

subordinate to military requirements and the national interest.

In the present instance, there is an obvious effort underway to pare military costs by cutting away the deadwood. Among the 6,700 military installations in this country and overseas there must be much of it, and the taxpaying public in general can but applaud this economy move.

President Johnson has given his assurance, although it was hardly necessary, that the Nation's defense posture will not be weakened. Indeed, if our overall economic structure is bolstered, our military position will automatically become stronger.

Fair Play for Cuba Committee

EXTENSION OF REMARKS

OF

HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1963

Mr. WYMAN. Mr. Speaker, the seriousness and effectiveness of slanted pro-Communist propaganda was never better illustrated than in the sickness that tainted Lee Oswald's mind. Our people should never forget that Oswald was an admitted Marxist, that by his own statements *Das Kapital* was his bible, class struggle, atheism, and the fanatical goal of Communist world domination his motivation.

Not enough has been written concerning the Fair Play for Cuba Committee. The tentacles of this committee are far reaching. One of my constituents, the distinguished writer and former member of the Communist Party, Herbert Philbrick, of Rye, N.H., has written about these tentacles in an excellent article appearing in the December issue of *Dollar Hollar* called "The Roots of Tragedy." I commend the reading of this article to all who seek to know and understand the full scope of what is involved in the awful deed of assassination of an American President.

The article follows:

THE ROOTS OF TRAGEDY (By Herbert A. Philbrick)

The obituary of President John F. Kennedy was written in 1961, by a member of a pro-Castro organization calling itself the "Fair Play for Cuba Committee." It appears in volume No. 6, page 429, of the Senate Judiciary Committee document entitled "Castro's Network in the United States (Fair Play for Cuba Committee)."

It reads as follows: "Fidel has made it. Kennedy has muffed it. If Fidel Castro were to pass out of the picture tomorrow, it would not change this die. It has been cast. Throughout South America people will be building statues honoring Fidel Castro long after Kennedy has become the brand name for somebody's baked cookies or a new kind of swiss cheese."

Less than 6 months after the Senate Internal Security Subcommittee had published its report, Lee Harvey Oswald, his mind and soul contaminated by the Fair Play for Cuba Committee filth, gunned down the President of the United States.

The brutal, senseless slaying of the President will go down in history as an event marked by bitter irony.

How ironic—and yet, how unsurprising—that the very Marxist, materialist, atheist, leftwing forces, the cheerleaders of the re-

cent Supreme Court ruling against school prayer, should have been the very forces which directly instigated the assassination of President Kennedy. All over the Nation, the people were urged to pray; so far as I know, there was no admonition that we pray except and unless you were in a public school.

How ironic that White House officials had ordered the Dallas police, in advance of the President's visit, to set up a sharp watch over all suspected rightwing extremists, failing to realize, as they have consistently refused to recognize, that the greater danger to this Nation is from the extreme left.

WHAT WENT WRONG?

It is too late to correct the disastrous events of November 1963. But it is not too late to determine why the tragedy happened, and to take steps to insure that further acts of violence are not carried out by the Castro supporters in this country.

The nub of the question, of course, lies with the interlocking relationship of the Fair Play for Cuba Committee; the self-avowed Marxist, Lee H. Oswald; and the Communist International.

Of the role played by the Communist conspiracy, there is no question. At its annual national convention held in New York City in December 1959 the CPUSA gave highest priority to a resolution calling for a "Hands Off Cuba" policy. Henceforth the basic Red objective was to do anything and everything to keep the Castro Communist government in power in Cuba.

Immediately thereafter, the Fair Play for Cuba Committee front was established. However, it was not an ordinary front. It was, instead, a coalition group which included not only members of the Communist Party, but also members of the Socialist Workers Party—the Trotskyists—together with the usual assortment of "fellow travelers"; i.e., those who, although not disciplined members of the Soviet apparatus itself, still were in agreement with the Communist policy to keep "hands off Cuba" and to support Castro.

The inclusion of fellow travelers was not unusual; but the coalition between the Communists and the Trotskyists was both astonishing and alarming. For years, the Stalinists and the Trotskyists had been bitter, bloody enemies, leading to the assassination of Leon Trotsky by Soviet agents in 1940.

Members of the Trotsky wing of the Marxist movement consider themselves to be genuine Communists (they prefer the word "Marxist," to distinguish themselves from the "Stalinists") adhere to the principles of Marx, Lenin, and Engels; they agree that the Communist system must be extended over the entire world and that capitalism must be destroyed; but they believe that Stalin was much too soft on capitalism. The Trotskyist teachings, therefore, are much more savage and extreme than "orthodox" communism. However, for years they were considered noisy but harmless, because they did not have the backing of any major foreign power.

However, in 1956 Nikita Khrushchev denounced Stalin's liquidation of the Trotskyists, and instructed the Communists throughout the world to establish united front relationships whenever expedient, regardless of differing views.

Much to my astonishment, as I know it was with most students of the Communist movement, the Socialist Workers Party accepted the offer. What happened is recorded in the Annual Report of the House Committee on Un-American Activities for the Year 1961: the committee expressed concern over the "ultra-revolutionary Trotskyists movement's recent growth in power and influence," and stated: "The improved fortunes of the Trotskyist movement in the United States are attributed to the cooperation Trotskyists have received from the U.S. Communist Party * * * collaboration of Trotskyists and Communist Party members was strikingly illustrated in the operations of the Fair Play for Cuba Com-

mittee." Inevitably, the teaching of extreme hatred and contempt, characteristic of the "leftwing" Communists, the Socialist Workers Party, became an earmark of the Fair Play for Cuba Committee.

BACKGROUND AND HISTORY OF THE FPCC

The FPCC was launched in early 1960. According to the Senate Internal Security Subcommittee reports, six men were involved in its founding; Carleton Beals, Waldo Frank, Richard Gibson, Robert Tabor, Alan Sagner, and Charles Santos-Buch. Waldo Frank was designated chairman; Carleton Beals, co-chairman. An FPCC pamphlet reproduced in the Senate report lists the National Sponsors as Carleton Beals, W. E. B. DuBois, Waldo Frank, Richard Gibson, Alexander Melkielejohn, C. Wright Mills, Harvey O'Connor, Linus Pauling, Jean Paul Sarte, I. F. Stone, Robert Tabor, and Willard Uphaus (with a footnote reading "list incomplete").

From the very beginning, the FPCC was given financial backing and support by the Castro Communist dictatorship. Dr. Santos-Buch, one of the founders, testified under oath that the group had cooked up a story that if they were ever questioned as to the source of their funds, they were to claim it came from friends. If further questioned, however, they were to plead the first amendment—the guarantee of free speech under the Constitution. Dr. Santos-Buch, however, showing great courage, told the truth when questioned by the Senate committee.

A check for \$3,500, he revealed, had been made out by Raulita Roa, a delegate of the Cuban dictatorship to the United Nations, payable to a "Manuel Bisbee," the chief permanent delegate from Castro Cuba to the U.N. Bisbee endorsed the check; Roa then cashed it in the U.N. building, and the money was then deposited in the Chemical Bank New York Trust Co.

That the FPCC flourished is indicated by some of the checks drawn on their bank account:

December 27, 1960—\$8,613 (for cash).
December 30, 1960—\$19,000 (for cash).
January 17, 1961—\$15,580 (payable to Cubana De Aviacion).
January 19, 1961—\$440 (to A. Nash).
January 25, 1961—\$600 (to Lillian Gruber).
By April 1961, the FPCC was boasting "more than 6,000 members with 27 chapters in the United States and student councils on more than 40 university chapters in the United States and Canada."

The Senate committee also uncovered large deposits to the FPCC account. Introduced into the record by Mr. J. G. Sourwine, Chief Counsel for the Senate Committee, was a list of 55 \$100 bills, deposited on April 21, 1961. Mr. Sourwine asked: "Do you have any idea where the money came from?" The witness, Richard Gibson, replied: "It came from contributions." Mr. Sourwine exclaimed, with astonishment; "Contributions—in hundred dollar bills?—55 of them?" Gibson replied, "That is all I know. I don't know where the money came from and I did not ask." Gibson was, at the time, the national executive secretary of FPCC.

Gibson also testified that he did not know that Robert Tabor, a cofounder of FPCC and the first executive secretary of the organization, had a criminal record; that he did not know Tabor had pleaded guilty and served sentences of imprisonment for armed robbery, auto larceny, and kidnaping.

Besides the unusual—and dangerous—coalition between the Communists and the Trotskyists, however, two other circumstances made the picture more ominous.

First, the House and Senate investigating committees found evidence of great influence by members of the FPCC, its supporters and contributors, in the field of communications; radio, television, magazines, newspapers, and book publishers.

Robert Tabor and Richard Gibson were both reporters and newswriters for CBS in New York; Tabor, in fact, had made a num-

not only to America, but England, the world, and peace.

I still find it hard to believe and must hang on to the thought that God moves in strange ways, otherwise I would find it very difficult to go on believing in God because this all seems so very pointless. Perhaps this is one of the supreme sacrifices which will cause all peoples of the world to move toward better understanding. I sincerely hope so.

Thinking of you.
 Love,

ANN.

Fewer Stores To Share the Pie

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1963

Mr. DENT. Mr. Speaker, we see every day new evidence of the dangerous trend toward retail monopoly in this country. We see small merchants being killed off by large so-called discounters, not because they offer the consumer better service or more efficient operations, but because they engage in often deceptive merchandising and advertising tactics aimed at eliminating competition.

The quality stabilization bill, sponsored by a distinguished group of my estimable colleagues in both Houses of Congress, would permit the small retailer to demonstrate anew his vitality and his efficiency. Unless it is passed, his fate is clear: because he will not engage in shabby techniques, such as running entire departments at a loss in order to build traffic, he will become a part of our vanished scene. And we shall have placed the consumer in the hands of a few, a very few, giant merchandisers. We shall have created less competition, not more; have fewer stores, not a healthy variety; we shall have an undue concentration of economic power in the hands of a few.

The evidence is again before us in the form of a survey published in Business Week magazine. Just one item from it is shocking evidence of the curtailment of competition which we have been witnessing: in the past 10 years, the number of radio-TV stores has dropped from 100,000 to 19,000. How has this happened? It is the result of a policy of many predators who run their radio-TV departments at a deliberate loss just to build traffic. What has happened to the brand names which have been cheapened in this manner? Their reputations have been hurt, their markets have been killed. What has happened to the 81,000 independent businessmen and their employees? Their energies have been lost to the community.

Mr. Speaker, under unanimous consent, I include this significant article from the November 6 issue of Business Week magazine in the CONGRESSIONAL RECORD:

FEWER STORES TO SHARE THE PIE—THEY GET BIGGER BUT DECREASE IN NUMBER AS DISCOUNTERS, CHAINS SQUEEZE "LITTLE GUYS"

The fates and fortunes of the Nation's consumer goods makers rest in the hands of

fewer and fewer retailers every year. And the character of those retailers is changing.

According to the 10th National Sample Census of Retail Distribution, conducted by Audits & Surveys Co., there are now 1,857,280 retail establishments of all kinds in the continental United States. This is a gain of less than 1 percent over 1962, despite an estimated 5 percent increase in retail sales and a 4 percent jump in population. There is now only one store for every 102 persons; last year there was one store per 100.

BEHIND THE CHANGE

The reasons for the change:

Stores are still getting bigger, and large chain units are squeezing out smaller independents. The number of food stores, for example, has dropped 0.8 percent, while drug-stores increased only 0.2 percent.

The discounters and other mass merchandisers are still hurting certain lines of business. The number of appliance stores fell 3 percent, while radio-TV stores, which numbered 100,000 a decade ago, dropped 3.2 percent from last year to a low of 19,000 establishments.

The mobility conferred on the population by the automobile is changing a lot of things. Furniture stores dropped a sickening 10.8 percent, and the loss is mostly in the smaller cities. Families tend to drive to the nearest big city to get variety—both in price and styling. The same is true of department stores, which lost 2.4 percent. The outlets that really suffered were the small stores in small towns.

Fashions change, and retail distribution changes with them. The number of shoe stores declined 3.5 percent because of the popularity of leisure and sport shoes—loafers and sneakers, for example—that don't have to be fitted. A host of other retail outlets, from variety stores to haberdashers, has moved into this market. Of the total gain of 12,274 establishments of all types, gasoline service stations alone accounted for over 5,000, reflecting the trend away from economy cars toward the bigger, heavier gas eaters.

The lines of retail specialty are blurring. In the lean days of the compact car, gas stations installed tire and battery departments at a fast clip in order to build volume and profits. Today, the tire, battery, and accessory outlets are feeling the competition: Their number declined 2.6 percent this year. The market is beginning to stay home. Solomon Dutka, president of Audits & Surveys, sees a long-term movement away from store shopping altogether, toward catalog sales, telephone sales, mail order sales, and door-to-door in-home selling.

EXCEPTION

There is one bright note, however, for the small retailer. He seems to have a future in lines where service and expertise is at least as important as the product. The one class of shoe store that is increasing is the pediatric shoe store—where fitting the shoes is all important. By the same token, gourmet groceries are on the rise, and so are camera, jewelry, sporting goods, and hobby stores.

Oh yes, there are more liquor stores, too.

Hon. Homer Thornberry

SPEECH

OF

HON. BARRATT O'HARA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 18, 1963

Mr. O'HARA of Illinois. Mr. Speaker, HOMER THORNBERRY leaves this body with

the warm friendship of all his colleagues. The qualities of mind and of heart that have established his preeminence in this Chamber, and have instilled among us a respect, admiration, and affection for him in the highest measure, will make a contribution of immeasurable richness to the Federal bench of this Nation.

Do We Hear an Echo?

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, December 13, 1963

Mr. ROGERS of Florida. Mr. Speaker, much as has been said and written about the economy moves being taken by the Defense Department in closing some military posts around the country. Palm Beach County experienced a similar action in 1959, and while hardships did result, they were of short duration. Today the area is stronger than ever before in its history.

The Palm Beach Post commented on this editorially December 14, and because they speak from the same experience, I ask that this editorial be printed at this point in the RECORD:

DO WE HEAR AN ECHO?

The loud cries emanating from Congressmen and from State and local officials, over the proposed shutdown of military bases, sound a little bit like an echo to people of this and surrounding communities.

We went through the same wringer during the period from 1957, when the Air Force announced it would close down its Military Air Transport Service base here, and 1959, when it actually closed down, and a \$20 million payroll left town.

Now the Pentagon says it will deactivate 26 military bases in 14 States during the next year, and studies are underway which probably will result in the elimination of several others. Subsequent trimming of the military budget may even involve some of the big navy yards, such as those at Boston, Philadelphia, and San Francisco.

The immediate reaction of the States and localities involved, not unexpectedly, was an appeal to their Congressmen for legislation to reverse or at least slow down the action. Appeals also have been made directly to President Johnson. And no doubt there will be many hardship pleas heard from the communities involved.

They have our sympathy, up to a point. Sudden loss of a military base is or can be a staggering economic blow.

The MATS installation at Palm Beach Air Force Base, for instance, was credited with providing this area with a stable year-round economy. Before it was established here in 1951, the local business index went up and down like a yo-yo with alternate summer and winter seasons.

But while the military payroll eliminated the summer slump, it turned out in the long run to be something less than an unmixed blessing. We came to depend on it as our major industry, oblivious to the fact that it might be withdrawn at any time for good and sufficient reasons of military necessity, Federal economy, or political expediency.

Its eventual departure in 1959 was indeed a blow. But the blow was softened by a developing industrial economy and the realization that local interests must of necessity be

1963

CONGRESSIONAL RECORD — APPENDIX

ber of trips for CBS into Cuba, where he had conducted highly flattering radio and television interviews with The Beard. Waldo Frank, who admitted under oath that he had been paid \$25,000 by the Castro government to write a book about Cuba, has authored some 35 or more books; they have received an enormous amount of praise in the New York Times book reviews. Carleton Beals not only wrote for the extreme left "Nation," but also testified that he wrote a number of articles for the highly respected "Christian Century." Lyle Stuart, one of the first members of the New York chapter of FPCC boasted a publishing business grossing over \$1 million a year. A senior editor of Simon and Shuster was advertised in a leftwing publication as the chief speaker at an FPCC meeting. An FPCC rally in Philadelphia advertised Mr. James Higgins, editor of the York (Pa.) Gazette & Daily as the speaker, to be held at the Philadelphia Ethical Society. Kenneth Tynan, a drama critic for the New York magazine and British TV producer, wrote a blistering article for the affluent Harper's magazine, lampooning the Senate investigation of the FPCC, in which he falsified the questions asked by the Senate committee as well as belittling the damaging evidence.

How much influence the many authors, writers, and newscasters affiliated with FPCC in one way or another had in suppressing the truth about Castro's network in the United States will probably never be known; but Senator THOMAS DONN wrote, in his book "Freedom and Foreign Power," that when there are movements like the Fair Play for Cuba Committee waiting to be exposed, "the press lies dormant," and the "reports of the committees are frequently ignored or buried."

FBI WARNINGS IGNORED

Warning after warning was issued concerning the danger, power, and menace of the FPCC. Mr. J. Edgar Hoover said, in the FBI annual report for 1961, that "FBI investigations have shown that the Fair Play for Cuba Committee has been heavily infiltrated by the Communist Party and the Socialist Workers Party, and these parties have actually organized some chapters of the committee." Again this year, in the fiscal 1963 report, Mr. Hoover pointed to "the discovery by FBI agents of a large cache of weapons, explosives, and incendiary devices in the hands of a group of pro-Castro Cubans who intended to create panic and destroy industrial sites in and around New York City."

Earlier this year, Congressman WILLIAM C. CRAMER, from the 12th District of Florida, testified that "It is obvious that additional legislation is needed—particularly in view of the Justice Department's attitude indicating that it is difficult to prosecute these violators under present laws."

THE TEACHINGS OF HATE

But the third—and possibly the most dangerous of all—is the absolutely vicious, vitriolic content of the FPCC propaganda attack against the U.S. Government, laws, and leaders. Picture, if you will, Lee Harvey Oswald, in the confines of his tiny room in Dallas, Tex., feeding his sick soul upon utterances such as these—

"Some Senators sit in Washington, ugly men in an ugly city, measuring out their lives in cracker talk and municipal bonds; measuring their own importance in sensational headlines. Writhing in the excretion of their own words * * * growling questions that are accusations; spewing yellow bubbles of anger. * * * The State Department was still rattling its sabers. The CIA was still financing Batistianos and cutthroats and rapists and killers and thieves."

"Washington is rolling the drums of war."

"The United States continues to bayonet the peace."

"Thrusting U.S. armed and trained terrorists onto Cuban soil to murder men, women, and children, Washington violates every human law."

"The United States is a cruel aggressor, bent on mayhem."

"I heard the Voice of America spewing lies."

"The people were furious (with anti-Communists) and wanted their blood."

FPCC propaganda constantly implies that treason toward the United States is justifiable. Typical FPCC statements:

"We denounce before the world the intervention of our Government in Cuba's domestic affairs. If this be treason, we stand condemned. If our Government's activities are, as we believe, illegal and immoral, then we as a nation stand condemned."

"As for me, I would rather see Cuba Communist than an American colony. If Cuba were invaded, I would aid Cuba. If this be treason, may a Carnegie study make the most of it."

Ideas not dangerous, you say? Perhaps to rational people the hate propaganda from the poison pens of the Castro network in the United States has little effect. But what about the bearded, beatnik followers of the FPCC? What about Lee Harvey Oswald? If they believe the depraved propaganda of the FPCC—and some of them obviously do—they must believe the world was done a favor when one of their members pulled the trigger of a high-powered gun in November 22, 1963.

But all is not evil to the FPCC. Only the United States is evil. A gun in the hands of an American patriot is a horrible machine of imperialism. A gun in the hands of Castro is a thing of beauty, a weapon for liberation. Thus, Robert Tabor, in the extremist publication the Nation, wrote—

"Cynics were soon disappointed. Even before Fidel reached Havana, the noble noises of the Fidelistas were echoed by the crash of revolutionary rifles as the first and worst war criminals, notorious torturers and mass murderers of the Batista regime died before firing squads."

Did not Lee Harvey Oswald, crouched in a dark window of a warehouse in Dallas, see himself holding in his grasp a "revolutionary rifle"? Were not the three, sharp shots which rang out in Dallas on November 22, in the ears of Lee Harvey Oswald, "noble noises of the Fidelistas"? And did not the bullets sped on their way, in the eyes of Lee Harvey Oswald seek out "a cruel aggressor, bent on mayhem"?

The great tragedy of Lee Harvey Oswald, which became in a few split seconds a tragedy for us all, was that he believed the awful words of Robert Tabor, former CBS newsman and later head of the Fair Play for Cuba Committee.

And the greater, ironic tragedy is that while Lee Harvey Oswald took the words of Tabor seriously, many of the advisers to the President did not.

Why Calm Can Help

EXTENSION OF REMARKS

OF

HON. GLENN CUNNINGHAM

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 10, 1963

Mr. CUNNINGHAM. Mr. Speaker, the following editorial appeared in the Omaha World-Herald December 14. I am inserting it in the Record as I believe it would be of interest to the Members of Congress.

WHY CALM CAN HELP

Page 1 of several recent editions of the World-Herald was dominated by sobering news stories:

"Governor Morrison said he would press investigation of threats against a Cozad School Board official and her family. She had resigned after an anonymous letter saying 'It's too bad there is not a Lee Oswald in Cozad.' The FBI also is investigating."

"Omaha postal authorities conferred with police about the possibility that an Omaha man whose house contained an arsenal of live bombs and hand grenades may have mailed some disguised as Christmas gifts."

Not all the madness in America is centered in Dallas. There are twisted minds and potential killers in many communities, and terrible events such as those which occurred in Dallas last month seem to cause latent malevolence to ferment.

As we have said in these columns before, we believe the tone and pitch of public controversy have contributed to the irrational atmosphere in which terrible deeds are perpetrated and in which threats of violence are often heard.

This is true of political debate, which too often degenerates into abuse. It is sometimes true of religious controversy, even at a time when responsible men and women pride themselves on the signs that the major religions of the Western World are moving ever closer together. It is not infrequently true of discussions of racial problems.

It can be argued, and many are so arguing, that madmen we have always with us and that the soft voice of reason in examination and debate has no effect upon them and will not deter them from violent acts.

Yet all of us know, as certainly as such things can be known, that calm and rational discussion does not inflame whereas violent talk sometimes breeds violent and irrational deeds.

If every reasonable person keeps his voice down he will be contributing to the restoration of a calm and agreeable climate.

Quality Stabilization

EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 4, 1963

Mr. DENT. Mr. Speaker, so much has been said and written about quality stabilization that I feel it is time for the retailer—the man on the firing line—to speak out. Then my distinguished colleagues can weigh what they have to say against the testimony of the so-called experts, officials, bureaucrats and others who talk so blantly about competition in spite of the fact that they have never operated a retail establishment of their own.

Considerable testimony in support of this legislation has been given by individual retailers. Also, it is no mere coincidence that the estimable gentlemen on both sides of the aisle who have sponsored this measure include many who are themselves thoroughly familiar with retail operations and know from personal experience the difficulties of the marketplace.

Quality stabilization, in addition, has the support of many great trade associations representing thousands of retail-

ers. One retail industry—retail jewelry—has made a survey which shows overwhelming support of the quality stabilization bill.

The thousands of small business, like the retail jeweler, which are the lifeblood of our communities, are locally owned and have helped our towns to grow, are inherently efficient establishments, able to complete vigorously, and anxious to do so. They do not ask for legislation which will shelter them from the rigors of competition. They ask for a climate in which true competition will be fostered, in which their creative energies will be unshackled, and in which their inherent efficiency can again be made apparent.

We have come to the retail jeweler for our engagement ring and we have trusted him to give us fair value. We have bought our wedding ring from him. We have bought gifts for our babies and later for our school-age children; we have turned to him for graduation gifts, and for gifts for wives and parents. We have seen him operate effectively. We have seen proof of his efficiency in the way in which his store has prospered, in the way in which his family has flourished as part of community life.

Suddenly, that inherently efficient retailer has been faced with a rapacious foe, raiding the community for quick profits for his out-of-town operation, making no contributions, but merely draining the vital elements out of the town and its people. He has done so by using the lurid come-on by deliberately taking losses in brand-name items so that he could then unload onto the people a host of shoddy, overpriced items, marked up to compensate for the calculated loss he takes on trademarks used to enlarge traffic. Suddenly, that inherently efficient retailer, along with thousands of others, is forced to the wall. This not only is a blow to a once civically active citizen, his family and his employees but, more important, to the hundreds of customers who had come to know and respect him for his honesty, efficiency and service.

The quality stabilization bill would once again give the retailer a chance to compete successfully and to show his efficiency—to restore an active citizen to the community. This clearly is the view of the jeweler himself, as expressed in his trade magazine, the *Jewelers' Circular-Keystone* of September 1963. Mr. Speaker I have unanimous consent to have excerpts of this survey printed in the CONGRESSIONAL RECORD:

QUALITY STABILIZATION

(Millions of words have been written and spoken about the proposed law on quality stabilization. Politicians, trade spokesmen and Government agencies all have stated their cases. But what about the retail jeweler? How does he feel? This article gives his point of view and tells why he thinks this bill will help him.)

Someone up there on Capitol Hill likes the jeweler after all. To the delight of many jewelers and the dismay of their cut-price competitors, a House of Representatives committee has recommended passage of a quality stabilization bill.

After detailed public hearings in May and June, the committee recently issued its ver-

dict on the need for legislation. Here, in part, is what it said:

"The reported bill is essential to the survival of hundreds of thousands of small, independent businessmen—the corner druggist, the jeweler, the hardware merchant, the electric appliance dealer, the bookstore dealer, etc.

"These small merchants are being hard pressed by competitors who sell highly advertised nationally branded merchandise at very low prices, often below cost, in order to drive other merchants out of business. . . ."

Briefly, the proposed legislation would allow manufacturers of brandname merchandise to establish retail prices. They would have the right to withhold goods from any retailer who changed these prices, who used the goods in bait advertising or who published misrepresentations about the goods. The bill is hedged with certain qualifications, the most important being that the proposed law would operate only if the manufacturer is selling in a market where competitive goods are freely available to the public.

Clearly, one committee's recommendation doesn't make a law but informed opinion inside and outside Congress seems to be moving closer and closer to the view that a quality stabilization bill will be passed, in spite of some determined haggling in the Senate.

The jewelry industry, through such organizations as Retail Jewelers of America, the National Wholesale Jewelers Association and the Manufacturing Jewelers & Silversmiths of America, is among those on record in support of the bill. To find out how individual jewelers felt about the proposed legislation and how they believed passage of a quality stabilization law would affect their operations, we asked members of JC-K's retail panel for their comments.

Two reactions stood out. First, almost one panelist in three made no comment. Second, of those who did comment, 8 out of 10 support the bill. One in ten said the bill would make little or no difference in his operation and one in ten opposed the bill.

These figures indicate very strong support for the proposed legislation. The clear feeling is that quality stabilization will help the retail jewelry industry. . . .

From Indiana: "It should improve our business for it will give a stability to prices lacking at the present time. If the law is passed and the right manufacturers elect to operate under the law, we should be able to sell electric shavers and appliances again. The sale of watches, silver, and other discount items also should be much better if the key manufacturers choose to operate under the law." This jeweler is not hopeful about the law's chances of passing. . . .

From New York State: ". . . I would be a good supporter of any manufacturer who would take advantage of quality stabilization and return to the normal channels of trade. We have had to drop many profitable lines because the discount houses have been selling items for less than we can purchase wholesale."

. . . Enforcement of a quality stabilization law worries a number of jewelers. "If they put teeth into the law and the manufacturers enforce it, I think it will bring back confidence in name brand items," declares a New Hampshire retailer. "If price cutting is allowed, the law won't help a bit. I hope that it is truly enforced. It will help the reputable retailer and enable him to handle merchandise profitably. It will stop the use of an item as a loss leader. Everything depends on the proper enforcement."

. . . The scope of the law also raises questions. "Quality stabilization would definitely help our profit picture," notes an Illinois panelist, "provided it is passed as

a national law that can be enforced. Loopholes such as States' options, as in the present fair trade laws, would weaken its value to us. We are in a border city in our State with a neighbor, Missouri, which is quite anti-fair trade."

It was this issue of States rights amendments which angered and shocked supporters of an earlier quality stabilization bill. This bill was cleared to the House calendar last year but it arrived so late that it died with the final sessions of the 87th Congress. Furthermore, when it was cleared by the House Commerce Committee, an amendment was tacked on which would have made the bill operable only in those States which adopted special legislation to supplement the Federal law.

In the current bill, the Commerce Committee once again has added a States rights amendment but it carries far less sting for the bill's supporters. It specifies that manufacturers would have the right to act against any retailer not following manufacturers' established retail prices except in those States which passed legislation prohibiting the manufacturer from such action.

The difference in these two amendments is clear. In one case the Federal law would have been operable only following special action by the individual States; in the other case the Federal law would be operable everywhere unless the individual State took special action to set the Federal law aside.

Some of the immediate and tangible benefits jewelers would get from enactment of a quality stabilization law were touched on already: better prices and hence more profit, an improved flow of quality goods, opportunity to handle certain merchandise made unprofitable by discount competition. . . .

A certain number of jewelers outside Wisconsin also oppose the legislation. The main argument is that the existence of established retail prices offers a direct invitation to discount operations. As an Alabama panelist puts it: "If there is no 'established price,' 'list price,' 'nationally advertised price' or whatever you call it, there is nothing to discount." What these retailers overlook, of course, is that passage of the bill would outlay discounting of manufacturers' retail prices. The implication seems to be that discounters would somehow manage to get around the law.

Panelists supporting quality stabilization see the picture from just the opposite direction: to them passage of the law provides protection from discounters. "This law is beneficial in every way," states an Ohio panelist. "We will not be beaten over the head with cut prices on nationally advertised merchandise. We will once again regain our status as legitimate merchants instead of being showcases for discount operations."

A New York State jeweler adds this comment: "The law should be beneficial by making competitive claims, descriptions, and qualities more truthful. People who are misled by many existing practices would be able to better compare quality, value and service. In these fields our store should stand out."

Other jewelers see the proposed law wiping out the loss leader, a competitive gimmick against which the small store has almost no answer. Still others see the law giving a welcome injection to the economy by stabilizing prices and generally increasing jewelers' business. Notes a California panelist: "Through deceptive price advertising and price cutting of brand name merchandise the consumer and the retailer have lost faith in many manufacturers, resulting in loss of sales which in turn means loss of taxes."

A West Virginia jeweler who likes the bill says: "It means small appliances can be handled profitably, also shavers which almost vanished from jewelry stores. Mainte-