

1964

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culture of the Soviet Union. The Rumanians are a stubborn and courageous people, however. They have increasingly resisted Soviet efforts to maintain them in the inferior position of a primarily agricultural country. They have taken an independent line in the Soviet-Chinese dispute. They have sought to increase their contacts with the West. True independence lies yet ahead. But let us hope that it is nearer today than it has been in many years, and that in the not too distant future, Rumanians will once more be able to observe their traditional independence day in freedom.

The Bomber

EXTENSION OF REMARKS OF

HON. ROBERT R. BARRY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 6, 1964

Mr. BARRY. Mr. Speaker, there has been a great deal of controversy over our military force structure. At one time the cold war was such that the most urgent task was to provide for a deterrent against massive aggression—a nuclear superiority that would protect the West from total destruction by a potential nuclear attack. But wars change, and so do the implications of the threat as well as the methods by which wars are fought. Sometimes these changes come about more swiftly than philosophers of warfare can keep abreast.

The cold war threat is now no longer limited to mass military destruction. Rather, the menace is our lack of conventional weapons to meet the threat of limited wars. If we, as a nation, are to be unprepared for limited warfare we are then compelled to rely upon desperate strategies of vast mutual destruction.

I would like to call to the attention of my colleagues an editorial from a small weekly newspaper, the Feather River Bulletin in Quincy, Calif., which makes a point of emphasis in the present controversy now before the Nation.

The editorial follows:

THE BOMBER

There has been disagreement for some years between Congress, which appropriates money for military purposes, and the military brass which actually spends it. The point of disagreement has to do with certain proposed military airplanes; Congress wants them built and kept ready for use, and the military does not.

If the military had a record of being right about new military methods and devices one would be much more inclined to agree that, indeed, the bomber is obsolete and that the next war, if there is one, will be decided with intercontinental ballistic missiles fired thousands of miles from their targets. One cannot help recalling that when the tank was a new weapon it was necessary to give the military establishment—in this case British—positive orders not to ignore, it but to use it.

One may suspect the chief reason the U.S. military does not propose to use bombers is that the Russian military does not propose to use them. Well, the reason the Russians won't use them may well be that Americans

have consistently built bombers that fly faster and higher than Russian aircraft. Why build bombers that will be outclassed? Better to concentrate on ICBM's. This is good logic for Russians but not good logic for Americans. However, original thinking is not something for which the U.S. military is noted. One wonders how many present day Billy Mitchells there may be muttering—strictly to themselves—about the situation.

Military history is full of cases where there was an overlapping of weapons, if it may be called that. Thus in many of the battles of antiquity, though the bronze age had arrived, many an infantryman fought with a stone mounted on the end of a stick. And when the iron age arrived it had no significance for many years, as the price of an iron knife or dagger was about 15 times what the price would have been for a similar weapon made of solid gold—if anyone had wanted a blade made of solid gold.

Gunpowder was invented, so far as Europeans were concerned, in about 1270. It was of course destined to become a chief element in military science. Yet the English longbow was decisive when the English and French fought the Battle of Crecy in 1346, the Battle of Poitiers 10 years later, and the Battle of Agincourt in 1415. True, there were other factors, but cannon used by the French was hardly one of them. In every case the French far outnumbered the English, and in every case the English, not knowing their bows and arrows had become obsolete, won the battle.

It is entirely conceivable that the ICBM has not yet been perfected to a point where we can be sure it will arrive at its destination. It is entirely conceivable that the bomber, which takes the bomb to the target, will be the decisive weapon in the next emergency. At least there is sufficient possibility of this that the bomber should not yet be abandoned.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 5, 1964

Mr. DINGELL. Mr. Speaker, yesterday was Rumanian Independence Day. We remember this day in honor of those many Rumanians who joined together in 1877 to establish their own nation.

Rumania's unification and independence came after nearly 400 years of alien rule by her neighbors and the Ottoman Empire. Never, however, during this whole time did the Rumanians cease to work for the attainment of their freedom. In 1877, with the Russo-Turkish War raging in the Balkans the Rumanians saw their opportunity and joined the Russians against the Turks. At the end of the war their efforts were rewarded when the Congress of Berlin recognized their newly won independence.

Unfortunately, the Rumanians did not retain their true independence for very long. Although this nation fought with the Allied and associated powers in the First World War, she was inevitably involved as a helpless victim in the Nazi struggle during the Second World War and by the end of the war found herself

under the complete domination of the Kremlin.

For nearly two decades now, the country has been sealed off from the free world and some 17 million Rumanians live in what is practically a vast prison camp where they are continually subject to the worst excesses of Communist totalitarianism. As a result of Russian control, these sturdy peasants are forced to till their fertile land mostly for the benefit of the Soviet Union. Denied all forms of freedom, they have no choice but to obey all Communist dictates, for democracy, as we in the free world know it, is not permitted.

We, in the free world, must hope that the Rumanians will continue to retain the strength and will to fight for independence as they always have in the past. And it is on this 87th anniversary of Rumanian Independence Day that we look with sorrow at the present unhappy state of the Rumanian people and wish that the future will soon allow the Rumanians to regain their lost freedom.

Umpire Jackie Robinson Calls Errors He Sees—By Black and White

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 11, 1964

Mr. SCHWENGL. Mr. Speaker, the problems of civil rights were just as complicated, if not more so, 100 years ago as they are today. During the war Lincoln found civil rights as a problem. He explored a number of different answers to the problem and finally found the problem had to be dealt with in America. His plan for exporting the Negro was impractical and impossible. The thought of setting them aside in their own community was inconsistent with American policy—so he changed his position on this matter. His final decision on this matter was reflected to Nathaniel P. Banks, who was in control of the 17 of the 48 parishes of Louisiana, in 1863; where he said he hoped they would adopt the Proclamation of Emancipation and while at it, adopt some plan where they could live themselves out of their old relationships to each other and both come out better prepared for the new, adding, "that education of the young blacks should be part of the plan." Then later in letters to Gen. Michael Hahn, who had been appointed Governor, he voiced the desire to allow the Negroes a vote. He then, of course, recommended the passage of the 13th amendment to the Constitution, and I am sure would have recommended the 14th and 15th amendments which came after his death. I am sure, however, that Lincoln would have backed only those plans that provided the gradual extension of basic freedoms by a plan that would have made progress certain. This, of course, is what the legislation before the Congress is doing.

Mr. Speaker, while the minority, with outside help, did a great job and should be given great credit for the job and leadership, it is true that this controversial question could have been dealt with more effectively and adequately had they had the advantage of a larger staff to do many of the necessary studies and take care of the details involved. Mr. Speaker, the minority staff problem remains as a challenge and should not be ignored if we want to have a kind of effective and active Congress the people have a right to expect.

A thoughtful article has been written by Jackie Robinson in which he points out some of the areas which have been made by both sides of the debate.

Because Republicans have to depend upon their own resources while the Democratic majority has access to the huge facilities of the Justice Department and the Civil Rights Commission and other branches of the executive, it is essential that if the Republican Party is to remain the party of Lincoln that it have adequate staff to explore more of the pros and cons of various complicated matters in which are raised in Mr. Robinson's anti-this important legislative battle, some of it from the New York Herald Tribune, April 26:

UMPIRE JACKIE ROBINSON CALLS ERRORS HE SEES—BY BLACK AND WHITE

(His first few years in professional baseball, he was under strict orders to keep his mouth shut. But ever since then, Jackie Robinson, the man who drove Jim Crow out of the big leagues, has been a loud and influential voice in the Negro battle for equal rights. Mr. Robinson, who is now a member of Governor Rockefeller's campaign forces, is bitterly opposed to the forces fighting civil rights legislation in Congress; but he is equally opposed, as he explains here, to irresponsible Negro leadership and to irresponsible tactics.)

(By Jackie Robinson)

Flying to Detroit, 48 hours before the threatened World's Fair stall-in, I read in my morning paper a warning issued by two U.S. Senators—California's Republican TOM KUCHEL and Minnesota's Democrat HUBERT HUMPHREY. These two proven fighters for the civil rights cause expressed their concern about northern white reaction to the planned tieup of New York City traffic. They said this reaction was making much more difficult their task of getting the civil rights bill passed.

Immediately upon landing, I sent a lengthy wire to these congressional leaders. In my message I agreed that the planned stall-in was an unwise and dangerous tactic. I also made a suggestion. I proposed that some body of Congress take a searching look into the atmosphere now prevailing in our country which has made it possible for anyone, overnight, to become a "civil rights hero" and a "militant leader" simply by advocating extremist and sensationalist tactics.

I sent my wires to the two Senators because they are men I trust. In opposing the stall-in at Flushing Meadow, they were being consistent. For they are also fighting against a stall-in on Capitol Hill, a stall-in which seeks to immobilize the increasingly flowing traffic of human dignity for every American.

OBSTRUCTIONISM

The Capitol Hill stall-in, which has been perpetrated year after year, is a classic piece of obstructionism which would wreck the "engines of freedom." When Senators KUCHEL and HUMPHREY assert that certain extremist methods are hurtful to the civil

rights cause, it does not mean the same thing as if the statement had come from master extremists like DICK RUSSELL or STROM THURMOND.

Congressional misleadership and the stall-in example set by certain members of Congress is not the only cause for today's favorable climate for civil rights phonies. There are other causes. In my telegram to the Senators, I raised a question which has disturbed me for some time. I cannot understand why the national press—and I certainly do not mean the Negro press—persists in a policy of glorifying on their front pages the very persons they condemn in their editorials.

An outstanding example of this schizophrenic handling is former Black Muslim Minister Malcolm X. Mr. X, as he is projected by what we regrettably call the "white press," don't even exist. As Dick Gregory has said, Malcolm was "invented" by the people who edit big newspapers, control big television and radio and publish big newspapers and magazines.

Malcolm has big audiences, but no constructive program. He has big words, but no records on deeds in civil rights. He is terribly militant on soapboxes on street corners of Negroes ghettos. Yet, he has not faced southern police dogs in Birmingham as Martin Luther King has done, nor gone to jail for freedom as Roy Wilkins and James Farmer have done, nor led a march on Washington as A. Philip Randolph did, nor brought about creative dialog between business and civil rights leaders as Whitney Young does daily.

DISOWNED

In fact, here is a man who has been exposed and disowned by the very organization which he had so eloquently espoused—the Black Muslims. In spite of all this, Mr. X receives more publicity in national media than is given to all the responsible Negro leaders we have mentioned above. White colleges flood him with speaking engagement offers. You can count on one hand Negro colleges which have invited him, if there are any.

It is the function of media to report, yes. But the Malcolm X image has been distorted rather than reported; distorted so that many whites imagine that Malcolm has a popular following; distorted so that a number of whites and colored people, more concerned with public attention than with civil rights, more hungry for headlines than for jobs and justice, have suddenly reached for mantles of leadership which they are not prepared to wear.

Of themselves, this small, but growing band of rebels without an honest cause is unimportant. But the grievous truth is that more and more misguided sincere people of both races are apparently lining up behind the misleaders, believing in their hearts that they are helping to stand up for justice. These people are obviously impressed by the publicity given to the sensationalists and extremists. Perhaps some of the news media are guided by the fact that sensational news sells papers. The exaggerations voiced by extremists, both black and white, of left and right, make sensational news.

RESPONSIBILITY

But the privilege of a free press, guaranteed by our Constitution, carries with it a concomitant responsibility—that of projecting responsible journalism for the good of our country. When news media more interested in circulation than in humanity give wide currency to such news and play down legitimate and progressive leadership, they fall in their responsibility and perform a distinct disservice not only for their fellow man, but, more important, to the entire concept of freedom of the press. The American press must recognize that leadership is equally as important as readership.

I honestly did not believe that the planned

stall-in was a genuine demonstration for justice. I believe that its leaders sought to be leaders of a demonstration rather than leaders in the fight for freedom.

Some months ago, shortly after the March on Washington, I sensed the coming of this counterrevolution. I approached several responsible and liberally oriented white leaders of this Nation and suggested that they sit down around a table with responsible Negro leadership to develop honorable plans. I warned that, if this were not done, the extremists would take over civil rights activities.

The white leaders were offended by the use of the term counterrevolution. They ignored my argument that a northern white counterrevolution could spark an international counter-counterrevolution which could inflame the world in a conflict of color. I pointed out that three-fourths of the world is comprised of colored people, many of whom are wavering between the choices offered by communism and democracy. They are wavering because they cannot equate our passion for freedom in Burma with the hollow roar of police dogs in Birmingham.

EXAMPLE

I am no race leader, no social scientist and claim no special wisdom as a spokesman or analyst. Yet, every dire development which I had envisioned when I vainly sought to talk with these white men of good will, is coming to pass.

I think there is a double challenge which our society black and white, must face. I think the white leadership must learn to listen to the voices of the legitimate Negro leaders who opposed last Wednesday's stall-in plan, but who, in their hearts, knew the reasons why those plans came into being.

I think the black leadership must speak up and speak out more boldly and with more authority so that the press agency of a Malcolm will not be the only influence projected in our communications channels. I think the Congress of the United States must set an example of leadership and must not compromise in the civil rights challenge. I think that the President must do more than hand out big jobs and say moving words. I think my own people and others involved in the civil rights struggle must move ahead with creative, not destructive protest. Although our Nation's legislators have given us the blueprint for stall-in, we must reject it if we are to vindicate a just cause. For two wrongs do not make a right—not even a civil right.

I have participated in demonstrations—creative, thoughtful, unmalicious and positive demonstrations. I will continue to do so. I will also continue to speak up and speak out. But I am concerned not only for the liberation of black Americans but also for the salvation of all Americans and the authentication of the American dream. After all, my ancestors helped to create it.

Renick Comments on Cuban Crisis

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 23, 1964

Mr. ROGERS of Florida. Mr. Speaker, one of Florida's most astute observers of the Caribbean and Latin America is Mr. Ralph Renick. Mr. Renick has also earned distinction as a journalist and well-known television commentator for WTVJ, the CBS affiliate in Miami.

Speaking recently before a large audience in Palm Beach, Fla., Ralph Renick put forth his seven-point plan for action against communism in Cuba. As you can see, Mr. Renick's plan has great merit, and the following is a writeup of that meeting which appeared in one of the local newspapers.

I ask that it be included at this point in the record in order that it may receive the widest possible audience.

RENICK COMMENTS ON CUBAN CRISIS

"Communist Cuba is as much a threat to our Nation and the rest of the world as anything in the world today, and if she is a threat today, she will be much more of one tomorrow. Thousands of Cuban school-children are being daily indoctrinated in communism. Cuba is one of the best equipped and bustling Communist camps outside Russia."

These are the words of Ralph Renick, CBS Miami TV commentator who spoke Tuesday afternoon to a large audience at the Society of the Four Arts. His subject was "The Cuban Situation." Based in Miami, Mr. Renick has had an opportunity not only to observe the trend of events but to secure information concerning them.

He explained how in the whole of South America propaganda and lies are being spread to even the smallest villages, often by radio.

"Argentina: Within the last 2 weeks the sixth training center for Communist guerrillas was uncovered.

Dominican Republic: Over 100 Communist trainees in the Lincoln Hotel.

Colombia: At least six states controlled by "The Violets" a Communist group who have received \$20,000 from Castro.

Honduras: Communist supplied ammunition, radios, maps. Submarine activity and guerrilla fighting in the heart of the country.

Chile: A youth group of 5,000 are presently convening, called the Congress of Latin American Youth. They are Communists organized by one of Castro's brainiest followers.

Bolivia: The Vice President of the nation is the leader of the Communist Party.

Venezuela: The number one Communist enjoys diplomatic immunity.

Puerto Rico: Early last month a large cache of ammunition was found just off Puerto Rico.

Panama: Turns out Communist agents were in the heart of the trouble.

Peru: Stores of arms and ammunition discovered.

Mr. Renick showed films of the preparation for the revolution up to the final overthrow of Batista and the takeover by Castro "an extraordinary actor and true master of deceit."

He described the inactivity of the United States and their failure to take advantage of the three opportunities to stop the Communist momentum—at time of Castro's takeover, Bay of Pigs, and the missile crisis.

He suggested that the United States should now embark on the following course of action:

1. The United States issue a public declaration to the world that a state of limited hostility exists.
2. Establish a Cuban Government in exile.
3. Full support, perhaps covert, of exile groups.
4. Offer of arms and men to any Latin American nation fighting Cuba—or mutual security pact.
5. A hard and clear-cut ultimatum that any boats inside the 3-mile limit will be sunk.
6. Constant surveillance of the island.
7. Make it as expensive as possible for the U.S.S.R. to maintain the Cuban economy.

Appropriations

EXTENSION OF REMARKS

OF

HON. ROLAND V. LIBONATI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 11, 1964

Mr. LIBONATI. Mr. Speaker, the Committee on Appropriations on recommendation of its several subcommittees considering deficiency appropriations for departments and agencies in Government for the fiscal year June 30, 1964, approved and submits to the House the following items for its consideration totaling \$1,162,800,000, a reduction of \$42,467,100 from the requests received. About 92 percent of the bill represents military pay costs and public assistance matching grants.

The various amounts appropriated represent those supplemental and deficiency appropriations for the current year to budget requests that are exceptions to the appropriations prohibited in the antideficiency statutes against accelerated or deficiency spending rates.

The Department of Defense—military; for military deficiency appropriation, reserve personnel accounts, and retired pay accounts. District of Columbia—operating expenses (schoolchildren, transportation), public safety (payments to widows and children of deceased policemen and to those retired); caseload increase in public assistance, service costs for Police Department of District of Columbia in connection with the funeral of our late martyred President, John F. Kennedy. The independent offices—Public Buildings Service, increased costs of selective service procurement operation, selectee travel costs and pay increases of personnel. Veterans' Administration pay increases, employees. Service-connected cases increasing costs per case—disability compensation cases. Loan guarantee revolving fund—program activity to quickly honor valid claims and obligations—Department of Agriculture—forest protection and utilization—funds to replace firefighting costs and provide for emergency firefighting, Department of the Interior—fire suppression, Bureau of Indian Affairs—also fire suppression, National Park Service—the same. Also maintenance and rehabilitation of physical facilities for pay increases. The same for Smithsonian and National Gallery of Art.

Department of Labor increases in costs of injuries, costs of medical care, wages of civilian employees have a direct effect on the cost of benefits.

Department of Health, Education, and Welfare—increased wages; St. Elizabeths Hospital increased costs of operating and wages. Welfare Administration—increased grants to States for public assistance. The future indicates need of additional funds for this program.

U.S. Soldiers' Home, approves withdrawal of funds for Soldiers' Home's permanent fund—increases of wages and operational and contract costs.

Legislative branch—Architect's Office

wage increase and deceased members widow gratuities.

Department of Defense—civil. Increased wage costs—Department of the Interior—operation and wage costs for Bonneville Power project and costs incidental to Canadian contract under the Columbia River treaty.

Department of Justice: Costs incidental to fees and expenses of witnesses. Increases in wages of employees in prisons. Also increases of costs by State and county institutions for housing and feeding Federal prisoners awaiting trial or disposition of their cases.

The Judiciary: Increases in wage costs.

The Treasury: Increases in wage costs, retired pay, and military increased pay.

Claims and Judgments: To meet necessary payments of claims and judgments against the United States by the Court of Claims and the U.S. District Courts.

Thus the heavy responsibility of Chairman MAHON and his committee in presenting this bill to the Congress—the consolidation of the meticulous work of each of the respective subcommittees of the Appropriations Committee, whose responsibilities to determine these separate and respective demands for money to carry on the business of Government was twofold:

First. The study of the request in terms of present expenditures already allotted in their general appropriation; and

Second. The adjudication of the various requests both in projected estimates in some cases and the amounts to be appropriated.

The committees functioning in this consolidated bill and the respective chairmen are to be congratulated in their efforts as well as Chairman MAHON and his committee.

Defense Cutbacks Spurring Civilian Production Needs

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 30, 1964

Mr. MORSE. Mr. Speaker, it is gratifying to note that the growing problem of economic conversion is receiving increasing attention from the press all over the country. Hopefully, businessmen, educators, labor union officials, and governments at all levels will come to grips with the problem before the economic dislocations threatened by reductions in defense spending become tragic reality in hundreds of communities all across the country.

Recently, Ed Lambeth of the Gannett papers did a series of three fine articles on the conversion problem. He outlines the Government response to the problem to date and catalogs the complex and varied problems we must handle if we are to avoid severe dislocations and a real dip in our prosperity.

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Under unanimous consent, I include Mr. Lambeth's articles, as they appeared in the Elmira, N.Y., Star-Gazette on April 29, April 30, and May 1, 1964, in the CONGRESSIONAL RECORD.

The articles follow:

[From the Star-Gazette, Elmira, N.Y., Apr. 29, 1964]

**SWORDS INTO PLOWSHARES: DEFENSE CUTBACKS
SPURRING CIVILIAN PRODUCTION NEEDS—
PART I**

(By Ed Lambeth)

WASHINGTON.—The likelihood of a plateau or dip in Pentagon spending is forcing defense contractors to rethink the prospects of forging swords into plowshares.

To the big suppliers in the New York-New Jersey-Connecticut industrial complex, and elsewhere, the \$1.1 billion cut in the 1965 Pentagon budget looks like handwriting on the wall. It marks the first real reduction in defense spending in a decade.

Also contributing to the reappraisal are the nuclear test ban treaty, the mutual but independent Soviet-American cutback in the rate of plutonium stockpiling and a fuzzy yet persistent feeling that arms limitation accords with Russia cannot be ruled out in the years ahead. With Americans dying in Vietnam and on guard at the Berlin Wall, nobody claims that peace is breaking out all over. And almost no one foresees a drastic cut in arms procurement.

That few defense firms are genuinely alarmed about the \$51.2 billion budget, stems from the fact that much of the reduction had been predictable. Spending for Polaris and Minuteman missiles has passed its peak. Behind, also, are the doubled budgets for the Army's "beefed up" conventional forces.

Former Deputy Defense Secretary Roswell Gilpatric summed up the trend in congressional testimony last November:

"Unless some currently unforeseen change takes place in the nature of military threats which the Nation faces we do not see the need . . . of a recurrence of the rapid increase in defense spending that has been necessary in the past 3 years.

"Instead, we anticipate a relatively stable overall military budget, but with conditions which would create economic problems for certain industries that would then have to find alternative, nondefense uses for their resources."

As the implication of this forecast sinks into the consciousness of Congressmen and communities already feeling the effects of defense cutbacks, the old "swords into plowshares" debate has been revived with new, more sophisticated wrinkles.

Item: Leaders of the New York and New Jersey district of the International Union of Electrical, Radio and Machine Workers—representing 100,000 members in the two States—recently urged their communities to establish civilian conservation corporations where private corporations refuse or perform in a dilatory manner in converting from defense production to new civilian products.

Item: At the RCA plant in Camden, N.J., hard hit by the completion of work on the ballistic missile early warning system, the issue of conversion has been put on the agenda of a joint union-management study committee.

Item: In the wake of the phaseout of the Rome, N.Y., Air Materiel Area and the cancellation of a Skybolt missile subcontract, in Utica, both conservative Republican ALEXANDER FERNIE and liberal Democratic Representative SAMUEL S. STRATTON, of Amsterdam, put their names on a bipartisan letter to President Johnson, which read, in part:

"Thorough study of the conversion problem by the executive branch, which will lead to concrete, affirmative action, must, in our view, be instituted at once."

Another signer was Representative JOHN MONAGAN, whose southern Connecticut district includes employees and subcontractors for the huge, defense-oriented United Aircraft Co. Said Monagan:

"I'm not a ban-the-bomber at all. But with so much of United's work with the Pentagon and the prospect of an overall decline in spending, we should begin focusing attention on the problem."

In this same category is Senator KENNETH B. KEATING, Republican, of New York, who proposed a regional economic commission for hard-hit Long Island that would "coordinate declining defense production with booming civilian needs . . . and men with new jobs."

KEATING, a member of the Senate Space Committee, cautioned against expecting the National Aeronautics and Space Administration to take up most of the slack in Pentagon contracts.

The specific focus in Congress is on a bill by Senator GEORGE MCGOVERN, Democrat, of South Dakota, to set up an economic conversion committee to plan for shifts from defense to civilian production.

In the Senate 12 Senators—all Democrats—are sponsors. Twenty Congressmen, including both Democrats and Republicans, have introduced similar measures in the House. Hearings are planned in the Senate but, thus far, not in the House.

In the opinion of Senator HARRISON A. WILLIAMS, Jr., Democrat, of New Jersey, a Senate sponsor of the McGovern bill, "the most significant indicator of a new atmosphere on the Hill (toward conversion) is the reception accorded (recently) to Dr. Seymour Melman, the ubiquitous Columbia University scholar and activist."

Melman's continuing seminar on arms industry conversion at Columbia University stems from his views on "overkill." His theory, disputed by the Pentagon, is that nuclear weapons can be cut back sharply because enough are already on hand to destroy Soviet cities many times over.

Peace groups such as the committee for a sane nuclear policy have picked up Melman's thesis and have put conversion at the head of their 1964 agenda.

But many who reject Melman's position on overkill—including Congressmen with hard-hit defense plants in their districts—regard conversion as a pressing issue.

The administration has told Congress that "we are not persuaded that enactment of the McGovern bill would be an effective approach at this time."

It asked Congress to defer action on the bill until the President's Committee on the Economic Impact of Defense and Disarmament "has had an opportunity to explore these problems further and to see what additional legislation may be called for to deal with them."

[From the Star-Gazette, Elmira, N.Y., Apr. 30, 1964]

**SWORDS INTO PLOWSHARES: FINANCING,
MARKETS CHALLENGES OF CONVERSION—
PART II**

(By Edmund B. Lambeth)

WASHINGTON.—Money, markets, and mismatched manpower are the big headaches that would face defense firms in the event of a major cutback in Pentagon spending.

That, in short, is the message of experts hired to advise the Defense Department on the economic effects of disarmament or—more likely—a limited arms control accord with the Soviet Union.

Neither of these contingencies—assumed in the experts' studies—is predicted for the near future.

Yet the basic points made in the studies are considered valid, for the most part, in the current debate over how the big defense

contractors can best diversify to meet the Pentagon procurement.

In brief, Pentagon officials foresee, in the years ahead, a slow decline in the market for strategic hardware—such as missiles and bombers and their electronic components, but continued high funding for research and general purpose forces.

As matters now stand, the Pentagon won't know specifically what this will mean to, say, Binghamton, N.Y., or Hartford, Conn., until Defense's Comptroller Charles J. Hitch and his aids complete their elaborate and complex early warning system on the impact of projected trends in defense spending.

In the meantime, forecasters turn to such studies as the one recently completed for the Pentagon by Murray L. Weidenbaum, former chief economist for the Boeing Co. and now senior economist at Stanford Research Institute.

Weidenbaum concluded that a major shift in the size and/or composition of the defense budget would fall most heavily on the missiles, electronics, aircraft, and shipbuilding industries.

Although Weidenbaum found west coast firms would be hit hardest, the eastern seaboard would also feel the impact, as seen in the distribution of defense dollars within these States:

New York—Aircraft (28.1 percent), electronics (25 percent).

New Jersey—Electronics (41 percent), aircraft (20 percent).

Connecticut—Aircraft (68 percent), ships (18.3 percent).

Qualitatively, the problems of diversifying into nondefense products are more easily defined. Weidenbaum, like other students of conversion, found that:

1. Highly specialized defense industries hold forth today in a business world where existing firms already meet civilian consumer needs. In contrast to the postwar era, there is today little pent up consumer demand.

2. Big defense contractors, thriving in the cost-plus-fixed-fee environment of the Pentagon, emphasize quality and reliability in contrast to the compromises between price and quality made daily by firms in the commercial markets.

3. Past attempts at diversification by defense firms—such as powered wheelbarrows, stainless steel coffins and wall paneling—have failed.

"The surviving attempts," says Weidenbaum, "are actually losing money, barely breaking even, or showing profit results considerably below military earnings."

According to former Boeing economist Weidenbaum, even for the exceptions to this rule—such as the commercial 707 jetliners—"the profit performance has been extremely poor."

"The losses incurred," he adds, "have depleted the venture capital available to seek other commercial business and have reduced the enthusiasm of other defense companies to diversify."

But, taking the longer view, the conversion picture is not so bleak.

Connecticut's United Aircraft Corp., although still 80 percent dependent on defense markets, has doubled its commercial product line in the last decade.

One of its brighter prospects for more diversification is the fuel cell, which converts chemical energy directly to electricity without the use of rotating machinery and with greater efficiency than conventional conversion systems.

Military airframe and electronic manufacturers claim that once the switching problems of Monorail Rapid Transit (a conversion prospect) are solved, the harassed Westchester County commuter—now a slave to the New Haven schedule—would have to wait no longer for his train than a minute or two, day or night.