

eral home loan banks and the Federal Savings and Loan Insurance Corporation to get tax exemption when Congress has split these functions between two Federal instrumentalities and granted exemption from tax to each. Unless it is the intention of Congress to eliminate the "competition" of the Savings and Loan Bank of the State of New York, there is no justification for taxing the quasi-governmental instrumentality of the State of New York and exempting from tax the Federal home loan banks.

This amendment is limited to those institutions organized prior to July 22, 1932, the date when the Federal Home Loan Bank Act was enacted by the Congress.

AGRICULTURAL ACT OF 1964— AMENDMENTS

Mr. TOWER submitted six amendments (Nos. 427, 428, 429, 430, 431, and 432), intended to be proposed by him, to the bill (H.R. 6196) to encourage increased consumption of cotton, to maintain the income of cotton producers, to provide a special research program designed to lower costs of production, and for other purposes, which were ordered to lie on the table and to be printed.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON—ADDITIONAL COSPONSOR OF BILL

Mr. MONRONEY. Mr. President, I ask unanimous consent that my name may be added as a cosponsor of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by the Senator from Montana [Mr. MANSFIELD] (for himself and other Senators) on February 20, 1964, the next time that bill is printed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESTRICTION OF IMPORTS OF BEEF, VEAL, AND MUTTON INTO THE UNITED STATES—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 20, 1964, the names of Mr. BIBLE, Mr. CANNON, Mr. CARLSON, Mr. CURTIS, Mr. DOMINICK, Mr. EDMONDSON, Mr. GOLDWATER, Mr. HARTKE, Mr. HAYDEN, Mr. LONG of Missouri, Mr. MENCHEM, Mr. SIMPSON, and Mr. YARBOROUGH were added as additional cosponsors of the bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators) on February 20, 1964.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE APPENDIX

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the Appendix, as follows:

By Mr. JAVITS:

Letter from officers and members of the Jewish Veterans Association to Mrs. Jacqueline Kennedy, informing her of the planting of 100 trees in the Freedom Forest in Israel in memory of the late President John Fitzgerald Kennedy.

Excerpt from a recent address by Nat H. Hempal, president of the Queens County Bar Association, describing the present status of the Queens plan to improve judicial selection.

INDEPENDENCE OF ESTONIA

Mr. JAVITS. Mr. President, Estonia became a free and independent Republic 46 years ago, on February 24, 1918; and Estonians all over the world outside of their native land are commemorating that event this February 24. Like the other Baltic States, Estonia enjoyed 22 precious years of self-rule before she was overwhelmed by the Soviet Union's armies. The conflict with Communist oppression over the years since then has been long and costly; but the people of Estonia continue to struggle on, in the hope of eventual liberation.

Americans of Estonian extraction and others who uphold the right of self-determination as a principle of international law are determined to keep alive the desire for freedom, in spite of the terror that holds this unhappy land in its grip. In Estonia as in other Baltic countries, the enslaved peoples know that their struggle can have only one conclusion—the ultimate liberation of their people. I join in that hope, because the United States will continue to struggle against Communist aggression until all the people of the world are again free.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Inouye in the chair). Without objection, it is so ordered.

ORDER FOR HANDLING OF TREATIES ON THE EXECUTIVE CALENDAR

Mr. MANSFIELD. Mr. President, after discussion, and with the approval of the distinguished minority leader and other Senators who are concerned, I ask unanimous consent that when the treaties which are on the calendar are considered—and I understand they have been cleared on both sides—one vote be considered as four separate votes, and that before they are recorded in the RECORD, there be entered in the RECORD an explanation of each executive agreement.

Mr. JAVITS. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. JAVITS. The only treaty which concerns me in connection with the unanimous-consent request is the one which provides for return of Austrian assets. Will the Senator from Montana except it from his present unanimous-consent request, with the right to include it a little later in the request? I should

like to consider that treaty, in that connection, to be certain.

Mr. MANSFIELD. Yes—and, of course, with the proviso that if anything untoward develops later, inasmuch as some Senators are not now in the Chamber, the request will be withdrawn.

Mr. JAVITS. Yes—and with the exception of the treaty on return of Austrian assets, but with the right to include it a little later in the request.

Mr. MANSFIELD. Yes.

Mr. DIRKSEN. I understand that each treaty will then appear in the RECORD, and the ye-and-nay vote will appear three times—and possibly four times, if the distinguished Senator from New York is satisfied in regard to the Austrian treaty; and that an adequate explanation of each treaty will also be included in the RECORD, before the ye-and-nay vote on it is set out. Is that correct?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? Without objection, it is so ordered.

U.S. AMBASSADOR TO PANAMA

Mr. MILLER. Mr. President, it has been my feeling that had the administration acted promptly in naming a new ambassador last fall, the trouble we are now having in Panama could well have been averted. It has been a source of puzzlement to me, as well as to many others, as to the reasons underlying the failure to appoint an ambassador to that vital nation.

But it is no understatement, to say the least, that I was astonished to read in the Washington Daily News of February 4 the comments by the former ambassador to Panama, Joseph S. Farland. If what Mr. Farland says in Henry J. Taylor's column is true—and thus far we have no reason to believe otherwise—then it goes far in explaining our recent foreign reversals not only in Panama but elsewhere as well.

Mr. President, these questions should be and must be resolved:

First. Why was not Mr. Farland "debriefed" upon his return from Panama? And why had Secretary of State Rusk apparently been informed that Mr. Farland had?

Second. Why were orders given that Mr. Farland was not to be invited for consultation with various agencies which should have had the benefit of his knowledge?

Third. Why was Mr. Farland ordered not to have any contacts with top CIA executives and any congressional leaders?

Fourth. Why were Mr. Farland's dispatches warning of the Castro buildup and mounting crisis in Panama ignored?

Fifth. Are there any officials in the State Department who are hampering our policies?

These are not idle questions. The security of our Nation depends upon their being answered. If they are not, then it is quite obvious that we will suffer more reverses such as have occurred in Panama and South Vietnam.

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Joint Resolution 159 be printed in the RECORD and that it also be held at the desk for cosponsors until Friday, March 6.

I believe this is the resolution that designates the fourth Friday in September as American Indian Day.

The ACTING PRESIDENT pro tempore. Without objection, the joint resolution will be printed in the RECORD and will be held at the desk for cosponsors until Friday, March 6.

Senate Joint Resolution 159 is as follows:

Whereas the American Indian is the original American and has resided on this continent since time immemorial; and

Whereas he has made an indelible imprint on our national character and culture, and history is replete with names and deeds of many outstanding American Indians who have contributed immeasurably to our way of life, our moral standards, and our love of nature; and

Whereas Indian woods and water lore, arts, and handicraft are basic in the manuals of the Boy Scouts, Girl Scouts, Camp Fire Girls, Y-Indian Guides of Young Men's Christian Association, and the many other American patriotism-building youth groups, while outdoor enthusiasts, young, and old, all over the world, rely on Indian folkways for guidance and inspiration; and

Whereas the American Indian has made such other outstanding contributions to our American economy as the cultivation of corn, cotton, tobacco, beans, squash, tomatoes, peanuts, and melons, which have today become basic American industries; and

Whereas a number of States celebrate "Indian Days" in September when traditional Indian festivals are held in recognition of the contributions the American Indian has made to our national life; and

Whereas the special responsibility of the Federal Government for the American Indian makes national recognition particularly fitting; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the fourth Friday in September of every year is designated as American Indian Day, and the President of the United States is authorized and directed to issue annually a proclamation setting aside that day as a public occasion and inviting the people of the United States to observe that day with appropriate ceremonies.

EXEMPTION FROM INCOME TAXATION OF CERTAIN NONPROFIT CORPORATIONS AND ASSOCIATIONS—AMENDMENTS (AMENDMENT NO. 426)

Mr. JAVITS. Mr. President, on behalf of myself, my colleague, the junior Senator from New York [Mr. KEATING], and the Senator from Maryland [Mr. BEALL], I submit amendments, intended to be proposed by us, jointly, to the bill (H.R. 3297) to amend section 501(c)(14) of the Internal Revenue Code of 1954 to exempt from income taxation certain nonprofit corporations and associations organized to provide reserve funds for domestic building and loan associations, and for other purposes. I ask unanimous consent that a memorandum, relating to the amendments, be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received,

printed and referred to the Committee on Finance; and, without objection, the memorandum will be printed in the RECORD.

The memorandum presented by Mr. JAVITS is as follows:

MEMORANDUM ON AMENDMENT TO H.R. 3297 REGARDING THE NEW YORK STATE SAVINGS AND LOAN BANK

The Savings and Loan Bank of the State of New York is a quasi-governmental instrumentality of New York. It is a nonprofit mutual institution. The bank's function is to maintain a liquidity fund to make loans to banks which are basically sound but short of liquid assets—the same function as the tax-exempt Federal home loan banks. The bank was exempt from income taxation from its inception in 1915 until 1963 when the Internal Revenue Service reversed its previous ruling on the narrow ground that the bank does not fall within the literal language of code section 501(c)(14). This section was enacted in 1951 to cover institutions such as the bank. This technical amendment corrects this apparently unintentional legislative oversight.

The Savings and Loan Bank of the State of New York was created by an act of the Legislature of the State of New York in 1914 and commenced operating in 1915 as the Land Bank of the State of New York. The original name was changed to the present one by the New York Legislature in 1932.

From its inception, the Savings and Loan Bank has been a creature of the New York State Legislature. Proposed bylaws for the bank, the general powers of the bank and the restriction on such powers as well as the composition of the bank's membership and the number and election of the bank's directors are all specifically regulated by statute. The Savings and Loan Bank, together with its capital, accumulations and other funds are exempt from State taxation under section 446, article 10-B of the New York State banking law.

The Savings and Loan Bank is organized without capital, stock and membership is limited to savings and loan associations in New York. It is authorized to extend credit to, and act as a service bank for, its membership. The bank is also authorized to administer a fund for the insurance of savings accounts in savings and loan associations; however, an amendment to the New York banking laws is necessary before the Savings and Loan Bank can adopt a plan of insurance.¹

By letter dated July 15, 1935, the Internal Revenue Service ruled that the Savings and Loan Bank of the State of New York was exempt from Federal income tax under section 101(4) of the Revenue Act of 1934 which provided exemption for domestic building and loan associations. Congress in 1951 eliminated the tax-exempt provisions for domestic building and loan associations; however, a tax-exempt status for State-chartered insurance and liquidity funds was expressly provided in what is now section 501(c)(14). This exemption was expected to cover the Savings and Loan Bank, and the Internal Revenue Service by letter dated December 1, 1952, reaffirmed the tax-exempt status of the Savings and Loan Bank.

¹ At the time this section of the New York banking law was adopted, there were about 250 savings and loan associations in New York. A limitation was added that the insurance fund could not be established for less than 100 savings and loan associations. At the present time there are only about 100 savings and loan institutions in New York (other than Federal savings and loan associations which must obtain insurance from the Federal Savings and Loan Insurance Corporation) and some of these are presently insured with the FSLIC.

By letter dated December 4, 1961, the Revenue Service notified the Savings and Loan Bank of the Service's intention to revoke the bank's tax-exempt status on the grounds that the Service had erred in reaffirming the tax-exempt status of the bank in 1952. It considered it had erred because the Savings and Loan Bank did not insure accounts in savings and loan associations but only provided reserve funds. By letter dated July 12, 1963, the tax-exempt status of the Savings and Loan Bank was revoked.

It is apparent that the Savings and Loan Bank of the State of New York has been the victim of an unintentional legislative oversight. The predecessor of section 501(c)(14) was added at the behest of the two mutual deposit guarantee funds in Massachusetts. No thought was given to New York. The Ohio Deposit Guarantee Fund did not qualify under the 1951 amendments and an amendment in 1960 was approved to correct this discrimination. No relief was considered for New York because it was considered that New York was already covered by the exemption. The Maryland Savings-Share Insurance Corp. is also not covered by section 501(c)(14), it having been organized after the cutoff date in the statute, and H.R. 3297 has been passed by the House of Representatives to alleviate this inequity.

The House Ways and Means Committee report on H.R. 3297 describes the functions of organizations exempt under section 501(c)(14) as follows:

"The organizations covered by this provision are nonprofit, mutual deposit guarantee organizations without capital stock organized for the benefit of a group of mutual savings banks or for a group of building and loan associations. These guarantee organizations provide two services for their member banks. First, they provide a deposit insurance fund to aid their members in financial difficulty and in final extremities to pay off the depositors in full if a member bank is liquidated. Second, they also maintain a liquidity fund (which may or may not be a fund separate from the deposit insurance fund) to make loans to member banks which are basically sound but short of liquid assets. The deposit insurance fund is built by premium charges and the liquidity fund by deposits made with the guarantee organization. In addition, investment income is earned by the organization on both types of funds although there is little accumulation in the case of the liquidity funds since interest generally is paid on these deposits of the member banks." (H. Rept. No. 459, 88th Cong., 1st sess. (1963).)

The first of the two functions of the deposit guarantee organizations, that is the deposit insurance function, is performed under Federal laws by the tax-exempt Federal Savings and Loan Insurance Corporation. The second of these two functions—maintaining a liquidity fund—is performed under Federal laws by the tax-exempt Federal Home Loan Bank system. The State-created institutions of Massachusetts and Ohio (the only deposit guarantee organizations presently covered by the exemption), have combined these two functions in one institution.

It is not maintained that the Savings and Loan Bank of the State of New York performs the functions in New York of the FSLIC. It does not. It is submitted, however, that the Savings and Loan Bank does perform the functions in New York of the Federal home loan banks.

Section 13 of the Federal Home Loan Bank Act (12 U.S.C. 1433) exempts from State and Federal tax the Federal home loan banks. This amendment will extend this same tax treatment to a State-chartered institution which is performing the same function as the Federal home loan bank system. There is no reason to require that the Savings and Loan Bank of the State of New York perform the same functions as both the Fed-

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I ask unanimous consent that two articles dealing with the Farland-Panama case, one entitled "What's Going on Here?" and the other entitled "Surprise, Surprise, Surprise"—be printed in the RECORD.

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

[From the Washington (D.C.) Daily News, Feb. 4, 1964]

SURPRISE, SURPRISE, SURPRISE
 (By Henry J. Taylor)

A firsthand look at what really happened to our former Ambassador to Panama, Joseph S. Farland, should explain much about what confronts President Johnson. And why dangerous event after event abroad is a surprise, surprise, surprise to those at the top on whom our security depends.

Ambassador Farland is an ex-FBI agent, counter intelligence expert, chief-of-mission for 3½ years in Panama before returning last August and acclaimed as one of the most successful ambassadors we've ever had in Latin America. He resigned last August and returned to private life in Morgantown, W. Va.

Secretary of State Dean Rusk told the House Foreign Affairs Committee that he was taken by surprise by events in Panama. The committee asked whether his Department had fully consulted the returned Ambassador whose reports had long bristled with information about the Castro buildup and the mounting crisis in the isthmus. "Oh, yes, Mr. Farland has been completely debriefed," Mr. Rusk testified.

Now, obviously, something or someone was wrong some place. Ambassador Farland has stated publicly that he was asked nothing, and had sat around Washington for 3 solid weeks without being consulted ("debriefed"). So I asked Mr. Farland to tell me exactly what went on. He agreed to do so.

He said Secretary Rusk in his testimony apparently relied on a subordinate who reported to him after engaging Mr. Farland in "a short, and largely irrelevant conversation," that's all. That State Department man was named Lansing Collins. "We did hardly more than pass the time of day, Mr. Collins and I," Mr. Farland told me.

That the Secretary of State himself admittedly failed to consult Mr. Farland, as CIA Director John A. McCone likewise failed even to see him, was inexplicable. How come?

"When I arrived home in August," Mr. Farland answered, "and the State Department circulated its customary notice to appropriate agencies listing returned ambassadors available for consultation, a man in the White House went to work. His name is Ralph Dungau. On whose authority he acted, I do not know. But Mr. Dungau phoned the various agencies, including the Pentagon, that I was not to be invited for consultation."

Mr. Farland then coupled this action with a previous event. "Earlier in the Panama crisis," he stated, "when I went to Washington for consultation in the late fall of 1962, Edwin Martin, the then Assistant Secretary of State for Latin American Affairs, stepped in. Mr. Martin literally ordered me to have no contact with top CIA executives and any congressional leaders. 'We here in the State Department will take care of any discussions about Panama with the CIA ourselves. Further, you are not to have discussions with Members of Congress on the Hill,' Mr. Martin directed."

Subsequently, Ambassador Farland met President Kennedy during the late President's conference with Latin American presidents at San Salvador last March. "President Kennedy did not know about Mr. Martin's directive to me," Mr. Farland continued, "and in Mr. Martin's presence he

crossed up Mr. Martin on the congressional angle while Mr. Martin remained silent. The President told me to see inquiring congressional leaders on my next trip home. I had nothing but courtesy, understanding and, so far as I know, approval from President Kennedy personally and directly."

I asked about the CIA espionage situation, including Castro penetrations in Panama. Mr. Farland described the CIA as an out-of-hand aggregation "underzealous in knowing what was happening in Panama, overzealous in building a CIA empire in the zone." He revealed the additional stops and blocks he encountered behind the scenes in trying to bring this Agency into line.

"The station chief had exposed himself as a prominent figure in the high social world," Mr. Farland stated, "and it was easy to see that the whole thing was loose. They simply did not know what was going on. I spelled this out repeatedly to both the State Department and CIA's Washington headquarters in terms of isthmus and American security. Neither acted. It took me nearly a year to get the station chief removed—a very decisive and critical year—and then only when CIA Director McCone himself came to Panama and heard the facts direct from me in my house."

[From the Washington (D.C.) Daily News, Jan. 24, 1964]

WHAT'S GOING ON HERE?
 (By Henry J. Taylor)

Secretary of State Dean Rusk, taken by surprise about events in Panama, told the House Foreign Affairs Committee on January 15 that his Department had consulted our returned Ambassador, Joseph S. Farland. "Oh yes, Mr. Farland has been completely debriefed," he testified.

On Ambassador Farland's statement to writer Victor Riesel, this is absolutely untrue. He was asked about nothing. He sat around Washington for 3 solid weeks without even—or ever—being consulted (debriefed). Hey, Mr. Secretary.

It is vital now for President Johnson to find out who in the State Department arranged to misinform his Secretary of State.

Repeated failures to be informed, failures of subordinates to level with their boss, calculated sabotage of information such as the Farland brushoff, and repeated denials of the undeniable mistakes confront us again with the same mysteries we faced in the days of Yalta and of Alger Hiss.

Each crisis is a surprise—Soviet missiles in Cuba, Laos, the Berlin Wall, Nehru's invasion of Goa, the Dominican revolution, the Cambodian backlash, Zanzibar, Panama. Surprise, surprise, surprise. In the sacred name of the security of the United States, what's going on here?

Like Secretary Rusk, CIA Director John A. McCone also failed inexplicably to consult Mr. Farland when the Ambassador returned from Panama, although Mr. Farland's dispatches bristled with information about the Castro buildup and mounting crisis. An ex-FBI star, counterespionage expert, the chief of mission and admittedly the most successful Ambassador we've had in Latin America for many years, Mr. Farland was utterly ignored. Who in the CIA and State Department kept him away from the tops? And why was no new Ambassador to Panama appointed for 5 critical months after Mr. Farland's return home last August?

Now, one of the things Mr. Farland knew, and that I knew, too, was that the CIA in both Cuba and Panama had been infiltrated wholesale by the Soviet-trained Castro agents. This disclosure was proven by the systematic murders and tortures that greeted Cuban and Panamanian anti-Communists promptly after being recruited by the CIA.

Details? I repeat here the text of my article of February 27, 1963—11 long and decisive

months ago—including the name of Castro's main agent in Panama, only to prove beyond any possible doubt that no surprise at the top of our Government is permissible.

"Castro's guerrilla fleet is moving fighters and their arms into Panama. Costa Rican Communist Julio Sunol is in Havana directing this with support in Costa Rica—on Panama's border. The chief debarkation point is La Colma (Cuba), now a Soviet-occupied port. Castro's receiving agent, protector and cover in Panama is famous Panamanian Communist Thelma King—vicious, relentless, competent.

"By air these groups operate from the Soviet air base at San Julian, 90 miles southwest of Havana, and from San Antonio de los Banos. They are headquartered in downtown Cienfuegos and the central radio tool is a very modern Russian-built station on Key Breton."

That was February 27, 1963.

Starting with the Bay of Pigs, after new teams entered the innards of the State Department and CIA, the endless pattern of surprises and failures we have would be utterly impossible unless our Government has been infiltrated at the policy level.

The British, French, West German, Italian, Dutch, and Swedish Governments have experienced such Soviet infiltration. As our American Ambassador to Switzerland, I saw this happen even there. And we are seeing the success of deep-cover Sino-Soviet agents and fellow travelers planted here.

As it did to Chancellor Adenauer and Prime Minister Macmillan, it must come as a tragic, horrible shock to President Johnson. But all legislation and other important duties fall to nothing compared with the heart-breaking, shifty, diabolic problem he confronts: the restoration of internal top-level security. Moreover, he knows the enemy's self-serving alibi of "witch hunt" will automatically blare, as always and everywhere, the moment he moves.

May all intelligent citizens and thoughtful newspapers across our country help give him the strength to reach each discoverable truth, place security above every other consideration and let the chips fall where they may. This Nation is in absolute peril—with-in Washington.

APPEASEMENT IN PANAMA: SINCE THE EARLY THIRTIES WE HAVE BEEN GIVING IN TO A GROUP OF LEFTISTS AND OTHERS WHO HATE THE UNITED STATES

(By Edward Tomlinson)

Article III of the Isthmian Canal Convention between Panama and the United States, signed on November 18, 1903, states:

"The Republic of Panama grants to the United States all the rights, power, and authority within the zone mentioned and described in article II of this agreement and within the limits of all auxiliary lands and waters mentioned and described in said article II which the United States would possess and exercise if it were the sovereign of the territory within which said lands and waters are located to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power, or authority."

The tide of anti-American propaganda in Panama has become a seething campaign to oust Uncle Sam from control of the Panama Canal.

It is being spearheaded by leftist university students, volatile nationalists, and Communists. It has the ardent support of the majority of the most prominent political leaders and the powerful merchants association of Panama City and Colon, as well as that of the leading newspapers and radio stations.

This campaign against what the extremists call "U.S. domination of Panamanian territory" started in the early thirties, when a group of intellectuals and antigringo ele-

ments set up an organization to "promote the internationalization of the canal."

The organization was called "The Panamanian Society for International Action," and its founder was the late Dr. Rivera Reyes. In 1934 Dr. Reyes declared that the original treaty, granting the United States a 40-mile-long, 10-mile-wide strip of territory (known as the zone) through which the waterway extends from the Caribbean to the Pacific, "was born of fraud, perfidy, and dishonor."

"This great waterway," the doctor said, "should be sold to an international corporation in which are represented all the nations of the world." Apparently at that time neither Dr. Reyes or any other prominent Panamanian had given any serious thought to nationalization of the "big ditch."

With the passing of Dr. Reyes, the movement for internationalization lost momentum; but demands for economic and financial concessions began to increase. In 1936 President Harmodio Arias came to Washington and got the first substantial treaty revision from the Roosevelt administration. In these negotiations little was said about political matters. President Arias seemed to be well satisfied with an increase in the annuity from \$250,000 to \$430,000, the ceding to the Republic of certain lands of the Caribbean coast, curtailment of commissary privileges to persons living outside of the Canal Zone, and other economic considerations.

Today Dr. Arias, through his newspapers, the Panama American and La Hora, is one of the leading spokesmen for "zone sovereignty." A year and a half ago he declared to this writer: "I will never rest until I see the flag of my country flying over both the zone and the canal."

Agitation for the "return to Panama of sovereignty over the zone" began in earnest in 1939. Following the Spanish Civil War, which ended with the fall of Madrid to the Franco forces, many of Spain's liberal intellectuals and prominent Republicans migrated to the Americas. One group made its way to Panama, and there several of its members were employed as instructors in the newly reorganized National University.

Within weeks after they assumed their duties, they became involved in isthmian politics. They helped to organize the Partido del Pueblo, one of the first Communist political parties in the Caribbean. The PDP was made up of remnants of the old Rivera Reyes movement, radical professors and students, and a considerable number of leftist labor leaders. The party as such has not been too open in its activities, but its members and camp followers have consistently falled away at the "Imperialist Yankees" for "forcibly occupying a part of our sacred territory."

In the early days of World War II the anti-U.S. movement got a powerful assist from Nazi-Facist-leaning President Arnulfo Arias, a younger brother of Dr. Harmodio. Arnulfo, as he is popularly known in Panama, was later overthrown and exiled for the duration of the conflict. But the moment the Axis Powers asked for an armistice, all the leftists and flaming nationalists, the students and the newspapers, along with the leading politicians, launched another drive against "U.S. disregard of Panamanian sovereignty."

They insisted that the government expel U.S. forces from several wartime airfields and other military bases outside the Canal Zone; these had been leased to us during the emergency for the defense of the canal and the hemisphere. The National Congress sat in special session to condemn this "further occupation."

After we had bowed to these condemnations, vacated the wartime bases, and withdrawn all our forces into the Canal Zone, there were still more demands for treaty revisions. In 1955 President Eisenhower invited Jose Antonio Remon to Washington

and agreed to increase the annuity from \$430,000 to \$1,930,000 a year, gave over to the Republic some \$25 million worth of real estate in Panama City and Colon, agreed to build a new \$27 million bridge across the canal for the Republic's special use, and granted innumerable other financial and economic benefits.

But even these favors failed to satisfy the extremists. They have continued to demand political concessions. In fact, they led the Panamanian public to believe that Washington had agreed to recognize Panamanian sovereignty over the zone and to permit the flag of the Republic to fly there. Of course, no such promises were actually made.

Then in 1956 came the Suez incident. Nasser took over the Middle Eastern waterway. Even while the crisis was at its peak, and the French and English were attempting to drive the Egyptians out of Suez territory, university students whipped up frenzied anti-U.S. demonstrations in Panama City.

In July of 1958 the student unions issued a new manifesto, which was endorsed by most of the press and political firebrands, calling for liquidation of the Panama Canal Company and a 50-50 division of the gross (not the net) annual receipts of the canal. They further demanded that residents of the Canal Zone be compelled to speak Spanish instead of English and that "Members of the U.S. Congress and citizens of the United States be prohibited from uttering uncomplimentary remarks against Panama's dignity."

In fact, from then on nationalization—not internationalization—became the chief goal of all the nationalist elements as well as that of the Reds and their dupes. Ever since then an enormous streamer bearing the slogan "The canal is ours" has flown on the university campus.

Dr. Roberto Arias, Cambridge University graduate and son of Dr. Harmodio Arias, was then his country's youthful Ambassador in London, and he made himself spokesman in Europe for the nationalization movement. Later he resigned, largely because President Ernesto de la Guardia failed to back him up.

In April of 1959 young Arias enlisted the help of followers of Cuba's Fidel Castro in an attempt to overthrow the de la Guardia administration. Meantime, members of this ill-fated expedition revealed that in addition to ousting the government, they had been scheduled to make a "token invasion" of the Canal Zone. Apparently the purpose of this move was to create an international incident or an excuse to take the dispute to the United Nations. Had this been accomplished, the Russians and the Arab States would have been able to join openly in demands for "justice to Panama."

Although this stratagem failed, the planners devised still other schemes to harass Uncle Sam. Drs. Aquilino Boyd and Ernesto Castillero, former Minister of Foreign Relations and Vice Minister of Foreign Relations respectively, announced plans to celebrate Panama's independence from Colombia on November 3, 1959, by a "march on the Canal Zone." Boyd said this would be a "peaceful demonstration," merely to show the flag in the zone.

Even if Boyd had been sincere, the Communists and extremists had other plans. When the march began, they sent their agitators and goons into the procession and turned it into a bloody riot in which at least 75 Americans—soldiers, police, and civilians—were injured. "Plants" in government telephone exchanges and radio stations passed out word that the National Guard was to remain in barracks, which it did, leaving the Canal Zone police and military forces to battle the attackers alone.

When the American forces stood their ground—against degrading insults, threats, stone throwings, and foolhardy onslaughts against tear gas bombs—the rioters, like the

immature kids they were, slunk away into Panama City and vented their angry emotions on U.S. business firms and properties. But the masterminds behind the scenes had not given up. Three weeks later they led another demonstration against the Canal Zone. This time the Panamanian National Guard managed to get on the job and quell the rioters.

Meantime, the State Department had sent Under Secretary of State Livingston T. Merchant to Panama City to confer with officials of the Republic and the Canal Company regarding the difficulties. Although Mr. Merchant insists that Panamanian authorities maintain order and protect U.S. life and property in the Republic, he indicated that Panama is the "titular sovereign" over the Canal Zone, whatever that means.

Panamanians insist that the Under Secretary agreed that their flag might be displayed in the zone. In fact, it is the opinion of a number of people high in our own Government that this concession would not impair our rights.

Mr. Merchant had hardly arrived back in Washington when the Panamanian Foreign Minister, Miguel J. Moreno, Jr., complained to the press in Panama City that he had "not yet received any word from the U.S. Government that it intends to satisfy Panama's complaints." He expressed impatience that the State Department had not taken action to have the flag hoisted.

At the moment a hot presidential campaign is on, with election scheduled to take place in early May. Meantime, no Panamanian official or politician is likely to counsel moderation, much less take a stand against anti-U.S. attacks.

Latin American diplomats in Panama City have reported to their governments that more violence and demonstrations are to be expected.

The most responsible Americans on the isthmus are agreed that the Panamanian politicians as well as the merchants will not only continue to insist upon but will take all the material concessions they can get and will encourage the Communist-Nationalist groups to keep calling for nationalization.

The strategy now is evident, and it bears unmistakable Communist earmarks. First, keep stoking the propaganda mills, keep shouting about "injustices heaped upon helpless little Panama by the powerful Yankee colossus." Eventually a lot of people will begin to believe it.

Second, it may be possible somewhere along the line to create an incident, perhaps the accidental killing of a Panamanian student by a U.S. soldier or policeman. Then a wave of righteous wrath will sweep all Latin America. As one diplomat puts it: "There will be demands in the Organization of American States, the United Nations, and throughout the Communist world for an end to unilateral domination of this world waterway."

Indeed, most Panamanians already are convinced that eventually they will be able to pressure us into sharing jurisdiction over the canal as well as the zone. We ourselves have given them good reason to believe their dream can come true. Their efforts so far have borne abundant fruit. We have yielded to pressure and have made two major revisions of the original treaty. Each time the Panamanians received more than any of them ever expected to get.

They consider our position regarding Suez as a precedent. In effect, we approved the nationalization of that waterway by Egypt.

Some of our most influential political leaders have come out for what they call "a new approach" to the canal question. Way back at the Potsdam Conference, President Harry S. Truman started the ball rolling. With "Old Joe" Stalin listening, Mr. Truman proposed that all strategic waterways

be internationalized, and he has repeated the proposal.

A few weeks ago presidential hopeful Senator HUBERT HUMPHREY took up the idea. The Minnesota Senator said, in effect, that we have two alternatives in the Panama Canal Zone. We can work out a cooperative program with the Republic of Panama, giving Panama more voice and rights in the Canal Zone. Or we can go to the United Nations and offer to internationalize the canal, providing the same is done for other international waterways.

Senator WAYNE MORSE, of Oregon, chairman of the Senate Foreign Relations Subcommittee on Latin America, recently hired a study group from Northwestern University, at the taxpayer's expense, to look into and recommend a plan for disposing of the Panama Canal question. The report recommends what it terms "regionalization" of the waterway; that is, giving the nations of this hemisphere some say in the affairs of the canal. The Northwestern University professors went on to say that the Council of the Organization of American States might establish an advisory canal commission, which would supervise traffic studies "including the long range problem of arranging for a second canal across Nicaragua."

The group also said that later moves might include giving the Organization of American States representation on the Board of Directors of the Canal Company and the transfer of canal stock in small blocks to the hemisphere body. "By regionalizing the canal in this way," the professors concluded, "we avoid the political dilemma of internationalizing it through a divided United Nations, or having it eventually nationalized despite ourselves by the Panamanians."

Unfortunately, too few of our own people—those in authority as well as average citizens—seem to know the main facts about the Panama Canal, its origin, and purpose. The isthmus has always been a strategic artery of transportation. It was the route the Spanish conquerors took to western South America, to the riches of Peru, Bolivia, etc., in the 16th century.

In 1856, when our own people were pioneering to California, U.S. citizens built a railroad across the isthmus and thousands of settlers traveled to the Pacific coast by that route. In 1880, a French company headed by Ferdinand de Lesseps, who previously had dug the Suez Canal, attempted to build a canal across Panama. Lack of money, the ravages of disease, and innumerable difficulties and hardships forced De Lesseps to give up.

By then (1889) we were becoming a great naval power. During the Spanish-American War we had found it a hazardous undertaking to transfer our fleet from the Atlantic to the Pacific by way of Cape Horn. Also our Pacific coast and the new Territory of Alaska were practically undefended. It became a matter of the utmost strategic urgency to find a shorter route.

In 1890, the United States bought the French rights and holdings, but found objections from Colombia, of which Panama was then an isolated northern province. On November 3, 1903, the Panamanians seceded from Colombia, and President Theodore Roosevelt recognized the newly organized Panamanian Government on November 6. Twelve days later we signed a treaty with the new Republic, which gave us the right to construct and operate the canal.

Article II of that document grants the United States "in perpetuity" complete jurisdiction over the 553 square miles that make up the zone. Article III further states that Panama grants to the United States "all the rights, power, and authority within the zone mentioned and described in article II * * * to the entire exclusion of the exer-

cise by the Republic of Panama of any such sovereign rights, power, or authority."

To seal the bargain, we paid the new Government \$10 million in cash and pledged ourselves to pay annually thereafter \$250,000, which in 1955 was upped to \$1,930,000. During Woodrow Wilson's administration we paid Colombia \$25 million, as a friendly gesture and in token of damages it had sustained.

It probably is too much to expect even intelligent Panamanians to admit that what we actually got from them by treaty, and for which they received what then was a considerable sum of money, was a mere strip of sodden, disease-ridden jungle and marshland, most of it totally uninhabited.

Since 1903 we have built a canal that accommodates the ships of the whole world. Our scientists and doctors turned the swamps, as well as the two main Panamanian cities, into virtual health resorts. We have built hospitals, schools, homes, highways, stores, and shops, as modern as any in the world. We have also built all the facilities necessary to operate and defend the biggest single Government-operated industrial setup outside the United States itself.

Although we are accused of reaping billions from this project, to date U.S. taxpayers have spent more than a billion and a half dollars on its construction and maintenance; but they have received from it only a little over \$965 million in tolls.

Meantime, the Panamanians who spent nothing to put it there, and who take no risks in making it function and pay its way, daily reap a windfall of benefits and profits from it.

But regardless of what happened in the past, and entirely aside from the question of whether this country has or has not been financially generous to the Government and the people of Panama, the question now arises: What is for the ultimate best interests of all concerned in the operation and maintenance of this vital waterway?

Obviously it is of the utmost importance to the other nations of this hemisphere and to the world in general, as well as to our own country and to Panama, that it be maintained in perfect condition and operated by highly trained personnel and experienced directing heads. Those in charge should also be men of unusual economic and financial ability, if they are to make wise policies for a multimillion-dollar corporation that by law has to be self-supporting.

Anybody with even a cursory knowledge of the Panamanian population knows that the little Republic does not have the means or the know-how to do either. Even if enough Panamanians were technically trained to do the job, the instability of the country would be a danger to the safety and dependability of the canal's operation. From 1949 to 1959 there have been seven different Presidents, almost one a year, not one of whom served out his term. President de la Guardia may succeed in squeezing through until next May, although he already has experienced several close calls.

The Panamanians still insist that we do not pay their people the same wages that we pay North Americans. Of course, this is not true. It may have been in the past, but not since the last treaty revisions. Since then, a Panamanian who does the same job that a North American does gets the same pay, the same promotions, the same benefits.

Since so many Panamanians engaged in agitation against the United States, and participated in violent attacks on canal properties, the question of security of the installations becomes an all-important consideration. Those responsible for any organization as vital to national and hemisphere defense as the Panama Canal would hesitate

to promote or put Panamanians or any other than U.S. citizens in charge of strategic posts.

The Panama Canal is not only a vital artery of transportation but also a critical link in our own national defense. It is equally important in the defense of all the southern Republics. None of them likes to admit it, of course, but not one of the 20 countries could defend itself against an attack by modern weapons.

The United States is Latin America's sole defense in any major war. The canal is the sole means of shifting war vessels from one ocean to another quickly; it is also an indispensable supply line. Unless we control it, it would be of little use in any emergency.

Aside from the fact that nobody else put a penny into its construction, least of all the Panamanians, these were among the chief reasons for making a treaty which gave us complete jurisdiction over the zone in the first place. Divided authority and jurisdiction, which could cause disagreement and confusion at a critical moment, would give an enemy great advantage and would kill the efficiency of the operations in normal times.

The very fact that we are committed to NATO, the Rio Defense Treaty, the Western Hemisphere, and the Southeast Asia alliances, is a further reason for maintaining the political provisions of the 1903 treaty. Especially since we still are in the midst of a dangerous cold war with Communist nations.

Nor is the mere fact that Panamanian leaders have changed their minds and now want to revise the treaty, not to say, nullify it, sufficient reason to go along with them. No doubt Mexicans would like to revise the treaty that ceded California to us, so that their flag might again fly over this rich territory. France might like to have the treaty by which we acquired Louisiana and the vast western territories that went with it overhauled.

The insistence upon flying the Panamanian flag in the zone, "as a token of titular sovereignty," now the prime goal of the isthmian crusaders, is merely a ruse, a Trojan horse. Once there, it would be pointed to as an acknowledgement of total, not titular, sovereignty. It would be an excuse for the extremists to demand more tokens of Panamanian power. They could point to the flag as a supreme demonstration of U.S. deceit—"Washington admits the canal is ours but won't let us rule over it."

Even if it were logical and wise to make political concessions, or if there were no threats of a future war, this is no time even to discuss the matter. You don't make concessions when an organized mob is converging on your house.

We have become the great Western power, but we don't act the part. We are still anxious to be loved by everybody. We cringe every time some government, even a shaky one, or some extremist group criticizes or throws spitballs at us.

Nobody loves a great power. Nobody loved England when Britannia ruled the waves. But they respected her. She went straight down the road of what she thought was her duty. She lived up to her treaties and obligations and expected others to do likewise.

The U.S. Government has the same right and the same obligation to demand that Panama, the other party to the treaty of 1903, live up to its obligations, to its word, its signature. That is what the treaty was for.

Finally, it is time for the administration and the Congress to stop trying to please everybody; such efforts mean that we usually end up pleasing nobody. It would be an innovation, and the people of the United States no doubt would shout "Hosanna," if the White House and Capitol Hill would act

as the responsible protectors of American rights abroad that they are supposed to be. One thing is certain: Our rights and our obligations in the matter of the Panama Canal and its operation and protection, are at stake.

At least it is time for our leaders to speak with one voice, and not as if they were the inmates of a tower of Babel.

THE AMERICAN LEGION'S POSITION

At the 41st National Convention of the American Legion, August 25-27, 1959, the committee on foreign relations reported:

"1. We reaffirm our opposition to any proposal or effort to change, in any way, the status quo of the Panama Canal."

The convention adopted a resolution (No. 645) that called upon "our Government to promptly and vigorously use all means within our power to prevent the establishment or continuance of any Communist or Communist-controlled government within the Western Hemisphere," and urged "all American Republics to join with our Government in the elimination of this threat to the freedom of the people of the Western Hemisphere and of the world."

BEEF IMPORT AGREEMENT—CORRECTION OF THE RECORD

Mr. MANSFIELD. Mr. President, on February 20, 1964, I addressed the Senate on the new beef import agreement and the general subject of beef imports. At the conclusion of my remarks I had intended to insert a copy of a letter my colleague [Mr. METCALF] and I addressed to the U.S. Tariff Commission on the cattle and beef import situation. Inadvertently the attachment was a letter to the U.S. Tariff Commission, but on the subject of copper imports.

Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD my statement "Beef Import Agreement" and the correct attachments.

There being no objection, the statement and attachments were ordered to be printed in the RECORD, as follows:

BEEF IMPORT AGREEMENT

Mr. MANSFIELD. Mr. President, on Monday, the Department of State and the Department of Agriculture announced a voluntary agreement with Australia and New Zealand on beef imports. These two countries provide approximately 80 percent of our imports of fresh and frozen beef and veal. The agreement, as I understand it, is subject to review after 3 years.

In brief, the agreement guarantees foreign exporters of beef to the United States approximately 11 percent of our domestic market, holding Australian and New Zealand exports to the United States at the 1962-63 average, allowing for consumption growth.

Mr. President, this is a small step—a very small one—in the right direction; but it is not enough. It provides little protection for our domestic industry at a time when prices are down. During the current calendar year, it will provide a 6-percent reduction, as compared with 1963 imports.

The idea of a voluntary negotiated agreement with these two major beef exporters is excellent—but certainly not one that guarantees foreign suppliers such a major foothold on our beef market. We cannot blame Australia and New Zealand when they can get an agreement which will permit them to continue to export to the United States at a rate comparable to those of the two highest years in history. The American cattle industry is the one that is being hurt. It would have been far more realistic if the

average imports had been computed over the past 5 years, instead of the last 2 years.

In addition, I am somewhat concerned about the effect such an agreement will have on efforts to aid the domestic livestock industry, in light of the delicate state of our international trade negotiations. Frankly, I am anxious to see a much more realistic quota established, either through U.S. Tariff Commission recommendations or congressional action. It is for this reason that my colleague [Mr. METCALF] and I have prepared, for introduction, legislation which would establish a quota system on beef imports, based on the past 5-year average.

Mr. President, I introduce this bill, on behalf of myself, my colleague, the Senator from Montana [Mr. METCALF], the Senators from North Dakota [Mr. YOUNG and Mr. BURDICK], the Senator from South Dakota [Mr. McGOVERN], and the Senators from Iowa [Mr. HARKENLOOPER and Mr. MILLER]; and I ask unanimous consent to have printed at the conclusion of my remarks the text of this proposed legislation and a letter on the same issue which my colleague, the Senator from Montana [Mr. METCALF] and I addressed to the U.S. Tariff Commission.

Mr. President, I also ask unanimous consent to have the bill held at the desk, for additional cosponsors, until Monday, February 24.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD, and the bill will be held at the desk, as requested by the Senator from Montana.

The bill (S. 2525) to restrict imports of beef, veal, and mutton into the United States, introduced by Mr. MANSFIELD (for himself and other Senators), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the total quantities of beef, veal, and mutton (in all forms except canned, cured and cooked meat, and live animals) originating in any country which may be entered, or withdrawn from warehouse, for consumption during any period of twelve months shall not exceed the average annual quantities of such products imported from such country during the five-year period ending on December 31, 1963: Provided, That beginning January 1, 1965, there may be an annual increase in the total quantities of such products which may be entered, or withdrawn from warehouse, for such purpose, corresponding to the annual rate of increase in the total United States market for such products, as estimated by the Secretary of Agriculture."

The letter presented by Mr. MANSFIELD is as follows:

U.S. SENATE,

Washington, D.C., February 17, 1964.

Mr. BEN D. DORFMAN,
Chairman, U.S. Tariff Commission,
Washington, D.C.

DEAR MR. CHAIRMAN: In response to a resolution adopted by the Senate Finance Committee, the U.S. Tariff Commission will soon begin an investigation of the impact of foreign cattle and beef imports on the domestic market. This is a matter of considerable importance to the State of Montana as one of the leading producers in the livestock industry.

The problems now plaguing the ranchers are many and complex. Each day our mail brings new and more desperate appeals for aid in stopping the present decline in cattle prices. There is an immediate need to stabilize the cattle and beef market or we fear we will be faced with a situation of momentous proportions.

This is a many sided problem, but one of the major causes is the increasing share of the domestic market that is being taken over

by the importers. The trend over the past several years has been in this direction until we now find that imported beef equals more than 11 percent of U.S. production. What has been a threat has now been compounded into an unfair and difficult situation.

As the members of the Commission know, the United States is the only major beef market without quantitative restrictions and very low duties. Also, we take 51 percent of the world trade in beef. On the basis of these facts, we wish to support the industry in its request for an establishment of a quota system or tariff protection based on domestic consumption and production.

The executive branch of our Government has the authority to provide relief to the cattle industry. The need is amply demonstrated. The Nation's Government must take the initiative to prevent a very serious economic depression in one of our basic industries. The Tariff Commission can recommend the necessary relief to the President. If the Federal Government does its part, it will then be up to the industry itself to handle problems such as excessive marketing, new marketing methods, and consumer preferences.

With best personal wishes, we are,

Sincerely yours,

MIKE MANSFIELD,
U.S. Senator.

LEE METCALF,
U.S. Senator.

SERVICE OF REPRESENTATIVE HAROLD C. OSTERTAG

Mr. KEATING. Mr. President, yesterday our distinguished colleague in the other body, Representative HAROLD C. OSTERTAG, announced that he would not be a candidate for reelection as a Member of Congress from New York. Representative OSTERTAG represented the district geographically adjacent to mine when I served in the other body. He has had a distinguished career there. As a member of the Appropriations Committee, he has been in conference with many Members of this body, who must have learned from those conferences how sound and conscientious he is in the performance of his duties.

Congressman OSTERTAG fought for his country in World War I, enlisting in the 74th Infantry, 27th Division. He served with the 55th Pioneer Infantry in the American Expeditionary Force.

He has served as State vice commander of the American Legion. He is a member of the Veterans of Foreign Wars, the Elks, and the Attica Grange and the Wyoming County Farm Bureau.

His adult life has, in fact, been dedicated to public service in his district—the 37th District—his State and his country.

He is leaving the Congress in full vigor and in good health. I am sure he leaves with the good wishes of all of us who have served with him and who know of his outstanding service to his country.

I express the hope that he will enjoy his retirement.

Before his service in the Congress, he served for many years in the New York State Legislature, so he has had three decades of dedicated and distinguished public service. I wish him and his wife and family great happiness and the enjoyment of a long life.

Mr. JAVITS. Mr. President, will my colleague yield?

Mr. KEATING. I am happy to yield.

CIVILIAN SCIENTIFIC PERSONNEL ON BOARD
USCG "NORTHWIND," OCEANOGRAPHIC CRUISE,
1963

William H. Gladfelter, senior scientist,
oceanographer, U.S. Naval Oceanographic
Office.

James P. Sullivan, oceanographer, U.S.
Naval Oceanographic Office.

James J. McConnell, geologist, U.S. Naval
Oceanographic Office.

Harris D. Saunders, oceanographer, U.S.
Naval Oceanographic Office.

Vist L. Howard, oceanographer, U.S. Naval
Oceanographic Office.

Michael J. Linck, Jr., cartographer (photo),
U.S. Naval Oceanographic Office.

Norman E. Carroll, meteorological techni-
cian, U.S. Weather Bureau.

Louis A. Codispoti, University of Wash-
ington.

Harvey C. Peterson, University of Wash-
ington.

Frederick S. Osell, University of Wash-
ington.

Lloyd B. Ellis, University of Southern
California.

Dr. Kenneth Hunkins, Lamont Geophysical
Institute.

Mr. Perry Parks, University of Wisconsin.

Mr. Steven den Hartog, University of Wis-
consin.

COAST GUARD OCEANOGRAPHIC PERSONNEL ON
USCG "NORTHWIND," OCEANOGRAPHIC CRUISE,
1963

Lt. James S. Washburn.

Chief Aerographer Donald C. Bailey.

Aerographer Second Class Michael L.
Smith.

Aerographer Second Class Gerald F. Illing-
worth.

Aerographer Second Class Russel L. Rey-
nolds.

Seaman William M. Shearer.

WYOMING STATE TRIBUNE EDI-
TORIALIZES ON INCOME TAX
CREDITS FOR COLLEGE EDUCA-
TION

Mr. SIMPSON, Mr. President, al-
though it is entirely academic since the
Senate has passed the administration's
tax reduction bill, I should like to call
my colleagues' attention to an editorial
from the February 3 Wyoming State
Tribune alluding to a tax bill amendment
offered by Senator RIBICOFF, which I sup-
ported.

The Senator from Connecticut had
proposed that a percentage of certain
college-connected expenses be made de-
ductible from Federal income tax. I felt
this proposal was sound. It would al-
leviate the great burden placed upon
families sending their children to col-
leges without increasing the already sig-
nificant power of the Federal Govern-
ment in the field of education. I regret
that the amendment did not gain ma-
jority support.

So that some of the thinking in Wyom-
ing on this subject can be made known,
I ask that the Wyoming State Tribune
editorial by James Flinchum be printed
in the body of the RECORD.

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

[From the Cheyenne (Wyo.) State Tribune,
Feb. 3, 1964]

REAL AID TO EDUCATION

Senator RIBICOFF, of Connecticut, is seek-
ing to make a thoroughly palatable propo-
sition a part of the tax reduction bill. It is a

feature combining both aid to education
and a decrease in the Federal income tax,
and yet for a clearly specified reason the
Johnson administration appears to be op-
posed to the measure.

Mr. RIBICOFF, who was Secretary of Health,
Education, and Welfare in the Kennedy ad-
ministration before successfully running for
the Senate, offers an idea that will be en-
thusiastically accepted by both Republicans
and Democrats alike, particularly those par-
ents who have college-age children or who
have offspring whom they intend to send to
college.

The Ribicoff proposition is this: A Fed-
eral income tax credit would be granted on
the first \$1,500 of tuition fees, books, and
supplies of a student at an institution of
higher education; this credit would be ex-
tended on a sliding scale formula with re-
spect to students at public and private edu-
cational institutions, and it would be made
available to each and every person who pays
tuition. The credit also would be limited
so that it provides greater benefits to lower
income families, thus serving as an increased
incentive for them to send their children to
college.

The Senate vote on the tax cut bill to which
Senator RIBICOFF seeks to attach his college
credit proposal, will come this week. The
latter already has been defeated by a close
vote of 10 to 7 in the Senate Finance Com-
mittee apparently on Johnson administration
orders.

Interestingly enough, the idea advanced by
Mr. RIBICOFF originally was proposed by
President Kennedy; but for some reason it
now has been discarded by the present ad-
ministration despite its avowed pledge to
carry out the Kennedy program. What
happened to bring about this change of
mind cannot immediately be determined.

But it is worth pointing out that the
present administration's opposition is based
on the idea that aid to education can best
be supported through Federal grants.

Said the Baltimore Sun in an editorial of
January 23: "The [Senate Finance] Com-
mittee majority opposes the Ribicoff pro-
posal following the administration's con-
tention that education can be financed more
efficiently through grants and loans."

But the Sun also asks: Can it? It pro-
ceeds to point out that any administrative
effort would involve considerable cost.

The Ribicoff proposal is direct tax relief;
it is the kind of Federal aid to education
that can be welcomed by all because it in-
volves no strings, no direction, and still ac-
complishes the same purpose.

The great fear about Federal aid to edu-
cation is that besides the costly administra-
tive operation, adding to the already stag-
gering burden of operating the Government,
it imposes the threat of Federal controls.

This is not a theory; it is fact. Washing-
ton seeks to govern through the granting of
largesse. The Ribicoff proposal would take
away this element of doubt involved in Fed-
eral aid to education; in fact, it is similar
in format to the proposition advanced by Sen-
ator GOLDWATER last year that taxpayers
be granted tax credits on the basis of local
school district taxes they pay. This also
amounted to simple, direct, and untram-
meled Federal aid to education, but the ex-
ecutive department of the Government has
displayed a notable reluctance to even ac-
knowledge that such a proposition exists.

It seems very likely that the college aid
idea of the Senator from Connecticut will
die aborning, which is too bad.

AMBASSADOR FARLAND AND
PANAMA

Mr. SIMPSON, Mr. President, syndi-
cated columnist, Henry J. Taylor, in a

column published February 3, tells of the
treatment Joseph S. Farland, former
Ambassador to Panama, received upon
his recent return to the United States
and to private life. Although Farland
has been acclaimed as a Latin American
expert virtually without peer and as a
person of high integrity, his advice and
counsel on the crisis brewing in Panama
were apparently not sought by the State
Department.

Of special significance is a quote by
Columnist Taylor that:

We here in the State Department will take
care of any discussions about Panama with
the CIA ourselves. Further, you are not to
have discussions with Members of Congress
on the Hill.

This statement was allegedly made by
Edwin Martin, the then Assistant Secre-
tary of State for Latin American Affairs
to Ambassador Farland. Had the Am-
bassador been able to tell his story to
Congress or to someone with a receptive
ear, much of the bloodshed in Panama
might have been averted.

I ask unanimous consent, Mr. Presi-
dent, that the Henry J. Taylor article
be printed in the RECORD.

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

AMBASSADOR NOT CONSULTED

(By Henry J. Taylor)

This firsthand look at what really hap-
pened to former Ambassador of Panama
Joseph S. Farland should explain much
about what confronts President Johnson.
And why dangerous event after event abroad
is a surprise, surprise, surprise to those at the
top on whom our security depends.

Ambassador Farland is an ex-FBI agent,
counterintelligence expert, chief of mission
for 3½ years in Panama before returning
last August, and acclaimed as one of the
most successful ambassadors we've ever had
in Latin America. He resigned last August
and returned to private life in Morgan-
town, W. Va.

State Secretary Dean Rusk told the House
Foreign Affairs Committee, January 15, that
he was taken by surprise by events in Pan-
ama. The committee asked whether his De-
partment had fully consulted the returned
ambassador whose reports had long bristled
with information about the Castro buildup
and the mounting crisis in the Isthmus.
"Oh, yes, Farland has been completely de-
briefed," Rusk testified.

Now obviously, something or someone was
wrong some place. Ambassador Farland has
stated publicly that he was asked nothing,
and had sat around Washington for 3 solid
weeks without being consulted ("de-
briefed"). So I asked Farland to tell me ex-
actly what went on. He agreed to do so.

He said Secretary Rusk in his testimony
apparently relied on a subordinate who re-
ported to him after engaging Farland in a
short, and largely irrelevant conversation,
that's all.

That State Department man was named
Lansing Collins. "We did hardly more than
pass the time of day, Collins and I," Far-
land told me.

That the Secretary of State himself ad-
mittedly failed to consult Farland, as CIA
Director John A. McCone likewise failed even
to see him, was inexplicable. How come?

"When I arrived home in August," Far-
land answered, "and the State Department
circulated its customary notice to appro-
priate agencies listing returned ambassadors
available for consultation, a man in the
White House went to work. His name is

Ralph Dungau. On whose authority he acted I do not know. But Dungau telephoned the various agencies, including the Pentagon, that I was not to be invited for consultation."

Farland then coupled this action with a previous event. "Earlier in the Panama crisis," he stated, "when I went to Washington for consultation in the late fall of 1962, Edwin Martin, the then assistant Secretary of State for Latin-American affairs, stepped in. Martin literally ordered me to have no contact with top CIA executives and any congressional leaders."

"We here in the State Department will take care of any discussions about Panama with the CIA ourselves. Further, you are not to have discussions with Members of Congress on the bill," Martin directed."

Subsequently, Ambassador Farland met President Kennedy during the late President's conference with Latin-American presidents at San Salvador last March.

"President Kennedy did not know about Martin's directive to me," Farland continued, "and in Martin's presence he crossed up Martin on the congressional angle while Martin remained silent. The President told me to see inquiring congressional leaders on my next trip home. I had nothing but courtesy, understanding and, so far as I know, approval from President Kennedy personally and directly."

I asked about the CIA espionage situation, including Castro penetrations in Panama. Farland described the CIA as an out-of-hand aggregation "underzealous in knowing what was happening in Panama and overzealous in building a CIA empire in the Zone." He revealed the additional stops and blocks he encountered behind the scenes in trying to bring this agency into line.

"The station chief had exposed himself as a prominent figure in the high social world," Farland stated, "and it was easy to see that the whole thing was loose. They simply did not know what was going on. I spelled this out repeatedly to both the State Department and CIA's Washington headquarters in terms of Isthmus and American security. Neither acted. It took me nearly a year to get the station chief removed—a very decisive and critical year—and then only when CIA Director McCone himself came to Panama and heard the facts direct from me in my house."

Bravely, Ambassador Farland gives one phase of the maze President Johnson faces. And our public, too.

OAS CULTURAL AFFAIRS DIRECTOR REPLIES TO FIDEL CASTRO

Mr. SIMPSON. Mr. President, American preoccupation with the dollars and cents aspect of the struggle against communism in Latin America sometimes overshadows another important round of the conflict—one that is fought not with bullets and violence but with pages and eloquence.

For several years a few modest publications aimed at the Latin American intelligentsia have been the sounding board for avant-garde thought on both sides of the ideological fence.

One such publication—El Corno—featured a letter some months ago that was written in reply to an effusion by Cuba's bearded dictator who had hoped to use the magazine to laud his Communist revolution.

The retort came from Argentina born Dr. Rafael Squirru, the articulate and dynamic Director of Cultural Affairs of the Organization of American States in Washington.

Dr. Squirru challenged Castro's assertion that the revolution is "everything," saying that as a student of law:

I came to the conclusion that those regimes [the Communists] are incapable of giving that minimum guaranty that is still being offered by the democracies.

Freedom cannot be surrendered either to give water to the thirsty, to give food to the hungry, or to clothe the ragged, because freedom is more than clothing, more than bread, more than water, and more than the air itself. Freedom is the possibility of the spirit.

Mr. President, I recommend this letter by Dr. Squirru to the attention of my colleagues and readers of the CONGRESSIONAL RECORD who might question the worth of cultural programs in the Organization of American States, and I ask unanimous consent that excerpts of the letter be printed in the RECORD.

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

PAN AMERICAN UNION,
July 24, 1963.

I read the last issue of "El Corno" with much interest and care. The content of this issue is of great interest for its quality. I have some objections to make about the statements made by Fidel Castro Ruz, which I consider to be fallacious. His final statement sums up his entire thinking: "(for those who are) with the revolution, everything; (for those who are) against the revolution, no rights at all." The whole problem, to my way of thinking, rests in who interprets this final doctrine and how he interprets it. When impartial judges are lacking, every guarantee of justice is automatically vitiated, and when I refer to judges I mean an independent judicial power. As a student of law, I thoroughly investigated these conditions within the Fascist and Communist machinery, and I came to the conclusion that those regimes are incapable of giving that minimum guarantee that is still being offered by the liberal democracies, despite all the shortcomings and imperfections that can be attributed to them. On the plane of the struggle for power, it makes no difference whether tyranny is exercised by rightist or leftist extremists. For the thinking man who knows of freedom, and I use the term "know" (saber) in its double connotation of knowing and enjoying, there can be no compromise in this respect, even though the heart-rending banners are waved. Freedom cannot be surrendered either to give water to the thirsty, to give food to the hungry, or to clothe the ragged, because freedom is more than clothing, more than bread, more than water, and more than the air itself. Freedom is the possibility of the spirit. When absent, what there is, is something else and that something else is what is expressed by all those who try to be artists in the regimes where freedom does not exist. It is because I have experienced life in communities where there is no freedom that I find empty all the words that are written without the basis of this essential human dignity: the obligation of the intellectual, which is not to serve anything but the purpose of his own revolution—the great struggle he must wage with himself.

RAFAEL SQUIRRU,

Director, Department of Cultural Affairs.

TRIBUTE TO SENATORS WHO AUTHORED THE ORIGINAL GI BILL IN 1944

Mr. YARBOROUGH. Mr. President, the World War II GI bill helped lift teen-

agers born in the depression years to an educational level where many are now the leaders of the 1960's. The Korean conflict GI bill further proved the benefits of this kind of legislation for veterans of military service.

It is hard for me to understand how such forcible demonstrations of good effects from GI bill educational assistance can be pushed aside. No legislation will ever prove its value more fully than have the GI bills of the past. It is essential that we use what we have learned from them to continue educational assistance to military veterans. If we had continued it since the end of the Korean conflict, our country would be better prepared now and in the next decade to handle the technological and scientific problems we face.

That is why I am working for passage of the cold war GI bill, S. 5, which is co-sponsored by 38 of my colleagues.

Of nearly 8 million GI's who received training under the original GI bill, more than 2 million went to college, 3½ million more got precollege training, and millions more got vocational or other training.

The two previous GI bills materially added to the Nation's welfare and productivity by giving us 180,000 doctors, nurses, and medical personnel, 113,000 physicists and research scientists, 450,000 engineers, and 230,000 schoolteachers, in addition to other occupations and professions. The contribution made and to be made by veterans is incalculable, especially in light of our still desperate need for more teachers, more scientists, and more engineers.

Mr. President, I think it appropriate at this time, on the eve of George Washington's birthday, to pay tribute to those in the Senate who sponsored the original GI bill. They are names easy to remember; a few of them still serve in the Senate. I honor them today for their vision and wisdom.

The bill was S. 1767, 78th Congress. It was sponsored by the following Senators:

Mr. Clark of Missouri, Mr. George, Mr. Vandenberg, Mr. Walsh of Massachusetts, Mr. Barkley, Mr. Connally, Mr. O'Mahoney, Mr. Bailey, Mr. McKellar, Mr. Guffey, Mr. Bankhead, Mr. Wagner, Mr. Thomas of Utah, Mr. Johnson of California, Mr. Johnson of Colorado, Mr. Radcliffe, Mr. Lucas, Mr. La Follette, Mr. Davis, Mr. Tydings, Mr. Thomas of Idaho, Mr. Butler, Mr. Capper, Mrs. Caraway, Mr. McFarland, Mr. Maybank, Mr. McCarran, Mr. McClellan, Mr. Hill, Mr. Scrugham, Mr. Hayden, Mr. Bilbo, Mr. Truman, Mr. Brewster, Mr. Brooks, Mr. Hatch, Mr. Chavez, Mr. Stewart, Mr. Clark of Idaho, Mr. Wiley, Mr. Gurney, Mr. Langer, Mr. Overton, Mr. Thomas of Oklahoma, Mr. Eastland, Mr. Millikin, Mr. Wherry, Mr. Willis, Mr. Moore, Mr. Wheeler, Mr. Gillette, Mr. Wallgren, Mr. Bone, Mr. Nye, Mr. Bridges, Mr. Revercomb, Mr. Murray, Mr. Reynolds, Mr. Smith, Mr. Jackson, Mr. Buck, Mr. Tobertson, Mr. Tobey, Mr. Welsh of New Jersey, Mr. Green, Mr. Chandler, Mr. Pepper, Mr. Holman, Mr. Bushfield, Mr. Hawkes, Mr. Russell, Mr. Downey, Mr. Mead, Mr. Aiken, Mr. Weeks, Mr. Mur-