastland	McClellan	Tower
Ellender	Morse	Williams, Del.
Ervin	Robertson	Young, N. Dak.

NOT VOTING—6

Clark	McGee	Murphy
McCarthy	Miller	Sparkman

So the conference report was agreed to.

**ESTABLISHMENT OF A TRAFFIC BRANCH OF THE DISTRICT OF COLUMBIA COURT OF GENERAL SESSIONS**

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 607, Senate bill 2263.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2263) to establish a Traffic Branch of the District of Columbia Court of General Sessions.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered; and, without objection, the amendments are agreed to en bloc.

The amendments agreed to en bloc are as follows:

On page 2, in the material after line 2, after "11-1203. Sessions," to strike out:

"11-1204. Clerk and other personnel.

"11-1205. Duties of the clerk regarding docket.

11-1206. Jurisdiction; powers."

And, in lieu thereof, to insert:

"11-1204. Jurisdiction; powers."

Beginning at the beginning of line 11, to strike out the "The chief judge of the court may assign any other judge of the court to serve temporarily in the Traffic Branch if he finds the work of the Traffic Branch requires the assignment." and insert "The chief judge of the court may, if he finds the work of the Traffic Branch will not be adversely affected thereby, assign any of the judges of the Traffic Branch to temporarily perform the duties of any of the other judges of the court. The chief judge of the court shall also have the authority to assign any of the other judges of the court to serve temporarily in the Traffic Branch if, in the opinion of the chief judge, the work of the Traffic Branch requires such assignment."; on page 3, after line 7, to strike out:

"§ 11-1204. Clerk and other personnel

"The judges of the Traffic Branch, with the approval of the chief judge of the District of Columbia Court of General Sessions, may appoint and remove a clerk and such other personnel as may be necessary for the operation of the Branch."

After line 13, to strike out:

"§ 11-1205. Duties of the clerk regarding docket

"The clerk serving in the Traffic Branch shall keep a separate docket for the Branch, in which he shall record the steps taken at stage of actions or proceedings instituted or conducted in the Branch."

At the beginning of line 19, to strike out "11-1206" and insert "11-1204"; on page 4, line 11, after the word "section", to strike out "11-1206" and insert "11-1204"; and in line 13, after the word "section", to strike out "11-1206" and insert "11-1204"; so as to make the bill read:

*"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 11 of the District of Columbia Code is amended by adding immediately after chapter 11 of such title the following new chapter:*

**"CHAPTER 12—TRAFFIC BRANCH OF COURT OF GENERAL SESSIONS**

- "Sec.
- "11-1201. Establishment of branch.
- "11-1202. Judges; assignments.
- "11-1203. Sessions.
- "11-1204. Jurisdiction; powers.
- "§ 11-1201. Establishment of branch

"The Traffic Branch of the District of Columbia Court of General Sessions is here-

by established as a branch in the criminal division of the court.

"§ 11-1202. Judges; assignments

"The Traffic Branch of the District of Columbia Court of General Sessions shall consist of two judges of the court, who shall serve in that branch during their tenure of office. The chief judge of the court may, if he finds the work of the Traffic Branch will not be adversely affected thereby, assign any of the judges of the Traffic Branch to temporarily perform the duties of any of the other judges of the court. The chief judge of the court shall also have the authority to assign any of the other judges of the court to serve temporarily in the Traffic Branch if, in the opinion of the chief judge, the work of the Traffic Branch requires such assignment.

"§ 11-1203. Sessions

"The Traffic Branch, with at least one judge in attendance, shall be open for the transaction of business every day of the year (including night sessions), except Saturday afternoons, Sundays, and legal holidays.

"§ 11-1204. Jurisdiction; powers

"The Traffic Branch and each judge sitting therein shall have the same jurisdiction over, and exercise the same powers in connection with, offenses arising out of violations of laws or regulations of the District of Columbia relating to the operation, licensing, registration, inspection, or parking of motor vehicles; the regulation and control of motor vehicle traffic; the issuance, suspension, or revocation of motor vehicle operating permits; and motor vehicle safety responsibility, as that lawfully had or exercised by the District of Columbia Court of General Sessions on the date immediately preceding the effective date of this section."

"Sec. 2. The Traffic Branch of the District of Columbia Court of General Sessions shall have jurisdiction over all offenses arising out of any such violations referred to in section 11-1204 of the District of Columbia Code pending in the Court of General Sessions on the effective date of section 11-1204 of the District of Columbia Code.

"Sec. 3. Section 11-904 of the District of Columbia Code is amended by striking out 'sections 11-1103, 11-1203,'

"Sec. 4. (a) Subsection (a) of section 11-902 of the District of Columbia Code is amended by striking out 'fifteen associate judges' and inserting in lieu thereof 'twenty associate judges'.

(b) Two of the judges appointed to the additional positions authorized by the amendment made by subsection (a) of this section to section 11-902 of the District of Columbia Code shall, during their tenures of office, serve as judges of the Traffic Branch of the Court of General Sessions.

"Sec. 5. The table of contents of part II of the District of Columbia Code, 'Judiciary and Judicial Procedure', is amended by inserting immediately after

"11. Domestic Relations Branch of Court of General Sessions..... 11-1101'

the following:

"12. Traffic Branch of Court of General Sessions..... 11-1201'.

"Sec. 6. The amendment made by the first section of this Act shall become effective sixty days after the date of the enactment of this Act."

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A bill to establish a traffic branch of

the District of Columbia court of general sessions and to provide for the appointment to such court of five additional judges."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 624), explaining the purposes of the bill.

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

#### PURPOSE OF THE BILL

The purpose of S. 2263 is to authorize the expansion of the District of Columbia court of general sessions from 15 associate judges to 20 associate judges and to establish a traffic branch in that court. The bill is designed to expedite the administration of criminal justice (thereby lending aid to the war on crime), to provide the citizens of the District of Columbia with swift civil justice, and to insure the prompt, adequate, and fair administration of traffic laws and regulations.

#### BACKGROUND OF THE LEGISLATION

The District of Columbia court of general sessions is a unique judicial institution, performing functions which would normally be handled by both municipal and State courts. It is charged with the dispensation of justice in criminal matters in the nature of misdemeanors and is authorized to hear most civil matters in which damages of up to \$10,000 are sought. It operates in two divisions, civil and criminal and is further organized into the landlord and tenant court, traffic court, the domestic relations branch, and the small claims and conciliation branch.

At the present time the District of Columbia court of general sessions is laboring under serious and substantial criminal and civil caseloads and docket delays. The best efforts of the chief judge and the members of the bench of that court have not diminished this problem, although short-term reductions of docket time have resulted from crash programs. The problems are systemic and result from the coincidence of a number of factors.

Since 1957, criminal activity in the District has developed from an alltime low to an alltime high in 1965. Each month reflects a new record in the number of criminal acts committed in the District of Columbia. A fair proportion of these are misdemeanors and find their way to the court of general sessions.

In the 88th Congress, legislation was enacted which increased the civil jurisdiction of the court of general sessions from cases seeking damages of up to \$3,000 to cases seeking damages up to \$10,000. Previously, jurisdiction in civil matters in excess of \$3,000 was vested in the U.S. District Court for the District of Columbia.

At the time the jurisdiction of the court of general sessions was increased the court was staffed with 16 judges, a chief judge, and 15 associate judges. This number had been set in 1956 and was unchanged by the 1963 amendments, even though extensive new jurisdiction was veted in the court and its business had increased substantially. Likewise, S. 1611, ordered by this committee to be favorably reported to the Senate, adds new duties to the functions of the court of general sessions.

Finally, as our downtown streets and arteries have become clogged with automobiles and a record number of drivers have been licensed to drive in the District of Columbia, the business of traffic court has reached such proportions that parties who would otherwise come before that court have either elected to forfeit collateral or have sought out the Office of the Corporation Counsel for administrative relief, causing that office to de-

vote a major portion of its time and manpower in functions which it was not designed to perform.

#### NEED FOR LEGISLATION

Hearings were held by the committee on August 3, 1965, on two bills, S. 2265, which provided for three additional judges for the court of general sessions but made no provision for the establishment of a traffic branch, and which was introduced by Senator BIBLE at the request of the Bar Association of the District of Columbia; and S. 2263, introduced by Senator MORSE. Testimony was received from the chief judge of the court of general sessions, the President of the Board of Commissioners, the District of Columbia Bar Association, the Traffic and Enforcement Committee, District of Columbia Advisory Board of the American Automobile Association, the Citizens' Traffic Board and the Washington Bar Association. The Department of Justice, in a report filed with the committee on August 5, 1965, supported an increase in the number of judges "because of the heavy workload in the court of general sessions."

All witnesses either supported S. 2263 or agreed with it in principle. On August 5, 1965, the committee unanimously ordered S. 2263 reported. To demonstrate the unanimity of the committee's full support and need for this bill, sponsored by Senator MORSE, all other members of the committee—Senators ALAN BIBLE, THOMAS MCINTYRE, ROBERT F. KENNEDY, JOSEPH D. TYDINGS, WINSTON L. PROUTY, and PETER H. DOMINICK—requested to join on the bill as co-sponsors.

There was a very substantial increase in the business of the court during the fiscal year 1965; 236,535 new cases were filed in the Criminal and Civil Divisions—an increase of 9,403 cases over fiscal 1964. Fees, fines, and forfeitures totaled \$4,720,010.80—\$550,523.01 more than was received in the previous year. During the past 10 years there has been an increase of 81.169 or 35.08 percent in the number of cases filed in the court, and an increase of \$2,545,434.74 or 117.15 percent in fees, fines, and forfeitures.

In the Civil Division, 23,473 class GS (\$150 to \$10,000) cases were filed during the fiscal year as compared with 22,599 in the preceding year—an increase of 873 cases. This increase is due largely to the passage of Public Law 88-60, 88th Congress, effective January 1, 1963, increasing the civil jurisdiction of the court from \$3,000 to \$10,000. The U.S. District Court for the District of Columbia certified 329 cases to the Court of General Sessions for trial—67 more than in the fiscal year 1964.

There was a marked increase in the number of jury cases pending in the Civil Division June 30, 1965—3,333 as compared with 2,430 at the end of the previous fiscal year, or an increase of 903 cases. Many of these cases involve larger amounts of money and complex issues, requiring more trial time than those filed under the former jurisdictional limit. The time within which civil jury cases were being scheduled for pretrial conference and trial had increased to 6 months. In view of the large number of jury cases pending on the ready calendar, it is anticipated that the delay between joinder of issue, pretrial conference and trial will continue to increase, civil nonjury cases were being scheduled for trial within 2 months after joinder of issue.

#### CRIMINAL CASE BACKLOG

In the Criminal Division there were significant increases in all categories of cases, 81,807 new criminal cases were filed in fiscal year 1965, as compared with 78,925 in fiscal year 1964—an increase of 2,882 cases. Nonjury cases were being scheduled for immediate hearing, unless continuances were requested by counsel. Criminal jury cases were being scheduled for hearing within 1

month after request for jury trial. However, due to the necessity of giving priority to incarcerated defendants, some cases in which the defendants were on bond could not be reached on the daily assignment, resulting in a record backlog of pending criminal jury cases. Beginning in February 1965, additional judges were assigned to the Criminal Division to alleviate this situation and the criminal jury backlog was reduced to normal limits. However, this was accomplished at the expense of the civil jury calendar, which is now at an alltime high.

In the domestic relations branch the cumulative nature of the litigation continues to increase the daily workload. There were 296 more cases pending on June 30, 1965, than at the end of the last fiscal year, although the court had disposed of 247 more cases than in the previous year. As of June 30, 1965, contested cases were being scheduled for trial within 1 month after pretrial and uncontested cases within 3 weeks after joinder of issue. Collection and disbursements of support, maintenance, and alimony payments in both local and reciprocal enforcement of support cases totaled \$2,409,168.93—an increase of \$23,920.84 over the previous fiscal year.

#### TRAFFIC CASES INCREASE

The need for a separate traffic branch of the court, with two of the judges for such additional positions to be appointed to that branch was supported unanimously by all witnesses at the committee hearings. The witness for the Citizens' Traffic Board asserted that two traffic judges would be required—one for jury and one for nonjury cases in order to bring about swifter justice with a consistency of penalties. The District of Columbia Bar Association stated:

"Material benefits are to be secured by a continuity of service on the part of the judge assigned to traffic court. It would, therefore, be definitely in the interest of improving the administration of justice if . . . the judges selected for these additional vacancies would be selected for his interest in, his knowledge of, and his willingness to serve in the traffic branch of the court. Such service would achieve not only a degree of continuity, but also a degree of equality of justice which is not always available when judicial personnel are shifted from month to month in this branch of the court."

Support was also voiced for night sessions of the traffic court by the Citizens' Traffic Board of the District of Columbia.

Statistics provided the committee show the great increase, not only in the number of drivers on District of Columbia streets but also an increase in the number of accidents and traffic deaths. Presently, it is estimated that 1½ million drivers are on the streets of Washington during peak hours every day with 400,000 of this number being District of Columbia residents.

Testimony urged that a traffic court with expert traffic court judges, trained in effective enforcement of traffic laws, could assist in curtailing highway accidents and deaths.

During 1964, 115 persons were auto traffic fatalities in the District—the highest in modern history—while traffic accidents totaled 29,262—the highest number since records have been maintained, since 1940. Estimates place per capita economic costs of traffic accidents to District residents, at \$35.07 or a total of \$26,300,000, in 1964.

Nationally, in 1964, the economic cost of motor vehicle accidents totaled \$8,100 million.

The number of court trials for moving traffic violations increased more than 10,000 in the past 5 years with 22,257 cases before the court of general sessions in 1960, compared to 32,972 in 1964.

Traffic tickets issued for nonmoving violations in the District increased from 365,151 in 1960 to 511,208 in 1964; while the number