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No. 14

Senate

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Rev. Joseph A. Mason, D.D. minister, Grace Methodist Church, Pekin, Ill., offered the following prayer:

Almighty God, father of us all, who art the source of all wisdom and the fount of all understanding, we seek Thy presence now, before facing the tasks of this day. Before we grapple with the problems that beset us and the decisions that challenge us, we would pause in quiet confidence to invoke Thy blessings upon the Senate of the United States and upon each of its Members.

Give us grace, O God, to seek Thy will in all decisions and deliberations; keep us ever at tasks too hard for us, that we may be driven to Thee for strength. We may falter, O God, unless Thou dost uphold us; may Thy hand be upon each Member of this great body, to guide, strengthen, and sustain.

As free Americans, we thank Thee for the blessings of liberty and opportunity and justice which are ours; make us worthy of our great heritage, we pray, and keep us true in the responsibilities which are ours. Prosper all counsels which make for the maintenance of rightful and abiding peace; and direct the course of the world in the ways of justice and righteousness.

Endow all who are assembled here with a purity of purpose, and ever enable them to rise above all self-seeking and party zeal, into the larger concerns of public good and human brotherhood. May what they say and do here today and in the days to come remain ever in tribute to their honor and judgment, and grant that they—being devoted to their country—may ever be defended by Thy power, through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. HUMPHREY, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, January 30, 1962, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT ON U.S. AERONAUTICS AND SPACE ACTIVITIES, 1961—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 324)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Aeronautical and Space Sciences:

To the Congress of the United States:

In accordance with section 206(b) of the National Aeronautics and Space Act of 1958, as amended, I transmit herewith a report for the calendar year 1961, on this Nation's aeronautics and space activities.

During 1961, major attention was devoted to establishing our policy objective of space leadership and to accelerating our efforts toward achieving that objective.

In my message to the Congress on May 25, 1961, I stated that a leading role in space achievements may well hold the key to this country's future. That I reaffirm. Last year, we made necessary decisions and, with the support of the Congress, stepped up the pace of performance. Even greater strides must be made in the coming months and years, and thus the recommended budget which I submitted to the Congress earlier this month contains requests for funds for the fiscal year 1963 space program, totaling \$5.5 billion, an increase of \$2.4 billion over fiscal year 1962 and \$3.7 billion over fiscal year 1961.

It is the policy of the United States that activities in space be devoted to peaceful purposes, and during 1961 we made significant progress in that regard. Such progress included space projects to help keep the peace and space projects to increase man's well-being in peace.

In summary form, the accompanying report indicates the contributions of the various departments and agencies of the Government to a national space program.

JOHN F. KENNEDY,
THE WHITE HOUSE, January 31, 1962.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H.R. 8900) to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities, in which it requested the concurrence of the Senate.

HOUSE BILL PLACED ON CALENDAR

The bill (H.R. 8900) to authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities, was read twice by its title and placed on the calendar.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. HUMPHREY. Mr. President, I ask unanimous consent that statements in connection with the morning hour be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. HUMPHREY. Mr. President, in order that there may be a clear understanding in regard to the business of the Senate today, following the morning hour, let me say that at 2 p.m. there will be a vote, as previously ordered, on the question of confirmation of the nomination of John A. McCone to be Director of Central Intelligence.

The VICE PRESIDENT. That is correct; under the agreement previously entered into, at 2 p.m. there will be a vote on the McCone nomination.

**EXECUTIVE COMMUNICATIONS,
 ETC.**

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

**REPORT ON REAPPORTIONMENT OF
 APPROPRIATIONS**

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that certain appropriations had been apportioned on a basis which indicates the necessity for supplemental estimates of appropriations; to the Committee on Appropriations.

ESTIMATE OF APPROPRIATIONS FOR REIMBURSEMENT OF CIVIL SERVICE RETIREMENT AND DISABILITY FUND

A letter from the Deputy Director, Bureau of the Budget, Executive Office of the President, transmitting, for the information of the Senate, an estimate of appropriations necessary to reimburse the civil service retirement and disability fund for the amounts paid out of that fund, for the fiscal year 1963; to the Committee on Appropriations.

REPORT OF ATTORNEY GENERAL ON REVIEW OF VOLUNTARY AGREEMENTS AND PROGRAMS

A letter from the Attorney General, transmitting, pursuant to law, his report on a review of voluntary agreements and programs, as of November 9, 1961 (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON AVIATION WAR RISK INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on aviation war risk insurance, as of December 31, 1961 (with an accompanying report); to the Committee on Commerce.

**BALANCE SHEET OF POTOMAC ELECTRIC
 POWER CO.**

A letter from the President, Potomac Electric Power Co., Washington, D.C., transmitting, pursuant to law, a balance sheet of that company, as of December 31, 1961 (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF D.C. TRANSIT SYSTEM, INC.

A letter from the vice president and controller, D.C. Transit System, Inc., Washington, D.C., requesting an extension of time in which to file a report of that company; to the Committee on the District of Columbia.

**REPORT OF ADVISORY COMMISSION ON
 INTERGOVERNMENTAL RELATIONS**

A letter from the Executive Director, Advisory Commission on Intergovernmental Relations, Washington, D.C., transmitting, pursuant to law, a report of that Commission, dated January 31, 1962 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF SECTION 216, TITLE 38, UNITED STATES CODE, RELATING TO PROSTHETIC RESEARCH IN VETERANS' ADMINISTRATION

A letter from the Deputy Administrator, Veterans Administration, Washington, D.C., transmitting a draft of proposed legislation to amend section 216 of title 38, United States Code, relating to prosthetic research in the Veterans' Administration (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT ON POSITIONS ESTABLISHED IN GRADES GS-16, GS-17, AND GS-18

A letter from the Director, Office of Legislative Affairs, National Aeronautics, and

Space Administration, Washington, D.C., transmitting, pursuant to law, a report on positions established in grades GS-16, GS-17, and GS-18, for the calendar year 1961 (with an accompanying report); to the Committee on Post Office and Civil Service.

**CONCURRENT RESOLUTION OF
 MISSISSIPPI LEGISLATURE**

Mr. EASTLAND. Mr. President, the Legislature of the State of Mississippi recently adopted House Concurrent Resolution No. 5 commending the Honorable Orville L. Freeman, Secretary of Agriculture, for having issued the Department's new regulation authorizing the cotton farmer more freedom and flexibility in skip-row planting.

I would like to take this occasion to add my personal word of appreciation to Secretary Freeman and his Department for promulgating this regulation and assure the Senate that the action will be of great benefit to the cotton industry of the Nation.

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point in my remarks.

There being no objection, the concurrent resolution was referred to the Committee on Agriculture and Forestry, as follows:

HOUSE CONCURRENT RESOLUTION 5

Concurrent resolution commending the Honorable Orville L. Freeman, Secretary of Agriculture, for having issued the Department's new regulation authorizing the cotton farmer more freedom and flexibility in skip-row planting, and to express appreciation to Mississippi's congressional delegation for their cooperation and assistance in this policy change

Whereas the U.S. Department of Agriculture did, by order of the Secretary of Agriculture, Orville L. Freeman, issue its new regulation authorizing cotton farmers to plant their cotton acreage in the manner best suited to each individual operation; and

Whereas the new skip-row regulation, by its constructive action in liberalizing the plant patterns to permit more efficient use of land and equipment under the most suitable method, would allow farmers to average higher yields, better use of equipment, and lower the unit cost per pound of cotton; and

Whereas this new policy of the national administration is welcomed by agricultural groups and farmers' associations as a major step to aid the cotton farmer in his cost-price squeeze and thereby stimulate the overall economy of cotton-producing States and the entire Nation; and

Whereas Senators JAMES O. EASTLAND and JOHN C. STENNIS, Congressmen THOMAS G. ABERNETHY, JAMIE L. WHITTEN, FRANK E. SMITH, JOHN BELL WILLIAMS, ARTHUR WINSTEAD, and WILLIAM M. COLMER, in addition to the Delta Council, Farm Bureau Federation, and various other individuals have been of great assistance and encouragement to Secretary Freeman in the adoption of the eased planting regulation believed to be a boost to Mississippi's economy: Now, therefore, be it

Resolved by the House of Representatives of the State of Mississippi (the State Senate concurring therein), That we do hereby commend the Honorable Secretary of Agriculture Orville L. Freeman for his wisdom, cooperation, and forthright demonstrative evidence of his and the national administration's keen interest in farm problems and cotton farmers' plight in their ever-increasing cost-price squeeze and marketing problems; and be it further

Resolved, That the Mississippi Legislature also express its profound appreciation to the entire congressional delegation from the State of Mississippi; and be it further

Resolved, That enrolled copies of the resolution be forwarded the Honorable Secretary of Agriculture Orville L. Freeman, U.S. Senators James O. Eastland and John C. Stennis, and U.S. Representatives Thomas G. Abernethy, Jamie L. Whitten, Frank E. Smith, John Bell Williams, Arthur Winstead, and William M. Colmer.

Adopted by the house of representatives January 4, 1962.

WALTER SILLERS,

Speaker of the House of Representatives.
 Adopted by the senate January 15, 1962.

PAUL B. JOHNSON,
President of the Senate.

**CONCURRENT RESOLUTIONS OF
 MISSISSIPPI LEGISLATURE**

Mr. EASTLAND. Mr. President, on behalf of my colleague, the junior Senator from Mississippi [Mr. STENNIS] and myself, I present, for appropriate reference, two concurrent resolutions of the Legislature of the State of Mississippi, and ask that they be printed in the RECORD.

There being no objection, the concurrent resolutions were appropriately referred, and, under the rule, ordered to be printed in the RECORD, as follows:

To the Committee on Labor and Public Welfare:

"SENATE CONCURRENT RESOLUTION 101

"Concurrent resolution memorializing Congress and the Administrator of Veterans Affairs of the United States to authorize Mississippi's new \$14 million Veterans' Administration hospital and center to be named in honor of our late Congressman John Elliott Rankin, of Tupelo, Miss., ardent champion of veterans legislation

"Whereas the State of Mississippi has on several prior occasions by legislative resolutions and statute, and State Building Commission action, overwhelmingly supported, in cooperation with the State congressional delegation, the local and national officers of the Veterans' Administration, Jackson Chamber of Commerce, and congressionally chartered veterans organizations, the construction of a modern Veterans' Administration Hospital and regional office in Jackson, Miss.; and

"Whereas pursuant to the aforesaid united efforts of these groups and organizations, and general public endorsement, this new facility has been built and will be occupied this month after many years' unselfish and patriotic service; and

"Whereas official minutes of all three veterans organizations in the State of Mississippi have heretofore endorsed both the construction of this magnificent hospital facility in Jackson, Miss., and the Honorable John E. Rankin for his long tenure in Congress as a militant champion and author of most worthwhile veterans legislation including education and training, insured home and farm loans, hospitalization and rehabilitation benefits; and

"Whereas one of these veterans groups, the Disabled American Veterans, did at its executive committee meeting held in Jackson on December 2, 1961, adopt a resolution requesting this new VA hospital to be named the John E. Rankin Veterans' Administration Center as an everlasting tribute to this great Congressman who served with patriotic fervor and militant courage from 1921 to 1953; and

dinner, my heartfelt thanks and congratulations for the years of dedicated service he has given to the great State of Wisconsin, to the United States of America, and to the Republican Party. We who serve with him in the Senate know that without his untiring and inspired efforts the St. Lawrence Seaway, could never have become a reality. His State, his Nation, and his party owe him a great debt of gratitude.

BARRY GOLDWATER,
U.S. Senator.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
October 25, 1961.

HON. ALEXANDER WILEY,
U.S. Senate,
Washington, D.C.

DEAR ALEX: I regret very much that I will be out of the country when the testimonial dinner is held by the Milwaukee citizens in your honor.

You have been an outstanding Senator, who has given so much consideration to the women of our country in the statesmanship you have given Wisconsin and the Nation. I trust the people of Wisconsin fully realize your worth and will send you back to the Senate by a tremendous victory.

Sincerely yours,
MARGARET CHASE SMITH,
U.S. Senator.

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
November 7, 1961.

HON. ALEXANDER WILEY,
U.S. Senate,
Washington, D.C.

DEAR ALEX: I am informed that on November 27 you will be the guest of honor at a meeting in Milwaukee arranged by your many friends in Wisconsin. It is altogether fitting that you should be so honored.

My personal association with you over the past 17 years in the Senate and on the Senate Foreign Relations Committee, where you have served as chairman, gives me full assurance when I say that your service to your State and to the country has been outstanding.

Your work on the Senate Judiciary Committee, both as chairman and as ranking minority member, has been of the highest order.

The Nation, and particularly your State of Wisconsin and the States of the Middle West, owe you a debt of gratitude for your great and continued effort on the St. Lawrence Seaway. There is no doubt of your position as a major factor in bringing this great work through to completion.

I join with your friends and colleagues in an expression of appreciation for the contributions you have made in many ways.

Sincerely yours,
BOURKE E. HICKENLOOPER.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 20, 1961.

Senator ALEXANDER WILEY,
Schroeder Hotel,
Milwaukee, Wis.

DEAR ALEX: I am very pleased to learn that you are being honored by many of your friends for your great contribution to Wisconsin and the Nation. It is much deserved and it is appropriate that this testimonial should emphasize your great contribution in the creation of the St. Lawrence Seaway.

I want to add my thanks to those of other Wisconsinites for your never-ending fight to make the seaway dream come true. It should not be overlooked on this occasion that this was brought about when Wisconsin, for the first time in its history, had a Senator who held the highest rank on many important Senate committees ever held by a representative of the State of Wisconsin.

This, too, is testimony to the high regard in which you are held by the people you have served so faithfully.

Congratulations and every good wish for the future.

Sincerely yours,
VERNON W. THOMSON,
Member of Congress.

NOVEMBER 20, 1961.

HON. ALEXANDER WILEY,
U.S. Senate, Washington, D.C.

DEAR ALEX: It is most fitting that you be honored by your fellow citizens for your efforts in connection with the St. Lawrence Seaway.

I well recall, over the years, your single-minded devotion to the dream of extending the Atlantic coast to the heart of America and the work and leadership you gave to the long struggle which made this dream a reality.

While the thriving commerce and new industry now being generated by the seaway is your real reward, I consider it an honor to join with all Wisconsin in paying tribute to you for the faith and conviction which played such a vital role in the successful outcome of the long battle to bring the vessels of the world to the ports of Wisconsin.

Sincerely yours,
JOHN W. BYRNES.

BOARD OF HARBOR COMMISSIONERS,
Milwaukee, Wis., November 27, 1961.

DEAR SENATOR WILEY: It is a great privilege to join the civic, educational, business, and labor leaders of Wisconsin in paying tribute to you on the occasion of today's testimonial dinner in your honor.

The theme of the occasion is the St. Lawrence Seaway, and the monumental contribution you have made to Wisconsin, to the Great Lakes region, to the Nation, and to the whole international world of trade, by your effective leadership and guidance of the legislation which brought the seaway to reality as a new instrument of world commerce.

Having been so closely associated with you in the long and oft-discouraging struggle for the seaway, we always welcome the opportunity, publicly or privately, to pay tribute to this, the monumental climax to your legislative career.

We think also, however, of the effective day-to-day service you and your fine staff render to your constituency and to the local governments of Wisconsin. We think of the victorious fight, ably led by you, to prevent downgrading of Milwaukee from a U.S. customs port of entry to a mere subport under Chicago. We think of the effective support we have had from you on every issue, whether it be preserving lake levels or preserving the traffic of Wisconsin ports.

Whether the issues have been large or small, we have had your undivided interest, your guidance and your effective participation in reaching the right solutions. From the privilege of long association with you, I can testify as to the debt of gratitude which the port of Milwaukee and the ports of Wisconsin owe to your dedication and your successful handling of administrative and legislative problems.

Most cordially,
HARRY C. BROCKEL,
Municipal Port Director.

U.S. COURT OF CLAIMS,
Washington, D.C., November 22, 1961.

Senator WILEY,
Testimonial Dinner Committee,
Milwaukee, Wis.

DEAR MR. STEVENSON and MR. FITZGERALD: I deeply appreciate your kind invitation to attend the Wisconsin testimonial dinner next Monday to Milwaukee for Senator WILEY. However, our court will be in session here in Washington on that day, and I do not feel that I should be absent, particularly

since we have a vacancy of one judge on our bench.

No man from Wisconsin owes more to ALEX WILEY and his staunch loyalty than I do. I regret that I can only join in absentia with your tribute to a great and valorous leader who stands in the vanguard of a long tradition of distinguished statesmanship from our Commonwealth. May he long continue to represent our State, which he has loved and served so well.

Sincerely,
JAMES R. DURFEE.

NOVEMBER 13, 1961.

HON. ALEXANDER WILEY,
U.S. Senate,
Senate Office Building,
Washington, D.C.

DEAR SENATOR WILEY: On the occasion of an event held in testimony of your many years of public service, permit me to join with your many friends in recognizing your devotion to public duty.

On this occasion, one calls to mind the many instances of help you have given to the people of the city of Milwaukee and the surrounding area. I specifically recall during my administration as mayor of Milwaukee from 1948 to 1960 that you aided progress in general housing and urban renewal legislation, and that you helped the city over many administrative and legal difficulties in connection with the lower third ward and Hillside project areas. The Hillside project addition is a particular tribute to your efforts for you helped it in its last critical stages.

Your assistance in matters of civil defense, matters relating to interstate gas distribution, the Chicago water diversion fight, and port and harbor developments was timely and invaluable.

Most of all, however, we Milwaukeeans must join with people of many States in congratulating you for your work in making the St. Lawrence Seaway a reality. Your guidance of this project through the Senate was a great triumph which we shall all remember.

May you continue to gain a great sense of satisfaction from these activities for the public good.

Sincerely,
FRANK P. ZEIDLER.

WASHINGTON, D.C., November 27, 1962.
Senator ALEXANDER WILEY,
Care Schroeder Hotel,
Milwaukee, Wis.

Upon the occasion of this testimonial dinner for you, we, your staff, happily join with fellow citizens in paying well-merited tribute to you and to your unique, outstanding service in the U.S. Senate.

Serving in your office, we have witnessed your wholehearted dedication to your country; your relentless effort to promote domestic progress and security for the Nation; and particularly to serve your constituents; and your deep concern for fulfilling the needs of humanity. As staff members, also, we have observed the high esteem with which you are held by your constituents by executives and members of all branches of the Government and other fellow Americans; and by representatives of countries around the globe.

As a U.S. Senator, you have demonstrated a real sensitivity to the needs of humanity; great faith in spiritual values; an incisive wisdom in "getting to the heart of matters"; an attunement to—indeed, a real search for—new ideas; and a judicious use of humor to give perspective and understanding to sometime difficult situations—or just to lighten the day-to-day workload in the office.

For our experience as laborers for, and with, you in the "Lord's vineyard" and the Senate, then, we say: "Thank you, Senator."

Upon your record of wonderful accomplishments, we say: "Congratulations." And for the future—as the past—we humbly, but confidently, pray that your life—personally and as a U.S. Senator—will continue to be brightened by the respect, esteem, and love of your fellow men and the blessings of God.

YOUR STAFF.

PROPOSED DEPARTMENT OF URBAN AFFAIRS

Mr. DIRKSEN. Mr. President, there appeared in the Wall Street Journal as of this morning a very well-reasoned editorial, under the caption "Why an Urban Affairs Department?" I ask unanimous consent to have it printed in the RECORD as a part of my remarks.

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

WHY AN URBAN AFFAIRS DEPARTMENT?

A lot more heat than light is being generated around the administration's efforts to create a Department of Urban Affairs and Housing. The President, now that the House Rules Committee has pigeonholed a bill to create the new agency, is trying to win his point by setting up the department by Executive decree. So it is a good time to review just what this program involves and to see what its implications are.

The proposal provides for transferring to a new Cabinet-level department the functions of many existing Federal housing agencies. The secretary would be charged with studying the Nation's housing problems and development of urban communities, advising the President, and providing leadership, technical assistance and information to State and local governments.

Proponents of the plan themselves have advanced, unintentionally, persuasive reasons why it is neither desirable nor necessary. For they have said again and again that the plan would create no new Federal programs nor would it alter substantially existing laws on Federal housing and urban development. If that is so, as the National Association of Manufacturers and others have observed, there surely is no crying need for a whole new Department of Urban Affairs and Housing.

But a much more likely prospect is that the proposed Department would actually be a device by which the Federal Government could extend and consolidate control over its farflung housing and urban redevelopment projects, at the expense of urban areas. Since the plan defines an "urban area" as a city or township of any size, whether incorporated or unincorporated, it would cover a pretty broad territory.

The President himself hinted at the possible extent of this Department's invasion of localities when, commenting on the Rules Committee action, he referred to the administration's "concern for some effective management and responsibility of the problems of two-thirds of our population who live in cities."

The Government might well be concerned. For just such massive intrusions into municipal affairs as a Department of Urban Affairs and Housing would be empowered to make have helped to contribute to the urban mismanagement and irresponsibility with which many cities are well acquainted. Too often political machines have become involved with millions of dollars of construction contracts with scandalous results. Nor is the profligate example of the Government itself one that suggests prudent management to municipal governments.

What the cities need far more urgently than Federal concern for their fallings is a hard look by their own administrators and

citizens at what Federal housing programs already are doing to them. What is happening as the result of paper plans imposed upon them from Washington whether relevant to local problems and conditions or not? What has been the effect of municipal rubberstamping of Federal standards and specifications, imposed under the threat of withdrawal of Federal funds? What has been the effect on cities of swallowing projects which in the absence of local control had been better not begun at all?

That sort of realistic appraisal is the last thing the localities can expect from the Federal Government. And it surely would not come from a Department of Urban Affairs and Housing. What would inevitably come are still more and more elaborate paper plans, more Federal say-so about where, how, and for what the taxpayers' dollars are used. The only logical end to all this is complete abdication of municipal control over urban development.

It may be vain to expect that the Federal housing and urban improvement juggernaut as it now exists can be rolled back. But its further invasion, under the banner of a new Cabinet-rank Department, can be checked. Now that the President, in a message yesterday, has notified Congress he is setting up the Department, the House or Senate has 60 days in which to reject it. On its merits alone, rejection is what it deserves.

ORDER OF BUSINESS

Mr. BUSH. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. BUSH. There is no time set aside especially for discussing the McCone nomination today, is there?

The VICE PRESIDENT. The Parliamentarian informs the Chair that the only requirement or order entered by the Senate is that it vote at 2 o'clock.

Mr. BUSH. If there are no other speakers in the morning hour, I ask unanimous consent that I may have 5 minutes—

Mr. HUMPHREY. Mr. President, will the Senator withhold that request for just a moment? I believe there is other morning business. There will be time to discuss the McCone nomination. The Senator from Georgia [Mr. RUSSELL] wants time to speak on the nomination. He has informed the majority leader to that effect. We will see that there is a brief quorum call after the morning hour. Then we will go on to the McCone nomination.

The VICE PRESIDENT. Is there further morning business?

Mr. McCLELLAN. Mr. President, what is the business to come up after the morning hour?

Mr. HUMPHREY. The McCone nomination.

Mr. McCLELLAN. Is it under controlled time?

Mr. HUMPHREY. We will vote at 2 o'clock.

Mr. McCLELLAN. Will the discussion on the nomination be under controlled time? I wanted 5 or 10 minutes in connection with the introduction of a bill.

Mr. HUMPHREY. The discussion will not be under controlled time, if the Senator wants to wait until the morning business is concluded.

Mr. McCLELLAN. I will wait.

OIL: MOSCOW'S POLITICAL WEAPON

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate a recent article by Mr. Ralph McGill, noted journalist and columnist of the Atlanta Constitution, Atlanta, Ga. The article is entitled "Oil: Moscow's Political Weapon."

Mr. McGill again reminds us of the threat of Soviet economic competition and how the Soviet Union can use this economic power to disrupt normal markets, and, in fact, wage war on the world economy.

Last year I addressed the Senate on this subject and called to the attention of the Senate several instances of the Soviet economic offensive and the effects of that economic offensive upon world markets and commercial enterprises in the so-called free countries.

I ask unanimous consent that Mr. McGill's article be printed at this point in the RECORD.

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

OIL: MOSCOW'S POLITICAL WEAPON—REDS SEEN DRIVING TO UNDERCUT WEST ON PRICES AND ENTRAP NATIONS CITED

(By Ralph McGill)

This is about Russian communism's political use of oil. But first, a preamble.

Domestically, the Communist Party is at its lowest ebb in our history. A number of factors are responsible. One is the common sense of the American people. Marxist theories do not appeal. Nikita Khrushchev has not been a good salesman in the United States, whatever his success elsewhere. If he is trying to catch up with us, as he says he is, then even a fellow who isn't very smart would probably not be interested in something admittedly not as successful as our own system.

The people of this country have been well educated about Communist methods and activities. They are not immature, witless fools, as some of the organizations so determined to teach them their own ideas seem to think. The American people do a very good job of thinking for themselves. J. Edgar Hoover and the Federal Bureau of Investigation have done a magnificent job of keeping the party under surveillance and in producing educational material.

The great danger is from organized Communist military aggression. The next most serious threat comes from communism's use of her own foreign-aid program and economic power as political weapons, subtle or direct. It is not, let us repeat, communistic to support laws against racial discrimination. It is not communism to urge that Negro citizens be allowed to vote. It is not communism to suggest that fluorides in water will deter tooth decay.

The Supreme Court has not been, and is not disloyal. Chief Justice Warren is an able, competent jurist whose allegiance (along with that of the Associate Justices) to the Bill of Rights as written is one of the major bulwarks against communism.

The United Nations is not a Communist organization. The overwhelming majority of commonsense Americans know these things. They are not deceived by hysteria.

The National Petroleum Council has done us a favor. It has put its finger on a massive Communist threat—and it locates it where it is. (It is neither under the bed nor in the schools.)

Robert E. Ebel, an oil and gas expert with the Interior Department, is perhaps the best-informed man in the Western nations on Soviet oil production and uses. The American

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CONGRESSIONAL RECORD — SENATE

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EXECUTIVE SESSION

Mr. HUMPHREY. Mr. President, I move that the Senate proceed to the consideration of the Executive Calendar.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

The Senate resumed the consideration of the nomination of John A. McCone, of California, to be Director of Central Intelligence.

Mr. CASE of South Dakota. Mr. President, I speak with reference to the nomination of Mr. McCone to be Director of Central Intelligence.

On the floor last evening, I stated that I was looking into the tax status of income received from shipping interests owned by Mr. McCone that were incorporated under the laws of Panama and flying either the Panamanian flag or the flag of Norway.

Reference to the Annotations on the Internal Revenue Code, for paragraph 883, entitled "Exclusions From Gross Income," lists both Panama and Norway among the countries with which "the United States has entered into exchange-of-notes agreements relating to reciprocal exemption from income taxation of shipping and aircraft profits."

It seems evident, therefore, that among the incentives which led to the incorporation of several of the McCone companies in Panama and the flying of their ships or affiliates under the flag of Panama or Norway was the exemption of profits from taxation under the normal levies for American business.

There is nothing illegal about this—the code provides for it. The question arises, however, whether a man with the extensive interests which Mr. McCone has in these foreign shipping companies and their affiliates, and in the companies such as Standard Oil of California which use these lines can divest himself of the natural interest and concern a majority stockholder would have in their fortunes in a disturbed world.

In November 1961, Mr. McCone resigned from numerous directorates, a half dozen or more, preparatory to entering on his duties as interim appointee. But, Mr. President, one may resign as director of Standard Oil of California and forgo a director's salary or fees, but how does he divest himself of interest in the operations and oversea holdings of such a company in which he retains over a million dollar interest?

One may resign as president and director of Joshua Hendy, but how does one shed himself of interest in the stability and success of affiliated foreign corporations in which Joshua Hendy Corp. owns a 50-percent interest and profits from management contracts when Joshua Hendy is 100 percent owned by Mr. McCone?

One may resign from the presidency and directorship of Panama Pacific Tankers, but if one owns all its stock, how does one divorce himself of interest in its worldwide commerce in bulk cargoes, including oil?

One may resign from official connection with San Marino, another Pana-

mainian corporation, but if one has an 85 percent stock interest, will one's attitudes be divorced from a special concern for the sealanes and cargoes it follows?

The PRESIDING OFFICER (Mr. BUSH in the chair). The Senator's time has expired.

Mr. CASE of South Dakota. Mr. President, I ask unanimous consent that I may have 2 additional minutes.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object, though I will not object, I have been waiting for the morning hour to conclude. I hope I may obtain the floor and that I may have unanimous consent also to proceed beyond the time permitted.

Mr. HUMPHREY. Mr. President, I suggest that the regular rule of 3 minutes be followed. If the morning hour has then been concluded, I shall move that the Senate proceed to the consideration of the Executive Calendar, and the Senator from South Dakota may then continue.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. McCLELLAN. I hope the Senator from Minnesota will not object to the Senator from South Dakota proceeding, but I felt that we ought to call attention to the fact that other Senators are present waiting and have been waiting, hoping that the morning hour could be concluded so that we could get on with other business.

Mr. HUMPHREY. Mr. President, I shall not object.

The PRESIDING OFFICER. The Senator from South Dakota may proceed.

Mr. CASE of South Dakota. One may never have held officer connections in Transworld Carriers, another Panamanian corporation, but if Joshua Hendy 100-percent owned, in turn owns 50 percent in this Panamanian corporation moving petroleum and other commodities in world commerce, will one's attitudes and areas of interest not be influenced thereby?

Or the same for Redwood Corp., in which Joshua Hendy is a large owner.

Mr. President, the director of the Central Intelligence Agency makes decisions that involve and form the foundation for national policy. He will deploy the agents of the CIA. He will assess the importance of a report of revolution in far corners of the earth. He will evaluate the intelligence that is assembled. He may then direct cooperation or restraint from involvement. Will his instincts be free from his background? Are his shipping interests identical always with those of the United States?

It has been said, Mr. President, that Mr. McCone is a typical example of the great American success story—a man of ability starts from scratch and becomes a man of great responsibility and great wealth. It might be more typical, Mr. President, if the profits had been made with enterprises incorporated under the laws of some State of the United States

or with ships sailing under the American flag or businesses founded on American soil. Yet, I do not object to Mr. McCone's having made his money by leasing foreign-made ships and flying them under the flags of Norway or Panama, exempt from U.S. income taxes, or, as he put it, where costs can be competitive. The laws permit it. But I do wonder whether his vast empire in that field, builded in the past 20 years, have not cloaked him with a concern for oversea operations that are not those which the average and typical American would have.

The PRESIDING OFFICER. The 2 additional minutes requested by the Senator from South Dakota have expired.

Mr. LAUSCHE. Mr. President, will the Senator from South Dakota yield for a brief question?

Mr. CASE of South Dakota. May I first conclude my statement?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that I may propound a brief question.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator may ask his question.

Mr. LAUSCHE. Where did the Senator from South Dakota obtain the figures of the percentage holdings of stock that he quoted? I do not believe they are in the transcript.

Mr. CASE of South Dakota. I think they are in the record of the hearings. I have not intentionally quoted anything that is not in the record of the hearings.

Mr. LAUSCHE. I am not challenging the correctness of the figures given, but merely trying to learn their source.

Mr. CASE of South Dakota. If the Senator will examine the questions and answers in the testimony of Mr. McCone as to the ownership of those corporations, I think he will find all of them in the hearings.

Mr. LAUSCHE. I thank the Senator.

Mr. HUMPHREY. Mr. President, has morning business been concluded?

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

COMMISSION ON SCIENCE AND TECHNOLOGY

Mr. McCLELLAN. Mr. President, as in legislative session, on behalf of myself, as chairman of the Committee on Government Operations, the senior Senator from Minnesota [Mr. HUMPHREY], and the senior Senator from South Dakota [Mr. MUNDT], I introduce, for appropriate reference, a bill providing for the establishment of a Commission on Science and Technology. This bill is similar to a bill, S. 1851, reported favorably by the Committee on Government Operations in the 86th Congress, to create a Commission on a Department of Science and Technology. The revised bill contains a broadened declaration of congressional policy and objectives, and places more emphasis upon the need for a study of the problems relating to the improvement of Federal programs for

processing and retrieval of scientific information.

The Subcommittee on Reorganization of the Committee on Government Operations held extensive hearings on bills proposing the creation of a Department of Science and Technology in the 85th and 86th Congresses, with emphasis being placed upon the need for better coordination of the civilian science programs of the Federal Government. These hearings developed the need for further study as to whether or not a Department of Science and Technology should be created, or whether the science functions may be effectively reorganized within the existing structure of the Federal Government without the necessity of creating a new Cabinet post. The objective of the bill I am introducing is to provide the President and the Congress with the necessary information to develop an adequate legislative program to meet the needs of the Federal Government in the increasingly important fields of science and technology.

More than \$9 billion have been expended in each of the past 2 fiscal years for research and development by Federal departments and agencies in order to fulfill their missions and to increase scientific knowledge. The proposed budget for research and development for fiscal year 1963 is approximately \$12 billion. The Subcommittee on Reorganization of the Committee on Government Operations has developed, during the 1st session of the 87th Congress, the fact that there are many new problems constantly arising relative to fostering and utilizing science and technology most effectively and economically and in serving agency objectives and meeting national needs. They involve among other things developing and utilizing limited manpower and other resources, establishing effective cooperative relationships between the governmental and private sectors of the Nation, and devising effective organizations to accomplish these purposes.

In its report on research and development in the Federal Government, the Hoover Commission stated that the aggregate sum expended for scientific research and development in fiscal year 1956 probably exceeded \$4.5 billion annually, if the programs of our industries and nonprofit institutions are included, of which \$2.4 billion was expended by the Federal Government. This compares with Federal expenditures for research and development for fiscal years 1961-62 totaled \$9 billion annually, and the proposed budget estimate for fiscal 1963 of approximately \$12 billion, or five times the Federal expenditures for fiscal year 1956.

The Hoover Commission in its report stated:

This organization of research and development in the Government is the largest integrated scientific and technical endeavor that any nation has ever attempted. The program in the departments reach through the realm of abstract science, the evolution of scientific discovery into inventions and improvements. In the military departments the development of inventions and improvements in weapons extends into the test of these improvements; the standardization of

design; the development of production programs, the placement and coordination of production; and, finally, production must be accompanied by continuous further research and constant evaluation of results.

The organization of all Government research and development has been a slow growth and a constant realignment to meet every discovery in basic science and the inventions which flow from these discoveries.

Indeed the foundation of the greatest sector of human advancement in modern times is basic research into nature's laws and materials. It is from these sources that come the raw materials of applied science. We owe to basic research the fabulous improvement in the health of the Nation; the greatest industrial productivity known to man; the weapons of defense which have protected our independence; and our knowledge of the laws which govern the universe.

There is no tribute great enough to express the Nation's obligations to its scientists, engineers, and military personnel, for their contributions to our constantly increasing productivity and the strengthening of our national defense. And there can be no relaxation in this effort.

This investigation and report on Federal research and development activities are directed to improvement in organization from the constant lessons of experience. Comments on secondary weaknesses in organization are not intended to disparage this enormous accomplishment but to constructively improve its management, whose major conduct has the approbation of this Commission.

Under the pressures of the world situation these expenditures have progressed rapidly from about \$29 million in fiscal year 1940 to the prospective sum of about \$2,050 million for fiscal year 1956. The effective organization of this great research and development requires the constant integration of military and civilian skills and effective coordination.

The research and development programs for military strength extend across the entire forefront of basic research in the physical sciences and the technologies of their application.

Concurrently all areas of the physical sciences—chemistry, biology, mathematics, and physics—are represented in the basic and applied research programs. The aeronautical, chemical, electrical, electronic, mechanical and metallurgical technologies are all contributors to the development programs, and one or more of them is a component of every weapons development project. The scope of research and development leading to new weapons designs has a subject matter content whose scope is comparable to that underlying the design of facilities for the entire civilian economy. The task force subcommittee has limited its examination to management, organizational, personnel, and major programmatic areas.

While the high quality of the weapons systems resulting from these programs gives constant evidence of successful accomplishment, the report of the task force subcommittee has revealed areas where significant improvement can be made and economy realized.

The Hoover Commission subcommittee report on research activities emphasized the importance of Federal research and development programs, and stated:

A detailed examination of the activities, by location would be a task of major proportions.

And concluded:

It would be necessary to assemble a large group of experienced scientists and engineers, including experts from almost every sector of science and technology.

That, of course, is the objective of the bill I am introducing, which contains adequate authority to set up a Science Advisory Panel and such special task forces as may be necessary to evaluate all Federal scientific and technological activities and related private industrial and institutional activities.

The studies made by the staff of the Committee on Government Operations and its subcommittees have further developed much information relative to certain deficiencies in scientific, engineering, and technical information programs, including acquisition, processing, documentation, storage, retrieval, and distribution, and that there is an urgent need for accelerating scientific, engineering, and technical progress in some 30 or 40 Federal agencies which perform some functions in this area.

Mr. President, the objective of the bill I am introducing is to provide for a joint legislative and executive study of Federal scientific and technical activities in order to evaluate the organization and administration of such activities and to recommend improvements in present operations, including minimizing of unwarranted duplication of effort, and effecting necessary reorganization and such other changes as may be warranted in the national interest.

I am convinced that aggressive action in these areas of Federal operation is long overdue, and that some legislation along the lines I am proposing is essential if this nation is to carry out its responsibilities for maintaining an adequate national defense and to promote peace throughout the world.

At his press conference on January 15, President Kennedy stated that one of the most critical problems facing the Nation is the "inadequacy of the supply of scientific and technical manpower." One of the major policies set forth in the bill I am introducing points up the need for the improvement of policies for recruiting, training, and utilizing scientific and engineering manpower, and the bill specifically includes as one of its major objectives the assurance of the conservation and efficient utilization of scientific and engineering manpower. The effective reorganization and coordination of existing and proposed Federal science and technological activities, as proposed by the bill, would tend to eliminate unnecessary duplication and waste of scientific and engineering manpower now being used in duplicating and uncoordinated programs operated or sponsored by the Federal Government.

For the information of the Congress, I ask that there be printed in the RECORD at this point a title summary of hearing and reports of the Senate Committee on Government Operations which have a direct application to the legislation proposed in the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the summary may be printed in the RECORD.

The bill (S. 2771) for the establishment of a Commission on Science and Technology, introduced by Mr. McCLELLAN (for himself and Senators HUMPHREY and MUNDT), was received, read