



# Your Washington Review

by  
**Congressman  
JERRY FORD**



January 17, 1962

The second session of the 87th Congress convened Wednesday, January 10th; the President delivered his State of the Union address on Thursday, and this past Monday our Subcommittee on Defense Appropriations opened its hearings.

For the first time in 48 years, the House of Representatives met without Sam Rayburn. For the first time since I entered Congress in 1949, Sam Rayburn was not elected Speaker of the House or designated Minority Leader. All of us, Republicans and Democrats alike, held Mr. Rayburn in high regard and as Charlie Halleck put it, he was a "great and good man who served with fairness and with complete dedication to the high office of Speaker."

Rep. John McCormack, selected by the majority party to succeed Sam Rayburn is the 45th person to hold this office. Not only does the Speaker preside over the House of Representatives and make certain appointments, but as the leader of the majority party he has tremendous influence over the enactment of legislation. Under present law the Speaker is second in line for the Presidency, following the Vice President. It is interesting to note, however, that during our history only one Speaker of the House of Representatives has become President and not by automatic succession. James K. Polk of Tennessee, Speaker from 1835 to 1839, was elected President in 1844 and served from 1845 to 1849.

Rep. Charles Halleck, minority leader in the House, set the stage for Republican activity in this Congress when he introduced Speaker McCormack. Mr. Halleck said, "People of good will can disagree when disagreement is proper without rancor and without malice. ... We on the minority side will not be in a negative position. We shall cooperate as best we can to build the economic and military strength of our country. And if our security should be threatened, we shall prove once again that we are a united, resolute people."

**STATE OF THE UNION MESSAGE:** President Kennedy's message outlined most of the issues which will bring about the action on the Congressional stage. His request for a greater extension of presidential powers including those to raise and lower tax rates, to increase spending for public works, and to alter tariff and trade agreements, means the downgrading of congressional responsibility and authority. I am certain that Congress will not and should not abdicate its jurisdiction over these vital issues.

I was pleased to learn that the President was submitting a balanced budget for 1963 although it is predicated on an increase in postal rates, continuation of present



excise and corporation taxes, and certain changes in tax law which may or may not be made.

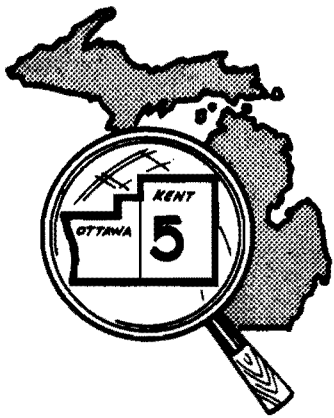
I was glad to hear Mr. Kennedy confess that as far as agriculture is concerned "we are still operating under a patchwork accumulation of old laws, which cost us \$1 billion a year in CCC carrying charges alone, yet fail to halt rural poverty or boost farm earnings." Republicans for years have emphasized this and have recommended changes but the Democratic Congresses have refused to cooperate.

The President had a tendency to talk too glowingly of certain accomplishments and pass over lightly some of the failures of the past year. No mention was made of the Cuban invasion fiasco and its serious ramifications. Neither was the adverse impact of the Communist wall in Berlin discussed nor what action will be taken to prevent similar disasters. Mr. Kennedy did say he couldn't predict the outcome in Berlin but that we will spare no honorable effort to find a "mutually acceptable resolution of this problem." He then said, "I believe such a resolution can be found...if only the leaders in the Kremlin will recognize the basic rights and interests involved, and the interest of all mankind in peace." This last expression may very well be the key to all negotiations with the Communists. But unfortunately there is no evidence in their history, their ideology, or their announced intentions and established programs that the Communists in the Kremlin recognize any "basic rights and interests" of others.

**SUBCOMMITTEE ON DEFENSE APPROPRIATIONS:** Last Monday our Subcommittee on Defense Appropriations of which Rep. George Mahon of Texas is Chairman and I am the senior Republican opened its hearings on the largest peacetime defense budget in our history. The total will approach \$51 billion.

Last year the Congress gave to the Administration all the money and authority it needed to successfully execute constructive foreign and military policies for the United States. I'm certain that the Congress will do the same this year. But the Congress must discharge its responsibility by examining the details of all legislative and budgetary proposals and bringing to bear on these proposals its collective experience and best judgment.

Our committee will hear all the civilian and military leaders of the Department of Defense during the months to come. These hearings are held in the Capitol from 10:00 to 12:00 and 2:00 to 4:00 five days a week. All meetings are in executive session (not open to the public) because classified (secret and top secret) information is often discussed. The hearings are printed later however, with any classified material deleted. At the conclusion of the hearings (generally in May) the subcommittee makes its decisions and reports an appropriation bill to the full committee and to the House for approval.



# Your Washington Review

by  
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January 24, 1962

One of the most significant requests in President Kennedy's Budget Message, sent to the Congress last Thursday, is for prompt action to increase the limit on the public debt to \$308 billion. If this is done, it will be the highest debt limitation in our nation's history, exceeding by \$8 billion the limit established during the last years of World War II.

Mr. Kennedy announced that the deficit for the 1962 fiscal year ( July 1, 1961 - June 30, 1962) will be \$7 billion. When Ike left office he submitted a balanced budget for the same 12-month period. In June 1961, only seven months ago, Secretary of the Treasury Dillon predicted a deficit of \$3.7 billion. Today, it has risen to \$7 billion.

Why?? The deficit was not caused by a loss in anticipated revenue. President Eisenhower predicted that 1962 income would amount to \$82.3 billion. In June Secretary Dillon said it would be \$81.4 billion. Mr. Kennedy's Budget Message puts 1962 revenue at \$82.1 billion. This is only \$200 million under Ike's estimate but \$700 million over Secretary Dillon's forecast last June. The current deficit has not grown to \$7 billion because of a loss in estimated revenue.

The increase in the deficit was not caused by extensive advances in defense spending. According to the "Daily Statement of the U. S. Treasury" for January 12, 1962, the Defense Department withdrew from the Treasury in the current fiscal year (July 1, 1961 - January 12, 1962) a total of \$24.9 billion for military purposes including military assistance. One year ago in a comparable period \$23.4 billion was withdrawn from the Treasury for that purpose. The increase this year is only \$1.5 billion. Military spending did not create a deficit of \$7 billion.

The \$7 billion deficit for the current fiscal year is due largely to a tremendous increase in non-military spending. According to the same "Daily Statement," \$6 billion more was withdrawn from the Treasury this year than last for the same period for non-military purposes. Under the Kennedy Administration the amount is \$33.9 billion. A year ago the comparable figure was \$27.9 billion. The present Administration has spent \$6 billion more for non-military purposes in 6½ months than the previous Administration spent in a similar period a year ago. The major cause of the current deficit is increased spending for non-defense purposes.

Unfortunately, too many public officials as well as too many taxpayers are not concerned with the size of the national debt. Its enormity is overwhelming and it seems far removed from daily affairs. We must, therefore, not forget that interest must be

paid regularly on this debt. Mr. Kennedy tells us that these interest charges in fiscal 1963 will exceed \$9 billion and amount to 10¢ on every dollar collected in taxes.

This \$9 billion cost in interest charges is equal to \$40 a year of every man, woman, and child in the U. S. Or putting it another way, to pay only the interest on the national debt everyone of the 73 million men and women 14 years of age and older in the U. S. labor force must contribute on the average \$123 a year in taxes. This amount is a real item; it must be paid every year, and it comes out of the wage-earners pocket.

I insist that if the Congress is to act promptly in raising the debt limit with increased interest charges, the Congress must act just as promptly and decisively to hold down and reduce non-essential, non-defense Federal spending. Private welfare as well as the public good demand that the burden of unpaid debts be decreased rather than increased.

**POSTAL RATES AND COMMUNIST PROPAGANDA:** This week the House of Representatives is scheduled to take up legislation to increase postal rates. This is in accordance with President Kennedy's recommendations to achieve a balanced budget. With the current deficit in the Post Office Department running at the rate of more than \$2 million a day, something must be done to bring rates more nearly in line with current costs for carrying the various classes of mail. The proposal presented to the House this week is scheduled to bring in \$621.2 million in additional revenue in fiscal 1963.

Last September a postal rate bill was reported by the Committee on Post Office and Civil Service, but the House voted 142 to 222 against consideration at that time. This bill, H. R. 7927, was to bring in \$550.7 million of additional revenue. The bill also contained a provision stating that no postal rate was to be available for the mailing of any Communist propaganda as determined by the Attorney General. This would mean that no Communist propaganda could go through the mails.

This week an amendment to H. R. 7927 is to be offered which will, in effect, substitute a new bill, and one which contains no provision relative to Communist material. This omission cannot be justified.

We know that an effort will be made on the floor of the House to include in any postal rate legislation a prohibition against the handling of Communist mail. I shall support such an effort and will do everything I possibly can to see that this insidious material is barred from the United States mails.

This problem relative to Communist propaganda stems largely from the action of President Kennedy in issuing the Executive Order of March 17, 1961. This Order directed the Post Office Department to deliver Communist material mailed from behind the Iron Curtain to those Americans to whom it was addressed whether they wanted the material or not. Previously, such material could be delivered only if the addressee stated he wanted to receive it. This change in policy by the Democratic Administration is indefensible and the Congress has a solemn obligation to remedy the situation by whatever legislative means possible.



# Your Washington Review

by  
**Congressman  
JERRY FORD**



January 31, 1962

Upon the recommendation of President Kennedy the House of Representatives has passed a bill to increase postal rates. Against the wishes of the President but at the insistence of Republican members, this bill includes provisions to prohibit the distribution of Communist propoganda by the U. S. Postal Service. While I did not endorse every specific item in the legislation, I was 100 percent in favor of the ban on Communist material and supported the bill on final passage.

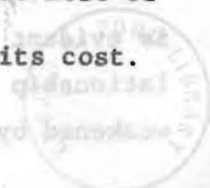
The bill as passed by the House prevents the receipt, handling, or delivery by the Post Office Department of any mail determined by the Attorney General to be Communist political propoganda. It does not matter where the material is mailed nor to whom it is addressed. If the Attorney General rules that it is Communist propoganda, the Post Office cannot touch it.

This provision, insisted upon by the entire Republican membership and many Democrats, is broader than President Kennedy's Executive Order of March 17, 1961 which precipitated the demand for this legislation. Mr. Kennedy's Executive Order directed the Post Office to deliver Communistic mail originating behind the Iron Curtain to American citizens whether they wanted it or not. Under the Eisenhower policy this insidious information could only be distributed to those who agreed to accept it. Under the provision approved by the House, Communist political propoganda cannot be delivered by the Post Office to anyone. This is sound legislation under present day circumstances and I sincerely hope the Senate retains the provision when it acts upon the bill.

The prompt decision by the House on a postal rate increase with a ban on handling of Communist material was due largely to the postal deficit, currently running at \$830 million per year. This means that the taxpayers are subsidizing the users of the mail at the rate of \$2.3 million a day, every day in the year.

If the bill as passed by the House becomes law, additional postal revenue of about \$700 million a year will be realized. This will not put the Post Office Department in the black, but most authorities agree that the Post Office performs a number of services which should be paid for out of the general treasury.

According to postal officials, first-class mail is currently paying 100 percent of the cost incurred by the Department in handling letters and cards which comprise most of this first-class mail. Under the new rates this mail will pay 127 percent of its cost.



Post Office officials justify this rate in excess of cost on the basis of preferential treatment accorded first-class mail: it is sorted and distributed before other types; sealed letters are treated confidentially and may be returned to the sender without additional cost if undeliverable. It is also significant that business institutions account for about 75 percent of the first-class postal revenues.

Under present rates newspapers and magazines (second-class mail) are paying 21 percent of their way according to postal authorities. Under the new rates they will pay 50 percent of their cost for postal service. Third-class mail (circulars, advertising matter) which is now paying 69 percent of its costs to the Department, will have to meet at least 90 percent of this cost under the bill approved by the House.

While this bill may not be perfect in every detail, it will go a long way toward cutting down the current postal deficit. It seems to me more fair to place the burden of meeting the postal deficit on the voluntary users of the mails who benefit directly rather than to collect it forcibly through additional taxation on those who may or may not share in direct or indirect benefits from the postal service.

DEPARTMENT OF URBAN AFFAIRS AND HOUSING: President Kennedy announced at his news conference last Wednesday that he was going to establish a new cabinet post by Executive Order. So unless either the House or Senate vetoes the measure, the Department of Urban Affairs and Housing will be the only executive department of cabinet rank NOT established by an Act of Congress.

A bill to establish such a Department (H. R. 8429) has been recommended for adoption by the House Committee on Government Operations. However, the Committee on Rules (which you remember was enlarged last session at Mr. Kennedy's insistence to give the "liberals" an 8 to 7 control) voted 9 to 6 against further consideration of the bill by the House. Having been defeated in his own new Committee on Rules, Mr. Kennedy promptly ordered that the regular legislative procedure be by-passed. He would create the Department of Urban Affairs and Housing by Executive Order regardless of the action of a major committee of the House. His Order will take effect unless a majority vote in either House vetoes it.

I intend to vote against the establishment of this new Department. No evidence has been developed to prove the need for the Department. Legitimate functions to be assigned to it are presently being performed satisfactorily. A new Department with a Secretary, Deputy Secretary, Assistant Secretaries, and a General Counsel can only mean a larger and expanding bureaucratic organization. The long-range strategy of the proponents of the new Department includes an attempt to direct more and more day-to-day activities and problems of local community life from Washington. It is significant to note that the bill turned down by the Committee on Rules defines "urban areas" to "include all communities, regardless of size, whether incorporated or unincorporated." Furthermore, it is evident from the hearings and an analysis of the proposal that the established relationship between the federal government and the various state governments will be weakened by a federal department to deal directly with subdivisions of the states.



# Your Washington Review

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February 7, 1962

Three special presidential messages were sent to the Congress last week. One called for the establishment by Executive Order of a Department of Urban Affairs and Housing; the second requested \$100 million to purchase United Nations bonds, and the last carried Mr. Kennedy's recommendations on agriculture. In last week's REVIEW I outlined the reasons for my opposition to the establishment of a new department of cabinet rank by Executive Order. In a future issue I will discuss the important aspects of the Administration's farm proposals.

**UNITED NATIONS BONDS:** The President has requested the Congress to authorize the appropriation of \$100 million for the purchase by the United States of one-half of the 25-year, 2% United Nations bonds to be issued to meet unpaid bills and other obligations of the UN. On December 31, 1961 unpaid UN bills, plus borrowing from other accounts resulted in a UN deficit of nearly \$100 million. On the same day various nations were delinquent in an amount of about \$94 million in their contributions to the regular UN budget and to the special UN budget to maintain its military forces on the Gaza Strip and in the Congo.

All member nations, including the Soviets, have been paying their regular dues within the time limits set in the charter. Some countries are slow to pay but have not objected on principle to paying their regular dues. But the UN operations in the Gaza Strip and in the Congo are running about \$140 million per year and this expense has been met by a special assessment against each member. The Communist bloc has refused to pay any assessment for either operation. The Arabs do not pay for UN expenses in the Gaza Strip, and France and Belgium have not contributed to the Congo activity. Some smaller, less advanced nations, although not objecting to these special UN operations, have not met their special assessment obligations. Thus the UN has a current deficit of over \$100 million.

According to Secretary of State Rusk, the regular expenses of the UN in 1961, excluding the costs for maintaining troops in the Gaza Strip and the Congo, totaled \$72.7 million of which the U. S. paid \$22.3 million or 35.5 percent. In 1961, the Gaza operation cost \$19 million of which we paid \$7.9 million. During the first ten months of 1961 the Congo action cost the UN \$100 million of which the U. S. paid \$47.5 million.

Before the United States assumes additional financial obligations for the United Nations two vital issues must be considered. One is this: Should member nations be required to pay the special assessments as well as the regular dues to maintain membership

in the UN with the right to vote in the Assembly and Security Council, and to exercise the veto if otherwise entitled to this power? This much we know: there is no provision in the UN Charter calling for loss of membership because of non-payment of dues or assessments. It is also true that neither membership nor voting rights in the Security Council can be affected by non-payment of dues or assessments. This means that under the Charter the Soviet Union may continue to vote and exercise the veto power in the Security Council whether it contributes to the UN Treasury or not. A nation two years in arrears in its regular dues loses its voting rights in the Assembly.

The World Court has been asked to rule on the question of whether a UN member loses its voting rights in the General Assembly for the non-payment of special assessments. France and the USSR are insisting that these assessments for military operations (Gaza, Congo) are not legal "expenses of the organization" for which member nations may be assessed. If the World Court rejects this argument, members which do not pay the assessments may be denied the right to vote in the Assembly.

Before acting affirmatively on the President's request for authority to purchase the UN bonds, the Congress must know the decision of the Court and must carefully analyze all Charter provisions relating to the financial obligations and voting rights of members. The provisions noted above weaken the contention of proponents of the bond purchase that this method of financing will force the USSR "to pay its fair share or lose its vote."

The second issue involves the question of whether other nations will purchase the balance of the UN bonds if we take one-half of them. The Congress must have assurance that this will be done. England has agreed to purchase its share, \$12 million worth, but recent reports indicate that she may not take all her bonds at once but rather spread the purchase over a period of years. Such action will not encourage the Congress to authorize and appropriate the \$100 million during the current session.

**FIRST 1962 APPROPRIATION BILL:** The first appropriation bill to pass the House this session provides an additional \$55 million to the Veterans Administration for GI education this year and adds \$120 million to the VA loan guaranty revolving fund. The \$55 million supplemental appropriation was required because 13,000 more Korean veterans are taking advantage of the GI education bill than the VA anticipated.

But the \$120 million had to be authorized because of the great increase in foreclosures on GI home mortgages, over 17,000 this year. This is more than 7,000 over the estimate made by the VA a year ago. In the past year therefore, defaults on VA-insured homes have increased by over 7,000.

In this connection it is significant to note that during 1961 there were 25,591 more bankruptcy cases filed in federal courts than in 1960. Both of these conditions prevailed during the year so glowingly described by President Kennedy in his recent State of the Union address.





# Your Washington Review

by  
**Congressman  
JERRY FORD**



February 14, 1962

Federal aid to education is back again in a big way: \$5.7 billion in five years as a beginning. President Kennedy's latest message to Congress offers something attractive to nearly everyone--except he who pays the bill, the taxpayer, the forgotten man on the New Frontier. High school and college students, scientists and engineers, illiterate adults, teachers and professors, handicapped children, artists, migrant workers, as well as educational TV and school construction, and experimental teaching -- all these will be encouraged and aided by drawing more billions from the U. S. Treasury.

All of these projects and persons or groups are worthy of public support and encouragement. They are being supported and encouraged. But let's take a look at the U. S. Treasury. There we see little to encourage us: a public debt of \$296 billion pressing toward \$300 billion; a current annual deficit of \$7 billion, up \$3.3 billion since June; interest charges in excess of \$9 billion yearly and growing, and proposed expenditures of over \$92 billion next year.

I know that the citizens of the Fifth District are sincerely dedicated to the education of all American children and adults. But I also know they want the Federal Government to act responsibly. To draw more and more money out of an empty and mortgaged Treasury is not acting responsibly. We look in vain for an honest and complete recommendation which would include with any new benefits it proposes, a detailed plan for the new taxes it will levy. To ask our citizens and their representatives to judge the desirability of benefits without knowledge of accompanying obligations is neither good public policy nor honest salesmanship.

Or to put it more simply, let us say, "This sounds like a wonderful program, but tell us who pays and how?" We do this at home, in our community organizations and local government; we do this at the State level; why not at Washington? It is new, non-defense spending proposals such as those contained in the Kennedy Message on Education that have raised grave doubts as to whether the debt limitation should be raised to \$308 billion as requested by the President.

**AN EXPANDING BUREAUCRACY:** In debate over the authorization of an additional Assistant Secretary of Commerce, evidence was presented to the House of Representatives that the Department of Commerce is requesting a 10-percent increase in its number of employees. The total number of permanent positions in the Department now is 22,461. Secretary Hodges wants 2,229 additional employees for next year.



The new Assistant Secretary is to advise on technical matters and to coordinate scientific activities. But the request for a new Assistant Secretary combined with an expansion in personnel can only mean demands for greater appropriations and result in an expanded bureaucracy. I was not convinced of the need for another top advisor and coordinator, and voted against the bill (H. R. 6360), which was passed, however, by a vote of 231 to 169.

The total number of civilian Federal employees on the last day of 1961 exceeded 2.4 million, an increase of more than 75,000 over the same time a year ago. The only way we can curb the trend toward an expanded bureaucracy and greater federal expenditures of our tax dollars is to say "No" to projects and proposals which in themselves may be good and which under other circumstances should be approved. Every new or revised proposal must be examined in the context of the overall picture.

**IN SUPPORT OF THE ADMINISTRATION:** Upon recommendation of President Kennedy the House of Representatives has passed H. R. 8900, the College Academic Facilities Act. Former President Eisenhower had made somewhat similar proposals in the past. This bill provides matching grants (180 million annually) and long-term loans (\$120 million annually) for building college and university classrooms, laboratories, libraries, and other academic and service facilities. This is a five-year program and involves a total of \$1.5 billion. The need for additional college facilities is well known. The big bulge in students and the need for buildings will come in higher education (colleges and universities) in the next five years. This bill requires proof of need; loans must be repaid; a matching provision is included for grants; controls on expenditures are written into the law, and in general this bill expands an established federal program. Moreover it is a "one-shot" proposition to aid in meeting the need for construction of college buildings at this time.

This College Facilities Act varies greatly from the newly proposed general aid-to-education bill which would provide federal subsidies indefinitely for all primary and secondary schools in the country without regard to need. While I was necessarily absent from Washington when the vote on H. R. 8900 was taken, I would have voted for it if I had been present.

Last Wednesday the House approved the Administration's bill, H. R. 8723, to strengthen the Welfare and Pension Plans Disclosure Act. This act, recommended by former President Eisenhower and passed in 1958, requires the officials of employee welfare benefit plans to periodically provide certain information to the Department of Labor. The Act was passed largely as a result of some of the revelations made by Senator McClellan's Investigating Committee. It requires reports but suggests little to be done with the reports, and provides little authority to handle those who do not comply. Over 25,000 plans were delinquent in reporting on their finances and operations in both 1959 and 1960. The new legislation is an attempt to remedy some of these shortcomings.



# Your Washington Review

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**JERRY FORD**



February 21, 1962

The Committee on the Judiciary has recommended the adoption of H. R. 9300, a bill to increase membership in the House of Representatives from 435 to 438. Presently there are 437 members because of the admission of Alaska and Hawaii, but next year the number reverts to 435 unless the law is changed.

A membership of 435 was set by statute in 1911 to become effective upon the admission of Arizona and New Mexico which occurred in 1912. The principle argument for increasing House membership by three at this time is based on the fact that next year Hawaii will have two and Alaska one Congressman, which means that three more representatives will have been added to those 435 originally set for the 48 states. As a practical matter, the enlargement of the House by three will mean one additional Congressman each for Massachusetts (scheduled to lose 2), Pennsylvania (scheduled to lose 3), and Missouri (scheduled to lose 1). Massachusetts has not yet redistricted and the passage of H. R. 9300 would simplify the problem there. Pennsylvania and Missouri have redistricted and would have to take further action to comply with new federal law.

I believe that a decision must be made now to set a top limit on House membership. The limit was 435 for 46 years. Based on the 1960 census, 435 means an average of one representative for every 410,000 people. This number provides adequate representation to all areas and it permits members to do a good job for their constituents. To propose an increase in membership which will benefit three states, will open the way for efforts by other states to recover some or all of the seats which were lost as a result of shifts in population reflected in the 1960 census. To increase House membership after the 1960 census may be used in the future as an argument for further increasing the size of the House--an action which could only result in an unwieldy and ineffective body. I intend to vote against H. R. 9300.

**REDISTRICTING IN MICHIGAN:** Because Michigan has gained population in relation to other states, it is entitled to one more House member (for a total of 19) to be elected in November. I sincerely hope that the State legislature and the Governor, who have the responsibility, soon can work out a reapportionment plan providing for a 19th District. If no decision is reached, Michigan this year will elect a "Congressman-at-large." He will be a member of the House of Representatives but elected by voters of the entire state. He will work and vote in the House but his constituency will be that of a senator. Each resident of Michigan will have two senators, his own congressman, and a congressman-at-large. This arrangement is about as logical as a fifth wheel on an automobile.

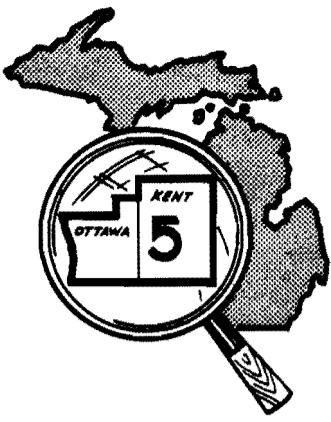
Several good plans for redistricting Michigan are being considered by the legislature. I hope one of them is adopted promptly so we can avoid a "congressman-at-large." My recommendation as far as the Fifth District is concerned is that it should remain as presently constituted. The total population is 461,906, not too far from the national average. Citizens of Ottawa and Kent Counties are completely satisfied with the present arrangement. These counties have many similar interests in industry, labor, agriculture, and community problems and have been in the same congressional district since Michigan became a state, and have constituted the Fifth District since 1915. A fair and equitable redistricting plan for Michigan can be adopted without altering the Fifth District.

**CENSUS REPORTS CONFIDENTIAL:** I have introduced legislation (H. R. 10205) to protect the confidential and secret nature of all information supplied to the Census Bureau. It is generally understood that information given to the Census Bureau is confidential and that it cannot be used for purposes of taxation, investigation, or regulation by any other governmental agency. But on December 11, 1961 the U. S. Supreme Court decided that this applied only to the original reports submitted to the Census Bureau. The copy of the reports which an individual or a company kept on file was not confidential or secret. Another agency of the federal government can subpoena these copies, examine them, and use the information in legal action against the individual or company. This seems to me to be utterly unfair and illogical.

My bill would make the copy as well as the original of any information supplied the Census Bureau a secret and confidential document not admissible as evidence or usable "in any action, suit, hearing, or other judicial or administrative proceeding." This bill should be enacted not only to insure governmental integrity but also to insure and encourage a full disclosure of facts to the Census takers.

The Court majority (6 Justices) said that the Census Act does not require a person or business "to keep a copy of its report nor does it grant copies of the report not in the hands of the Census Bureau an immunity from legal process....Congress did not prohibit the use of the reports per se but merely restricted their use while in the hands of...the government officials. Indeed, when Congress has intended like reports not to be subject to compulsory process it has said so." If Congress adopts my bill it will say specifically that the copy as well as the original report to the Census Bureau is secret and confidential.

The Court minority (3 Justices) in objecting to the decision said "Our government should not, by picayunish haggling over the scope of its promise, permit one of its arms to do that which, by any fair construction, the government has given its word that no arm will do." I agree wholeheartedly with the minority as does the Census Bureau and the Department of Commerce. The Congress should overrule this legalistic decision of the Court and firmly establish the confidential nature of all information as demanded by the Census Bureau.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



February 28, 1962

All of us were justifiably thrilled by the tremendous task accomplished for America by Astronaut John Glenn and the thousands of scientists, engineers, production workers, and military personnel who participated in his success. While military considerations formed the basis for our early space activities, in 1958 President Eisenhower recommended legislation to set up a civilian space agency. It was my privilege to serve as one of 13 House members on the Select Committee on Astronautics and Space Exploration which in 1958 wrote the basic law to establish the National Aeronautics and Space Administration (NASA). The present Speaker of the House of Representatives, Congressman McCormack of Massachusetts, was chairman of this special committee.

In 1958 NASA initiated action on Project Mercury, which in 3½ years resulted in Alan Shepard and Gus Grissom making our first sub-orbital flights into space and now Colonel Glenn orbiting the globe three times in less than 5 hours.

As Americans we should be particularly proud of the fact that Col. Glenn's superb efforts, and those of Shepard and Grissom, were done before the "eyes of the world" in contrast to the secrecy which prevailed when the Soviet Union orbited Gargarin and Titov. In other words the United States was willing to "put on the line" the courage and skill of our astronauts and the reliability of our space vehicles.

Now, Khrushchev allegedly wants to cooperate with America in the exploration of "outer space." I would hold Khrushchev at arm's length on his gesture of harmony until we are absolutely confident of the Communists' bona fide intentions and have assurance of security for the United States by iron-clad inspection and control procedures.

**NATIONAL DEBT LIMIT:** The House of Representatives has voted to increase the federal debt limit by \$2 billion to a level of \$300 billion until June 30th of this year. President Kennedy has asked that the limit be increased to \$308 billion. Because present law provides permanent and temporary debt limitations, it is evident that some further action will be required by June 30th.

In June of last year I voted for the \$13 billion temporary increase requested by President Kennedy. Last week I voted for the \$2 billion increase but announced in debate that I will not support an increase to \$308 billion unless some unusual and unforeseen circumstances arise. I supported the \$2 billion increase largely because our defense expenditures have gone up \$2 billion over a year ago. But the deficit expected

for this fiscal year ending June 30th is not \$2 billion but \$7 billion. Non-defense expenditures are up \$6.2 billion (revenue is also up \$1.5 billion) over those of a year ago, i.e. over the last seven months under President Eisenhower.

The Congress must give the President as Commander-in-Chief what he needs to provide an adequate national defense, but the Congress has a similar responsibility to encourage the President to make a bona fide effort to curtail and restrict non-defense expenditures. This means the Congress cannot blithely go on voting for new proposals to increase federal spending. This also means that the Congress may have to refuse to increase further the national debt limit. I shall not vote for an increase beyond \$300 billion unless unforeseen circumstances develop.

**SALARY INCREASES FOR FEDERAL EMPLOYEES:** In his latest message to the Congress President Kennedy requested an average 10 percent pay increase for government employees to cost \$1 billion annually. Even Mr. Kennedy recognized the implications of this proposal for the budget and to the taxpayers, and suggested that the increase be spread over a three-year period. Today each 1 percent increase in the federal pay scale costs \$100 million annually. The President proposed an average increase of 8 percent for postal employees and 10.5 percent for classified civil service employees.

In his message Mr. Kennedy said, "although flat increases for lower-paid workers are included as a matter of equity, the essence of this bill's objectives is federal pay reform, not simply a federal pay raise." By this he meant that he was recommending greater increases in the better paid positions. Mr. Kennedy went on to say, "Both our experience in the attrition of higher salaried men and women and all objective surveys have disclosed that the gap between private industry salaries and government salaries is the widest at the upper levels." In that connection it is significant to note that in response to a question concerning personnel, Postmaster General Day said recently, "The turnover rate in the Post Office continues to be very low and very favorable." "The Kennedy proposals grant the greatest benefits to those in the higher salary brackets. The President's proposals will increase the tax burden a billion dollars a year and contain no suggestions for meeting the financial obligations to be incurred by the enormous new expenditure.

**DEPARTMENT OF URBAN AFFAIRS:** The House of Representatives by a vote of 362 to 150 disapproved the establishment of a new cabinet post by Executive Order. Every department in the President's cabinet has been established by an Act of Congress. Mr. Kennedy's attempt to bypass the Congress and establish a Department of Urban Affairs by executive decree was upset by a majority of 114 votes. In the REVIEW for January 31st I outlined my objections to the establishment of the new department, especially by Executive Order. The lopsided vote in the House of Representatives is a healthy indication that Congressmen are concerned with the current trend toward concentration of power in the Executive Branch of the Government. The elected representatives of the people must retain control of basic governmental organization and public policy if our Republic is to operate effectively within the framework of the Constitution.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



March 7, 1962

The House Committee on Agriculture already has held four weeks of hearings on the Kennedy-Freeman agriculture proposals and will continue its public study until at least Friday of this week. The recommendations of the President's message on agriculture have been incorporated in H. R. 10010, the bill presently before the committee. The bill runs to 106 pages with 25 lines to the page and about  $9\frac{1}{2}$  words to the line for a grand total of approximately 24,000 words. It is officially cited as the "Food and Agriculture Act of 1962," is generally referred to as the "omnibus farm bill," and is in fact a "legislative and administrative monstrosity."

It is impossible to properly outline its provisions in this newsletter but I do want to summarize my impressions and mention some specific provisions:

1. The Kennedy-Freeman farm bill proposes more, far more restrictions by the Federal Government on the management and operation of individual farms throughout the country.
2. Adoption of this bill will mean a greater concentration of power in the Secretary of Agriculture over the supply and price of food in the United States.
3. While calling for a referendum among producers of feed grains (corn, grain sorghum, oats, barley; rye if the Secretary approves) and of wheat on price supports, the bill's provisions make a negative vote impossible. The feed grains farmer is told to vote "yes" and he will have price supports with acreage allotments and marketing quotas in addition to land retirement with payments in cash or in kind. But if he votes "no" he is asking for no price support, no land retirement program and is authorizing the Secretary of Agriculture to dump up to 10 million tons of surplus feed grain into the domestic market to cut prices further. If wheat farmers turn down the support program, up to 200 million bushels of wheat could flow out of government warehouses into the market, depressing the price of wheat. This would be the punishment for voting "no." Such an unfair "take-it-or-leave-it" referendum with special penalties for "leaving it" is not worthy of the United States government.

As much as I and others dislike the present farm price-support program, we know that the government has become so involved in agriculture during the past three decades that we cannot eliminate governmental responsibility by one stroke of the pen or by one annual referendum. There must be and should be a gradual removal of Uncle Sam's interference in agriculture and that should start now; in fact it's long overdue.

4. The Freeman bill calls for three separate support prices for wheat: one for domestic food marketing, one for export sales, and a third for wheat used for feed and seed. The Secretary of Agriculture would determine quotas and price supports for each. Through the use of marketing certificates he would have control over the number of acres a farmer could sow as well as the price support he would receive. Everyone involved, including the farmer, would have to keep records on these certificates in a manner directed by the Secretary or be subject to a fine up to \$5,000. This whole scheme is unsound in principle and unworkable in practice.

5. In the wheat program, no provision is made for the treatment of special classes of wheat. There is very little surplus in the type of wheat raised in Michigan (soft white and soft red winter wheat) yet its production is subject to the same controls set up for hard red wheat which accounts for most of the enormous wheat surplus.

6. Secretary Freeman is asking for a national milk program granting him power to issue certificates of production to establish allotments and quotas for individual dairy farmers. Penalties for over-production of up to \$2.75 per cwt. could be levied against individual producers. Furthermore the bill provides that these certificates granting a "right to produce milk" and issued to current producers may be sold or rented to others. This can only mean that a young man going into the dairy business would, in addition to everything else, be required to purchase or rent a "right to produce milk." Moreover any dairy farmer who failed to keep such records as the Secretary of Agriculture demanded could be punished by a fine up to \$2,000 or a year in jail. This must be the NEW FRONTIER; the real frontier of our forefathers was never so tough on farmers, young people, and those willing to take a chance in the economic world.

7. Of special interest to the Fifth District is the request of Secretary Freeman for authority to tell individual growers of turkeys and those who sell turkey-hatching eggs how many turkeys and eggs they can produce each year.

8. There is nothing in the 106 pages of the bill to indicate that the cost to the taxpayer or the consumer will be reduced as compensation for the extension of bureaucratic control over the farmer. Let me assure you it is not a proposal which I can support. We await final action by the Committee on Agriculture and hope that its recommendation will be more constructive and workable.

FIRST APPROPRIATION BILL FOR 1963: The House Committee on Appropriations has made its first report on a major appropriation bill for the fiscal year beginning July 1st. The Committee cut the President's request for the Treasury and Post Office Departments and the Executive Offices by \$113.7 million. Despite this reduction in the Kennedy budget for these departments, there is an increase of \$148.8 million over the current fiscal year.





# Your Washington Review

by  
Congressman  
**JERRY FORD**



March 14, 1962

In my judgment, the President acted responsibly and wisely in calling for the resumption of nuclear testing in the atmosphere if the Soviets do not agree to fair and enforceable agreements for disarmament by the latter part of April. In YOUR WASHINGTON REVIEW of May 31, 1961, before Russia resumed bomb testing openly and while negotiations at Geneva were stalemated, I pointed out that the United States for its own national security must carry on further nuclear testing to prove the effectiveness of our missile program and to refine and improve the development of our nuclear weapons. Almost a year ago I proposed that the United States set a deadline of 30 days for acceptance at Geneva of an agreement on nuclear testing before we undertook such tests as appeared necessary and could be completed without endangering human life.

In view of the recent Soviet tests, President Kennedy's analysis of the current situation was right although late in coming. If we can get a fool-proof agreement at Geneva on the use of nuclear power, all the world will be grateful. But our knowledge of the Communist doctrine and our experience with Soviet behavior discourage any such expectation. With failure at Geneva imminent, our only course involves a series of comprehensive tests to include the firing of Atlas and Polaris ballistic missiles, with nuclear warheads fired by operational crews. Having made the correct initial decision, I trust the President will go all the way by authorizing all types of essential testing. The security of the free world is at stake.

**TRADE AND TARIFF AGREEMENTS:** The problem of trade and tariff agreements has also moved to the forefront recently. Last Wednesday the President transmitted to Congress copies of reciprocal tariff agreements signed at Geneva. In a summary statement he stressed the importance of the development of the European Common Market on our trade policies and urged the necessity of departing from the "peril point" in some instances. At his news conference he alleged the necessity of ignoring the peril point to avoid a breakdown in negotiations.

On Monday of this week the House Committee on Ways and Means opened hearings on H.R. 9900, the Administration's bill to extend the authority of the Executive Branch to negotiate further tariff reductions (present law expires on June 30) and to greatly expand that authority. Under this bill the President generally could cut tariffs by as much as 50 per cent of the current levels (present law: 20% of 1958 levels); he could do this for entire commodity groups instead of the item-by-item approach now required. The new bill also calls for federal financial assistance to industries adversely effected by tariff reductions. This would include for industry some tax relief, certain loans or loan guarantees, and some technical assistance. Unemployed workers would receive some cash, training for a new job

and certain expenses for moving away from home to find new employment.

No responsible American denies the significance for the United States of a healthy international trade. We import all of our tin and industrial diamonds and 90 percent or more of our manganese, platinum, mica, antimony, cobalt, and chrome ore--all vital to U.S. industry. We import all of our bananas, coffee, tea, tapioca, vanilla and cocoa beans, and black pepper and cloves--all of which make eating more satisfying. We also import substantial portions of other essential and luxury items.

U.S. exports are likewise essential to our economic growth and stability. Secretary Rusk has pointed out that "in 1960 the U.S. sold about \$20 billion worth of commodities abroad, nearly twice as much as either Great Britain or West Germany." To sell we must buy; this is especially true at a time when our total balance of payments is running a substantial deficit.

It is correct to emphasize the importance of the European Common Market on our trade policies. West Germany, France, Italy, Belgium, the Netherlands, and Luxembourg (to be joined by Great Britain and others) are working out a program of trade preference for themselves and common restrictions against outsiders. We must face up to the fact that such action could greatly affect our ability to import and export advantageously.

This is not to say that H.R. 9900 should be approved as introduced. Most emphatically the Congress must have good answers to some fundamental questions before taking final action.

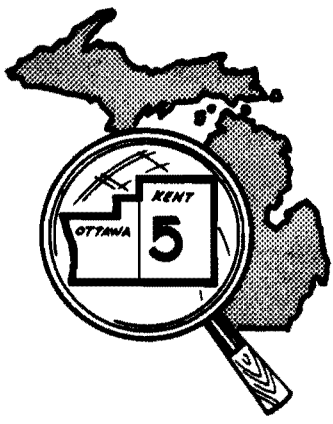
Some of these are: 1. Do our negotiations need the broad and extensive authority requested by the President? Have they not performed satisfactorily under present law? Or will not a more modest plan be adequate?

2. Should not the new law provide for Congressional review of these agreements? The fact that Mr. Kennedy reduced some tariffs below the peril point emphasizes this question. The "peril point" is the lowest possible rate, as determined by Federal Tariff Commission after exhaustive study, to which a tariff can be reduced without endangering American industry and labor. The recent decisions at Geneva mean that some tariffs have been reduced below the danger point. If this is to be indicative of future actions strong arguments can be made for Congressional approval of these executive agreements.

3. How completely disruptive to community and family life will be the "adjustments" for which Mr. Kennedy recommends federal subsidies? Will the business, community, and personal interests of thousands of Americans receive any attention by the negotiators or will only some undefined "national interest" be considered in cutting tariffs?

4. Is the President's proposal for certain federal financial benefits to business and individuals injured by tariff reductions better than the present method of using tariffs and other trade restrictions to assist those who experience severe foreign competition?

5. Last but certainly not least, should not the Congress and the country be assured that any future tariff reductions will be made only when the Administration's domestic fiscal, monetary, and wage-cost-price policies will make it possible for us to be competitive in the world market.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



March 21, 1962

The House Committee on Ways and Means has recommended the "Revenue Act of 1962" which, instead of raising revenue, will result in a net loss to the U. S. Treasury of \$590 million yearly with the probability of a \$1.5 billion loss the first year. While seven provisions in the Act will bring in additional taxes, an 8 percent "investment tax credit" will cost the Treasury \$1.8 billion annually. And the primary beneficiaries will be big business, not the thousands of small businessmen who need tax relief. Letters from business leaders have stated: "Business does not need or want the proposed 'investment credit' as the country is not suffering for the need of new plants and equipment. On the other hand, it would be much better to liberalize regular depreciation rates."

The Democrats on the Committee insisted on this "giveaway" or "windfall" for big business on normal capital investments made each year. The Republicans on the Committee proposed a substitute providing sound depreciation reform to give a real incentive for the kind of investment which business and labor need at only one-third the cost to the Treasury. The Republicans in the committee lost on a straight party vote.

Under the proposal a business can subtract from its federal tax 8 percent of the cost of tangible personal and certain real property used in business other than buildings provided the life of the property is 8 years or more. Investment in property expected to last 4 to 8 years will be credited at a reduced rate. This tax credit is an outright subtraction from the tax and is in addition to the full allowable depreciation of the cost of the item. It will apply to property acquired after December 31, 1961.

Another provision in the Act in which there is great interest and division extends the withholding tax to dividends, interest and patronage refunds of cooperatives. It is estimated (although there is some dispute on this point) that \$600 million of additional revenue will be realized from this provision. The payor will withhold and deposit with the Treasury 20 percent of all dividends, interest, and refunds. He will not notify the person whose income has been withheld. Persons who will have no tax liability for the year may file exemption certificates, and claims for refunds may be submitted quarterly or yearly.

Because of the "red tape" and cost involved, the inconvenience to be experienced by thousands of small investors, and because the Internal Revenue Service is installing an automatic data processing system which will make it more difficult to evade proper payment of all taxes, this provision of the Act is opposed by many.

The third major controversial aspect of the Revenue Act centers around the provision dealing with foreign investments and income. Opponents contend that the new proposals will

make it more difficult for American business to compete with Japanese, Italian, and other foreign interests.

Tax bills are generally considered in the House of Representatives under a "closed rule" which means that no amendments may be made to the bill as reported by the Committee. This parliamentary procedure is defensible because of the complexity of the tax system and the technicalities involved in any revenue bill. But the rules do permit a motion to recommit the bill to the committee for the purpose of making certain changes. When the House considers the "Revenue Act of 1962" this week, a motion will be made to recommit the bill for the purpose of revising or deleting the three provisions discussed above. I intend to support such a motion in the hope that a more satisfactory bill will be finally enacted.

**YEAS AND NAYS:** Since my last report on roll call votes there have been eight recorded votes. I supported legislation to provide two more judges for the juvenile court of the District of Columbia and voted for the Manpower Development and Training Act. This act provides federal assistance for retraining of workers in areas of unemployment and for on-the-job training of certain persons who could not be expected to secure full-time employment without such training.

I also voted to authorize some matching grants to the states for the development of educational television. The fourth vote involved a technical change in the law relative to the authority of the Justice Department to obtain evidence in antitrust cases. I supported the change which passed 338-58, after an amendment had been approved which prevented the Dept. of Justice from going on a "fishing expedition."

Last Thursday I voted for the conference report on the Welfare and Pensions Plans Disclosure Act amendments after voting to recommit the bill to the conference committee in order to improve the "conflict of interest" provisions relating to Department of Labor employees. A "conference report" on a bill involves the final version, as worked out by delegates from each House, of a bill passed in a different form by the House and Senate.

H. R. 10606, the Public Welfare Amendments of 1962, was also passed on Thursday. I voted to recommit this bill to committee in order to reduce the amount of the federal contributions to the states by \$140 million. This amount was not requested by President Kennedy. There is no assurance that the extra federal contribution will go to needy children or adults. States may use this "windfall" to reduce their own contributions to their welfare program.

When the motion to recommit the bill to committee was defeated 155-232, I voted against the bill on final passage. I do not believe the Congress should go beyond the recommendations of President Kennedy and the Sec. of Health, Education, and Welfare in this instance. There is no assurance individual recipients would benefit. The formula for the distribution of federal funds among the states is not sound and will work to the disadvantage of Michigan.

I regret that I had to oppose the bill on final passage because it does contain a number of highly desirable and constructive provisions. But the bill was considered under a "closed rule" with only the recommittal motion available as a means of correcting weaknesses.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



March 28, 1962

The latest controversy over the RS-70 has been resolved satisfactorily. The RS-70 (Reconnaissance Strike) or B-70 as previously designated, is a 250-ton jet aircraft capable of speed up to 2000 MPH and an altitude of 70,000 feet. It was initially proposed in 1954 and over \$1 billion has already been spent on its development. We are still some years from actual production of a complete weapons system.

President Kennedy requested \$171 million in fiscal year 1963 to more or less complete research and development on the B-70 version. The House Committee on Armed Services not only proposed legislation authorizing \$491 million for the RS-70 but directed the Secretary of the Air Force to use that amount "in fiscal year 1963 to proceed with production planning and long leadtime procurement for an RS-70 weapon system." In its report the Committee said "that the Secretary of the Air Force, as an official in the Executive Branch, is directed, ordered, mandated, and required to utilize the full amount of the \$491 million...." Thus much more was involved in this controversy than the difference of \$320 million.

In this dispute I supported President Kennedy and Secretary McNamara. By "directing" a specific expenditure the House Committee (and the Congress if it had supported the Committee) would be invading the jurisdiction and prerogatives of the President as Chief Executive and Commander-in-Chief. As I am opposed to the usurpation of legislative power by any occupant of the White House, so I am opposed to Congressional invasion of the President's domain. In a government of divided powers there should be no encroachment by either.

Furthermore, by directing an expenditure of a specific amount for the RS-70, the Committee on Armed Services was usurping the authority of the Committee on Appropriations which under the rules must exercise an independent judgment on specific federal expenditures within the limits set by an authorization. By "directing" an expenditure of \$491 million, the Committee on Armed Forces would have the Congress in this instance by-pass its Committee on Appropriations.

Thirdly, I think the President was right because the \$171 million which he requested plus an additional \$52 million for advance radar design will continue the developmental work on the B/RS-70 at an adequate level under present guidelines. For the Congress to have ordered the expenditure of \$491 million without the benefit of additional studies which were instituted March 13th would have served no good purpose.

Fortunately the matter was resolved. Secretary McNamara wrote Chairman Vinson on March 20th to say that "we are initiating immediately a new study of the RS-70 program

in the light of the recommendations and the representations of the Armed Services Committee. Rep. Vinson then agreed to change "directed" to "authorized" and the bill was passed unanimously. Interestingly enough, this new analysis and review by the Air Force and the Defense Department was in fact started March 12th and is expected to be completed late in April.

**MORE BUTTER AND CHEESE:** Since Secretary Orville Freeman took over the Department of Agriculture fourteen months ago he has added 334 million pounds of dairy products (butter, dried milk, cheese) costing \$145 million to Uncle Sam's stockpile in storage. When Mr. Freeman came to Washington as President Kennedy's expert on agriculture, there was no cheese in government storehouses; now there are 58 million pounds costing \$22.1 million. On January 31, 1961 Uncle Sam held 66.6 million pounds of butter; a year later he owned 219.3 million pounds, an increase of 434 percent. During the same period the amount of government-held dried milk rose from 271 to 394 million pounds or an increase of 123 million pounds in one year.

These increases were neither accidental nor natural; they were the result of direct and calculated action by the "new frontier's" Secretary of Agriculture seven weeks after taking office. On March 10, 1961 Mr. Freeman ordered an increase in the support price for manufacturing milk ( used in making butter, cheese, dried and condensed milk) from \$3.22 to \$3.40 per hundred pounds or an increase from 80% to 85% of parity. The Secretary also raised the support price on butterfat from 59.6¢ to 60.4¢ per pound for an increase from 80% to 82% of parity. Under the law the Secretary is NOT authorized to set the support price of milk above 75 percent of parity unless such action is necessary to assure an adequate supply.

It is obvious that the action taken by the new Secretary was not necessary to assure an adequate supply of dairy products. It is likewise obvious that his action in raising the support prices encouraged overproduction which resulted in an additional 334 million pounds of butter, cheese, and dried milk moving into government storage at a cost to the taxpayers of \$145 million.

A Michigan dairyman who sells his milk to a Detroit dairy for bottling purposes reported to me last week that the price he received for his grade A milk fell from \$4.65 per hundredweight in 1960 to \$4.53 in 1961, Mr. Freeman's first year. He went on to say: "now it is obvious that while C.C.C. (Department of Agriculture) was piling up stocks and the price of dairy manufactured products were being raised to us consumers, we dairymen were actually taking a cut in price for milk sold. Not much help to either interested party."

Yet Secretary Freeman has requested congressional authority (H. J. Res. 613) to keep manufacturing milk at 83% of parity and butterfat at 81% from April 1 to Dec. 31 of this year. However, on March 7th a bipartisan coalition in the House Committee on Agriculture voted not to approve this request. Therefore the responsibility for a sound and workable policy rests squarely upon Secretary Freeman. He must decide shortly whether in order "to assure an adequate supply," the support price must go beyond 75% of parity (\$3.11 CWT on manufacturing milk and 57.2¢ per pound on butterfat). The chickens which Secretary Freeman hatched on March 10, 1961 have come home to roost. And it's going to require more than a White House plea for greater milk consumption to save the dairy farmer, the consumer, and the federal taxpayer.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



April 4, 1962

The recent decision of the U. S. Supreme Court in Tennessee legislative apportionment case has significant implications for Michigan. The Court said that citizens who feel that certain areas of their state are not given equal or proper representation in the state legislature may ask a federal judge to remedy the situation. It did not say how this was to be done nor did it lay down any specific guidelines for the lower courts. But it did open the door for federal judicial review of the system of representation in the various state legislatures.

A nationally syndicated commentator writing about this decision said, "in Michigan, Wayne County, embracing Detroit accounts for two-fifths of the State population. It elects one-fifth of the Michigan Senate." The implication is that one day the federal courts in line with this decision, may rule that the composition of the Michigan State Senate is unconstitutional because representation is not entirely in proportion to population.

The question may well be asked whether the federal courts will take over the responsibility of drawing the boundary lines for congressional districts if some citizens complain that those established by the state legislature are unfair or improper. These matters have historically been considered "political" affairs to be handled by the voters and the elected political officers of the states. They were not "judicial" affairs to be decided by appointed federal judges.

Justice Frankfurter in a powerful dissenting opinion said that the Court's authority and prestige could best be nourished by a "complete detachment...from political entanglements and by abstention from injecting itself into the clash of political forces in political settlements." I agree fully and regret, for the Court's own sake, that it has seen fit by a 6 to 2 decision to inject itself and the federal judiciary into this type of controversy. Our form of government is based upon the principles of division and separation of powers, and I believe that the composition of the state legislature should be determined by the people of the state acting through means available in their state. Nearly half of the states, including Michigan, provide for the right of initiative by which voters can enact law directly if the legislature refuses to act, and the people can amend or rewrite state constitutions.

In discussing the substance of the Court's decision, Justice Frankfurter emphasized that representation in proportion to population is NOT so universally accepted as a "necessary element of equality between man and man" that it is "the basic principle of representative government." Mr. Frankfurter stated that proportional representation

'was not the English system, it was not the colonial system, it was not the system chosen for the national government by the Constitution, it was not the system exclusively or even predominantly practiced by the State at the time of the adoption of the 14th Amendment, it is not predominantly practiced by the States today.'" In other words there are many sound precedents in our history and our system of government for selecting representatives to legislative bodies on other bases than mere population figures.

Now that this new interpretation has been made it will be interesting to see how it is applied in particular instances. If the courts abuse this newly gained authority and there is an adverse public reaction, the Congress will be required to explore means of remedying the situation.

THE REVENUE ACT OF 1962: The House passed (but I opposed) the President's tax bill (H. R. 10650) substantially as recommended by Mr. Kennedy including the withholding on interest and dividends. A motion to recommit the bill to Committee in order to strike out the withholding provision was supported by all 163 Republicans and 27 Democrats but 225 Democrats voted against the motion and the withholding provision stayed in the bill.

All of the Republicans and 27 Democrats also voted to eliminate from the bill the 7 percent Investment Credit for business which a vast majority of businessmen have not asked for and do not want. This windfall primarily for big business will cost the taxpayer about \$1.2 billion a year in loss of revenue. Under this Investment Credit provision the government will pay 7 percent of the cost of any new depreciable property, excluding real estate, put into use by the taxpayer. Rep. John Byrnes of the Ways and Means Committee said, "One company alone will receive a subsidy of over \$80 million a year for expenditures which must be made regardless of credit. It even includes equipment for gambling casinos, bars, and race horses." But 225 Democrats insisted on retaining this provision in the bill.

I voted against the Act on final passage because I believe it is fiscally irresponsible to cut taxes on big business by \$1.2 billion a year at a time when we have a \$7 billion deficit and President Kennedy wants to raise the national debt limit beyond \$300 billion. Treasury officials estimate that the net revenue gain for the government from this bill will be only \$120 million a year. Other competent authorities discount this optimistic forecast. In any event to get this President Kennedy and the Democrats in the House are forcing on us all the red tape, inconvenience, and expense of withholding on dividends and interest, and are giving big business an unnecessary and unjustified windfall of \$1.2 billion.





# Your Washington Review

by  
Congressman  
**JERRY FORD**



April 11, 1962

The Department of Justice headed by Robert Kennedy has marshaled the forces of the Kennedy Administration against the House-approved legislation barring Communist political propaganda from the mails. It was learned last week that on March 5th Deputy Attorney General Byron White wrote the Senate Committee on Post Office and Civil Service to list the Administration's objections to the provision denying first, second, or third-class mailing privileges to communist political propaganda. This provision was included in the postal rates bill adopted by the House of Representatives on January 24th and specifically approved in the Committee of the Whole by a vote of 127 to 2. But the Kennedy Administration objects because "it would deprive those in our country who have a legitimate reason to receive foreign Communist political propaganda;...no adequate definition of Communist political propaganda (is provided);...it is apt to do substantial injury to the international objectives of the United States;...it is inconsistent with the traditions of an open society;" it would be difficult to enforce and there are "serious doubts as to its legality and efficacy." Yet there is nothing in the bill passed by the House to prohibit interested parties from obtaining the Soviet propaganda by PARCEL POST after it reaches our shores, and any purely scientific or non-propaganda material can go through the mails. Other means for transportation of the material are also available.

On the same day that the Justice Department urged the Senate Committee to remove the House-approved provision from the bill, Rep. Glenn Cunningham of the House Committee on Post Office and Civil Service showed the House three booklets mailed in large quantities throughout the country by the Soviet Embassy in Washington. They were entitled, "Khrushchev on the Future," Program of the Communist Party; " and "Khrushchev and the 26th Congress." Rep. Cunningham said, "This is out-and-out political propaganda and it is sent at the special subsidized third-class bulk rate. This particular mailing went to the Adams Public Library at Adams, Nebraska at a cost of less than 7 cents. Under the amendment to the postal rate bill...passed by this body we would no longer as American taxpayers subsidize the mailing of this type of Communist propaganda throughout the U.S. It could be sent at fourth-class rates (parcel post), which are not covered in the postal rate increase bill, but instead of costing 7 cents with the balance made up by the American taxpayers, it would cost the Soviet Embassy 51 cents to send the booklets to Adams, Nebraska by parcel post."

I think Rep. Cunningham is right on this issue and the Kennedy Administration is wrong. I sincerely hope the Senate retains in the bill a provision to bar communist political propaganda from the tax-subsidized U. S. mail.

APPROPRIATION BILLS, 1963: Two more appropriation bills have passed the House tentatively making \$6.03 billion available for expenditure in fiscal year 1963. The Committee on Appropriations cut \$62 million or 7 percent from the President's request for the Department of Interior and related agencies but the amount appropriated for 1963 is \$72 million more than for the current fiscal year or an increase of 9 percent.

The \$264 million granted to the Department of Labor for 1963 is \$379 million less than the \$643 million appropriated for fiscal 1962 and \$8 million less than requested by Secretary Goldberg. Of the \$379 million reduction over last year, \$360 million is accounted for by the elimination of payments or advances for extended unemployment compensation which were made last year.

The Department of Health, Education, and Welfare was allocated \$4.49 billion, an increase of \$379 million over this year, but \$105 million less than requested. It is significant that the National Institutes of Health (8 in number) were granted \$60.4 million more than was requested for them by the President. Last year the Committee gave the Institutes \$58 million more than was requested in the budget. This demonstrates dramatically the firm interest of the Congress in medical research in all areas of health and medicine.

THE YEAS AND NAYS: Since my last report on recorded votes in the House I have voted for legislation which authorizes the U. S. to participate in loans to the International Monetary Fund in order to strengthen the international monetary system, for H. R. 10743 which increases veterans' compensation for service-connected disabilities in line with the increase in the cost of living since 1957 (adopted unanimously), and for a bill which authorizes an appropriation of \$63.7 million to continue the Peace Corps in 1963.

I favored the proposal to limit the U. S. contribution for the special assessment fund of the United Nations to 32.02 percent of the total requested of all nations. This percentage is similar to that which we pay for regular UN operations. Presently we are paying about 47 percent of the total for special assessment activities (Congo, Gaza Strip, etc.). I think the proposed limit was justified; in case of a future UN emergency Congress could authorize a larger contribution if that appears feasible.

I voted against H. R. 4441, a bill to authorize reimbursement to New York City of \$3 million for extraordinary expenses incurred by its Police Department during the U. N. General Assembly meeting in 1960 when Khrushchev attended. While I believe some reimbursement is justified, the \$3 million was in excess of a fair figure.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



April 18, 1962

A \$47.8 billion defense appropriation bill for fiscal year 1963 was recommended by the Committee on Appropriations for consideration by the House of Representatives this week. The initial recommendations were made by the subcommittee of which I am the senior minority member.

Since January 15th our subcommittee under the chairmanship of Rep. George Mahon of Texas has heard over 400 civilian and military leaders in an examination of the defense budget submitted by the President. This testimony was offered for four to five hours a day, five days a week, and fills six large volumes. Even then much of what was said had to be "off the record" because of its secret or confidential nature. A limited supply of the published hearings are available to those making a special study of defense expenditures.

The 13-member subcommittee with the approval of the full Committee on Appropriations (50 members) summarized its findings and recommendations in a Report published for the use of the Congress and interested parties. The Report indicates that the Committee cut \$67.5 million from the budget requests as submitted but that the amount recommended is \$1.3 billion over the appropriation for the current fiscal year ending June 30.

Within the framework of the budget as submitted, the Subcommittee made a number of changes affecting expenditures in certain areas. Increases totaling \$698 million were made in programs which included funds for more intensive development relating to the RS-70, and for an acceleration of the Dyna-Soar man-in-space program and to insure keeping the Mark-46 torpedo on schedule because of its importance as an anti-submarine warfare weapon. Increases were also recommended to maintain the strength of the Army National Guard at 400,000 and the Army Reserve at 300,000 men.

The Committee cut \$766 million from the budget, reducing funds allocated to such items as aircraft spare parts procurement and management, communication improvement programs, and the like. The net reduction was \$67.5 million yet we have a bill appropriating \$47.8 for our national security and this does not include funds for military construction or the mutual security program. Adding these, our defense bill in 1963 will be in the neighborhood of \$52 billion.

Because of the continuous communist threat to the United States and the entire free world we must accept this burden and demonstrate to the Soviets and the communist bloc of nations that there is no U. S. "defense gap" of any type. I'm convinced that

the defense budget approved by our committee provides the men and machines needed for this purpose. I have confidence in our military leadership and in the ability of our men and their equipment to meet any challenge. This does not mean there is no room for improvement. The Department of Defense can and must improve its operations to provide a better defense program for less tax dollars.

THE YEAS AND NAYS: Last Wednesday I joined 191 Representatives in voting to take from members of the House a mailing privilege which they have had for a year. For a long time members of Congress have been permitted to address certain franked mail to, "Rural Route or Post Office Box Holder - Local." No further name or address was required but the envelope could be delivered only to boxholders on a rural route or to those having a box at the post office. I have used envelopes so addressed only to distribute farm bulletin lists and announcements for my mobile office.

On the last day of the 1961 session action was taken to expand this service by permitting Congressmen to address franked envelopes to "Occupant" for delivery to all boxes on a mailman's city route or on a mounted route. No name or address would be necessary and as "franked" mail no postage is required. When a motion was made last Wednesday to eliminate this new privilege I voted with 191 others to do so but we lost by five votes.

I should point out that the "franking privilege" (no postage) may be used only for official business and that the Post Office Department is reimbursed for handling Congressional mail. This reimbursement will amount to \$3.9 million next year.

I voted against a bill, H. R. 10788, which would give the Executive Branch greater authority to regulate the importation of cotton textiles but the bill passed 312 to 80. It seems to me that other commodities besides cotton are being affected by tariff rates and foreign competition. Also, special concessions should not be given for one commodity while the Congress is considering the President's proposals for a new general trade and tariff policy.

APRIL THE 15th: Now that the April 15th deadline for submitting income tax returns has passed it is well to remind ourselves that the Kennedy Budget for 1963 calls for expenditures of \$92.5 billion, that this year's deficit will be \$7 billion, that Mr. Kennedy wants to raise the debt ceiling beyond \$300 billion, and that interest charges in 1963 will total \$9.4 billion. This is not the time to adopt new and expanded non-defense federal spending schemes.

My views in this regard coincide with those of Rep. August Johansen who wrote recently: "Occasionally I am condemned for 'being against everything.' I am FOR fiscal sanity...FOR matching expenditures with revenues.. FOR a balanced budget...FOR reducing the national debt and thereby reducing the interest on that debt...FOR protecting the value of the dollar...FOR prudent safeguards against inflation."

I am FOR responsible government.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



April 25, 1962

The House of Representatives passed the \$47.8 billion defense appropriation bill precisely as recommended by our subcommittee. However, a number of issues were vigorously debated before the decisions of the committee were confirmed by the House.

One of these involved the repair and refurbishing of naval ships. In order to save money, our committee specified that not more than 65 percent of the repairs and alterations on naval vessels should be done in publicly owned navy yards. Or putting it the other way, at least 35 percent of these repairs and alterations should be assigned to privately owned shipyards. The Navy's own authorities testified before our committee that a cost saving of from 8 to 15 percent can be affected by having the work done under contract in private yards. Our committee felt that this is sufficiently significant to warrant a change in the distribution formula from the present voluntary 75-25 arrangement to a statutory 65-35 requirement for next year.

This was a compromise to be sure. Private yards wanted us to recommend that they get 75 percent of the Navy's alteration and repair business; the Navy preferred no fixed requirement. The Chairman of the House Committee on Armed Services, Rep. Carl Vinson of Georgia, argued against our proposal. Our Committee felt, however, that we should avail ourselves of this opportunity to save the taxpayers' money and assist a segment of the shipbuilding industry which is operating today at only 50 percent of capacity.

Furthermore, the evidence indicated that there would be no loss of employment at the naval shipyards. Under the new formula the Navy yards next year will have \$610 million worth of work compared with \$586 million for this year. But the private yards will get \$328 million worth of work in 1963 compared with \$197 million this year. Savings to the taxpayers on this work will range from 8 to 15 percent or more.

Our committee was also told by naval officials that \$70 million could be saved if all new ship construction next year was handled by private shipyards. It is evident therefore that our committee did not complete its task when it established the 65-35 formula for repair and alteration work during 1963 but a start has been made in the direction of more economy.

A second item in our bill which created controversy was a stipulation that not more than 15 percent of the federal funds granted to colleges for research in defense problems can be used to meet expenses for "overhead." At the present time there is no

restriction relative to this point as far as research grants made by the Department of Defense are concerned. Grants made by HEW do carry the 15 percent limitation on overhead and our committee felt, on the basis of evidence presented, that this is a reasonable requirement. However, there was considerable opposition. The President of Columbia University insisted that their overhead ran to 23 percent of the cost on research projects. A number of Congressmen argued that there should be no specific limitation, but our committee won approval on a standing vote, 80 to 96.

A third issue was created by an attempt to remove from the bill a well-established provision preventing national defense funds from being used as economic assistance to certain areas of the country without regard to cost. The provision was placed in the defense appropriation bill in 1953 to encourage the awarding of defense contracts as far as practicable to the lowest responsible bidder. It was incorporated in the bill to discourage the use of defense funds for other than defense purposes. Both the Eisenhower and Kennedy Administrations have supported the provision, and the House endorsed it again last week by a vote of 38 to 98. This was another victory for the principle of awarding public contracts to the lowest responsible bidder.

**PROCUREMENT BY DIRECTION:** The principle of competitive bidding was intricately involved in the recent action of the Defense Department in directing the Navy to purchase over \$5 million of hull steel for Polaris submarines from Lukens Steel Company. This multi-million dollar order was telephoned in without bids being submitted and without consideration being given to another qualified steel producer who had not increased its prices. This was a directed order without competitive bidding.

During the discussion of the defense appropriation bill I called for a committee investigation of this action to determine its legality and to ascertain exactly what policy is to be followed by the Department of Defense. Some extremely serious questions are involved in this method of procurement, questions which extend beyond any passing dispute between government and industry. I believe that the principles of competitive bidding are sound. Competitive bidding is essential if the best interests of the tax-are to be protected. Such a radical departure from competitive bidding as was exhibited in the Luken's case must be fully examined by the representatives of the taxpayers.

Our committee is especially concerned with this \$5 million expenditure because we were told at our hearings by Assistant Secretary of the Army Ignatius that "formal advertising is, of course, the preferred method of procurement." Assistant Secretary of the Navy BeLieu told us that "without question, increased competition among qualified producers is an effective way to reduce weapon costs." The Congress and all taxpayers have a right to know how the action of the Defense Department in ordering 11,000 tons of special steel by telephone can be reconciled with these statements.

**THE DEFENSE BILL:** A \$47.8 billion defense bill means the expenditure of \$258 for every man, woman, and child in the United States. This is over \$1,000 a year for a family of four. It means we are spending for defense \$131 million a day or \$5.4 million every hour of the day.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



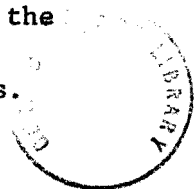
May 2, 1962

The House of Representatives has gone back to work following the Easter Recess of last week. Scheduled for consideration this week are three bills recommended by the Committee on Interstate and Foreign Commerce. One proposal, H.R. 6949, is to eliminate a loophole in the law regulating the sale of natural gas for resale to industrial users. It is to correct a technical defect in the statutes affecting the authority of the Federal Power Commission.

The second bill, H. R. 8031, would authorize the Federal Communications Commission to require manufacturers of television sets to equip their sets to receive UHF signals (ultra high frequency, 70 channels) as well as the present 12 channels in the VHF (very high frequency) portion of the radio spectrum. According to the Committee Report the FCC has space in the radio spectrum to permit 2,222 television stations. Of these 1,544 would be UHF stations and 681 VHF stations. At present 103 UHF stations and 500 VHF stations are actually on the air. This means that only 7 percent of the potential UHF assignments are being used.

The Committee feels that the use of more UHF channels will enable the American people to enjoy more and better television service. Because of the scarcity of UHF receivers and therefore the limited number of listeners, there are only 103 UHF stations in our country. Only about 16 percent of the television sets in the U. S. are equipped to receive UHF signals. By requiring all new sets to be capable of receiving both VHF and UHF stations, the Committee hopes to encourage the growth of UHF stations by making their programs available to many more people. The Committee reported that an all-channel TV set will cost only about \$25 more than a comparable VHF-only set. It also stressed the need for UHF stations and sets to promote the development of educational television.

Acting upon the recommendation of President Kennedy, the Committee on Interstate and Foreign Commerce also approved H. R. 11040, a bill to establish a private corporation authorized to construct, own, manage, and operate a commercial communications satellite system. This private corporation operating under certain government-established policies would participate in the development of a global satellite communications system. This is a system of the future to provide more effective radio, television, telephone, and telegraph communication on a worldwide basis. H. R. 11040 will be debated in the House this week if the Committee on Rules clears the bill for action. Unless debate in the House develops new facts or implications, I intend to support these three measures.



**THE FIRST FOUR MONTHS:** Prior to the Easter Recess the House had passed 64 bills, many of which to be sure were not of major importance. But a postal rate bill has been approved along with a major tax bill, amendments to the Welfare and Pension Plans Disclosure Act, and a bill to assist colleges in the construction of facilities and college students by loans.

Five major appropriations bills for fiscal year 1963 have passed the House: Treasury, Post Office and Executive Offices (\$5.4 billion); Interior Dept. and related agencies (\$868 million); Labor and HEW Departments, et al. (\$5.1 billion); Legislative (\$113 million) and the Defense Department (\$47.8 billion). The Senate has acted on one of these, the Treasury and Post Office bill, but because it made changes in the dollar amounts a conference committee of delegates from each House must iron out the differences in the House and Senate versions. The bill must then be passed in identical form by both Houses before it goes to the President for signature.

The appropriation bills constitute the minimum essential legislation to be enacted each session. The Congress could hardly adjourn without completing action on the 12 appropriations bills which provide funds for operating the government during the ensuing fiscal year: June 30 to July 1.

**FROM THE MAIL BAG:** Our correspondence of the past few weeks indicates special interest by Fifth District citizens in six items. We are receiving many letters on H. R. 4222, the King-Anderson proposal which would expand social security coverage to include certain hospitalization costs and would increase social security taxes. About an equal number of folks are interested in legislation (H. R. 3745 and others) which would provide a pension of about \$100 a month to most veterans of World War I with 90 days or more of service but without an effective test of need.

Others have written us on the tax bill passed by the House but now with the Senate (they are against it), on the Kennedy-Freeman farm bill (opposed), and on the President's proposals to expand the power of the Executive Branch to negotiate trade and tariff agreements (about equally divided pro and con). We also have heard from a number of persons who are concerned about the recent developments in the steel industry.

**INTERNATIONAL CONFERENCES:** While we all have heard of summit conferences and the Geneva test ban talks, it is surprising to learn that in 1961 the United States participated officially in 395 international conferences involving more than two countries. This means that on the average an official United States delegation attends the opening of a new international conference more often than once every day of the year.

These conferences range from a "Meeting of Chiefs of State and Heads of Government" (The Summit) to a meeting of the "Panel of Teletypewriter Specialists of the International Civil Aviation Organization." The latter met at Montreal with seven nations in attendance.

All arrangements for these conferences are coordinated by the Department of State and 43 percent of the U. S. delegates were from that Department and the Foreign Service in 1960. Other federal agencies supplied 38 percent of the delegates; 17 percent were from the public at large and only 2 percent from Congress.





# Your Washington Review

by  
Congressman  
**JERRY FORD**



May 9, 1962

The President's budget as submitted in January estimated expenditures for the next fiscal year (July 1, 1962 to June 30, 1963) to be \$92.5 billion with revenues at \$93 billion giving us a surplus of \$500 million. But the surplus has already evaporated. According to the Joint Committee on Internal Revenue Taxation, instead of a surplus next year, there will be a deficit of \$3.8 billion. And that is assuming no change in the tax laws. If the Kennedy tax bill as recently approved by the House should become law, the deficit will reach \$4.9 billion. According to the Joint Committee the President's tax recommendation as passed by the House will add \$1.1 billion to next year's deficit. With a \$7 billion deficit for this year, President Kennedy's first two full years will run nearly \$12 billion in the red.

Interest charges next year on the \$300 billion national debt (President Kennedy has asked that the limit be raised to \$308 billion) will be at least \$9.4 billion. This is \$123 a year in taxes for every person over 14 years of age in the labor force. Here we have the practical application of the theoretical doctrine of deficit financing. In these interest charges, the economic theories of the spenders reach deep into the pocket-books of each of us.

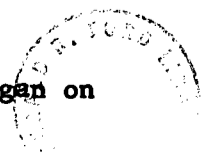
**ARE WE CONCERNED?** In a nationwide TV program three weeks ago Dr. George Gallup of the Gallup Poll was asked, "Is there any sign of deep public concern about government spending? Is that a lively issue?"

Gallup replied, "It's not a very lively issue at this time. People complain about taxes...but they're not too much concerned about government spending because they've never seen a direct relationship between the two. They're inclined to think, if money's spent by Washington, that it's somebody else's. It's not their money."

I hope Dr. Gallup is wrong but there is much evidence to support his contention. Only when every citizen equates himself with "the Government" and every taxpayer identifies himself with "the Treasury" can we expect to attain responsible public administration. We all can help by insisting that any new government spending proposal be accompanied by a specific means of raising the additionally required revenue. This will enable each taxpayer to weigh the value of the public project against the cost to his private pay check.

**DEFENSE SPENDING NOT THE CAUSE:** I must point out that expenditures for the national defense is not the cause of the increase in federal spending in recent years. The great jump in expenditures came in non-defense spending.

The Korean conflict ended in mid-1953. Using fiscal year 1954, which began on



July 1, 1953, as a point of reference and carrying through the current fiscal year we find a 9 percent increase in defense spending but an increase in non-defense spending of 85 percent.

Taking the President's 1963 budget and projecting expenditures through next year, we find defense expenditures up only 12 percent while non-defense spending will be increased by 94 percent over 1954.

These percentages are based on the budget expenditures for national defense of \$46.9 billion in 1954 and \$52.6 billion in 1963. Comparable figures for non-defense functions are \$20.5 billion and \$39.8 billion. And under defense spending is included not only the regular operation of the Department of Defense but also Selective Service, defense stockpiling, military construction, military foreign aid, and the Atomic Energy Commission. Defense spending for our national security is not responsible for continued deficit financing and the enormous public debt.

WITH THE COMMITTEES: The Committee on Agriculture has been considering a new "general farm bill," H. R. 11222, which it substituted for the Administration's unworkable omnibus agricultural bill. Ways and Means continues its discussions of the President's proposals to expand the Executive's power to negotiate trade and tariff agreements. The Committee on Post Office and Civil Service has opened hearings on the "Federal Salary Reform Act," which concerns salaries of most federal employees under Civil Service including the Post Office Department.

IN THE CHAMBER: The House passed the three bills described in last week's REVIEW. The natural gas amendment was approved unanimously. The bill to authorize FCC to require future TV sets to be equipped to receive UHF signals (70 channels) in addition to the present 12 channels in the VHF portion of the radio spectrum was adopted after extensive debate. The final vote was 279 to 90. I voted with the majority.

The Communications Satellite Act, recommended by President Kennedy, was subjected to some criticism but was approved 354 to 9 after some amendments were adopted. The Republican Policy Committee, of which I am a member, recommended approval of the Act (H. R. 11040) and said, "This proposed legislation seems an appropriate vehicle to speed U. S. participation in the developing field of space communications by establishing machinery through which existing carriers and other private individuals and groups may play a vital role."

AVAILABLE: We have an ample supply of the latest "List of Dept. of Agriculture Bulletins" of interest to farmers, gardeners and homemakers. Bulletins may be ordered through my office from the LIST. Send your request for the List to 351 House Office Building, Washington, D. C.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



May 16, 1962

The House of Representatives by a vote of 171 to 201 last week rejected a bill (H. R. 8617) to authorize the appropriation of \$73 million for completing payments due individuals and businesses in the Philippines for damage suffered during World War II. By law in 1946 the United States committed itself to compensate for damages done to private property in the Islands during the war. Funds were appropriated and all claims for damages under \$500 have been paid in full. However, while the U. S. agreed to pay 75 percent of damage in excess of \$500, there was money enough to meet only 52 percent of these claims. The \$73 million included in H. R. 8617 would have provided funds to pay the remaining claims up to 75 percent.

I voted for H. R. 8617 not primarily because of the legal implications but rather as a fulfillment of a moral obligation. Having accepted and announced a policy of payments in 1946, it seems to me that the U. S. should carry out its agreement. I think this is especially important because the people of the Philippines are good friends of the United States, dedicated to the preservation of the principles espoused by the free world.

Last August Gen. Douglas MacArthur stated: "The restitution of the damage inflicted by our forces (in the Philippines) which was, of course, necessitated by the exigencies of war has not received adequate compensation especially when compared with the lavish grants made to nations proclaiming neutrality and even to the former enemy countries of Germany and Japan."

**SUPPORT OF FRIENDS:** In today's international strife we must stand by our friends. Developments in Laos offer another proof that abandonment of friends in an attempt to compromise with the Communists just doesn't work. A year ago the Kennedy Administration decided to neutralize Laos by forcing the anti-Communist leaders to form a government in partnership with the Communist rebels. When they demurred we coerced our friends by withdrawing military and economic aid and advisors. The Communists, eager for a coalition, accepted the arrangement, used it advantageously, and now have broken the cease-fire and renewed their aggression.

The Administration's policy in Laos has failed. However, in South Vietnam the United States continues to pursue and even accentuate our long-standing policy of firm resistance to Communist aggression. Yet if Laos is lost to Communism by compromise and inaction, our military problems in Vietnam are increased immeasurably. Laos borders Vietnam and holds a vital supply line between Communist North Vietnam and the "red-trained"



guerrillas in free South Vietnam. The Kennedy Administration's decision in 1961 to go along with the Soviet Union and seek to arrange a coalition government in Laos at the expense of our anti-Communist friends in that nation has not worked and may bring repercussions of major import.

Since the end of World War II history vividly records the failures of coalition governments. This policy was attempted in Czechoslovakia, Poland, and also in China immediately after the second World War. Not one of these nations is free today. All are under Communist domination.

COLLEGE ACADEMIC FACILITIES AND SCHOLARSHIP ACT: By a vote of 294 to 76 the House last week agreed to send H. R. 8900 to Conference. This bill as passed by the House on January 30 provided matching grants (\$180 million annually) and long-term loans (\$120 million annually) for building college and university classrooms, laboratories, libraries, and other academic and service facilities over a five-year period. The Senate approved the bill on February 6 after making certain changes and adding a provision authorizing \$149 million for college scholarships up to \$1000 each for high school seniors during the next five years.

Because the House had indicated its opposition to this scholarship program, the appointment of conferees to iron out the differences in the two versions was not authorized until the vote last week. The favorable vote came after Rep. Adam Clayton Powell, Chairman of the House Committee on Education and Labor, who will head the House Conferees promised that "under no circumstances will we accept the scholarship provision in Conference with the Senate." I supported the Resolution to send the bill to Conference with this understanding.

TRICKERY IN TEXAS: The scandle and obvious fraud involving Billie Sol Estes of Texas and the Department of Agriculture emphasizes anew another result of the governmental regimentation of agriculture. The unnatural restrictions on production with public subsidies and bureaucratic control encourage dubious transactions of the type uncovered in Texas. The Estes affair throws a shadow over the Kennedy-Freeman farm proposals and highlights the need for a thorough investigation of the Department of Agriculture. The Administration's agriculture bill will increase bureaucratic control of more and more farmers and open the way for more extensive manipulations by non-farmers and government officials.

Because there seems to be little desire by Secretary Freeman to investigate vigorously or timely his own Department and no apparent disposition by the Department of Justice to find out what has gone on in this agriculture-political mess in Texas, there is obvious need for a stronger opposition party in the Congress to check immediately and publicly on the Executive Department in the federal government when such fiascos come to public attention.



# Your Washington Review

by  
Congressman  
**JERRY FORD**



May 23, 1962

At the invitation of Prince Bernhard of the Netherlands I have just spent a long weekend at Stockholm, Sweden as one of two members of Congress participating in an unofficial international conference known as the Bilderberg Group. Named after the Dutch mansion where the Group first met in 1954, the conference includes representatives of about a dozen friendly American and western European nations and meets from time to time to discuss mutual problems in an effort "to remove any mutual suspicion, distrust or lack of confidence." It is the hope that such a private, unofficial meeting may help to promote greater harmony among the western allies.

Among those attending from the U. S. were Rep. Richard Bolling, (Dem., Mo); Under Secretary of State George Bell; former Secretary of State Dean Acheson; Joseph C. Harsch, Chairman of the National Broadcasting Co.; Gabriel Hauge, Chairman of the Eisenhower Council of Economic Advisors; and Charles Jackson, publisher of LIFE magazine. As this was an unofficial meeting, it involved no expense to the U. S. Government.

**A YEAR OF AREA REDEVELOPMENT:** A year ago at the President's request the Congress provided \$394 million for a new Area Redevelopment Administration. This New Frontier agency was to make loans and supply other services to assist economically "depressed areas" and provide new jobs to alleviate chronic unemployment. A year later we find that ARA has approved only 40 projects which are supported to provide 10,716 new jobs in industry and 7,500 new jobs in service and trade. These 40 projects cost the American taxpayers over \$10.8 million.

Two other things are significant. According to the April report of the Department of Labor there are now 62 areas with "substantial" unemployment ranging from 6 to 12 percent. There were only 60 last December. There are now 491 areas of "substantial and persistent unemployment" compared with 446 in December. It is easily apparent that ARA was "oversold" to the Congress and the people. It should also be noted that Kent and Ottawa Counties along with most of southwestern Michigan have been declared ineligible to receive any ARA assistance.

**SOCIAL SECURITY BENEFITS AND TAXES:** Each month over \$3 million in Social Security benefits is received by 42,000 residents of Kent and Ottawa Counties. This includes retirement payments, disability benefits, and payments to dependents. As of December 31, 1961 a total of 33,518 Kent County citizens were receiving social security checks in the aggregate of \$2,405,513 monthly. In Ottawa County \$598,877 was distributed during

the month to 8,669 social security recipients. For the entire U. S. over \$12.7 billion was received during 1961 by about 16½ million social security beneficiaries.

These payments are made from the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund which receive their income from social security taxes and interest on invested funds. During the fiscal year ending June 30, 1961 the Funds took in \$12.9 billion including interest of \$582 million. Expenditures totaled \$12.4 billion including \$272 million for administrative expenses in operating the Social Security System. Because total income in 1961 exceeded total expenditure from the Trust Funds by \$409 million, this amount was deposited in the Trust Funds bringing their assets on June 30, 1961 to \$23.4 billion.

Under law this \$23.4 billion is invested in U. S. Treasury bonds, notes, and certificates of indebtedness. In other words it is a part of the national debt. This does not necessarily mean that the future of the social security system is in danger. The Trust Funds are backed by the full faith and credit of the United States and by the taxing power of the Federal Government. But it does mean that social security taxes must be raised to meet the increased demands upon the Trust Funds. On January 1st of this year the tax on both employees and employers went up from \$144 to \$150 a year based on a maximum taxable wage of \$4800. The tax is already scheduled to go to \$174 next January with \$348 to be levied on the self-employed. During 1966 and 1967 the tax will be \$198 each on employees and employers while in 1968 the levy will be \$222 (\$444 on the self-employed) unless the tax rate or base or both is further increased by law.

**KING-ANDERSON PROPOSALS:** Under the King-Anderson proposal presently with the House Committee on Ways and Means the social security tax will be further increased by ½ percent on the employer and employee and the base raised to \$5000. This means that if King-Anderson is passed, the social security tax next year on every worker making \$5000 or more will be \$193.75, automatically going to \$218.75 in 1966 and to \$243.75 in 1968. This will be true unless it is necessary to increase further the rate or the base in order to meet new obligations out of the Social Security Trust Funds. In that case the tax on employees, employers, and the self-employed will be greater than mentioned above. Secretary Ribicoff has already recommended that the tax be levied on wages up to \$5200 a year. It should also be stated that many experts strongly contend that the proposed tax on employees and employers under the King-Anderson bill is inadequate to meet the anticipated costs.

The King-Anderson proposal (H. R. 4222 in the House) would extend hospitalization and nursing home care to persons 65 and older who are receiving social security benefits monthly. They would be entitled to up to 90 days of hospital care with the patient paying a minimum of \$20 and a maximum of \$90; up to 180 days of further nursing home care; also to outpatient hospital diagnostic services with patient paying \$20 in connection with any one diagnostic study, and home care up to 240 visits a year for part-time nursing service, physical therapy, and some social services and medical supplies.

The benefits which would NOT be supplied are equally important. Under the King-Anderson proposal there will be NO assistance or payments for doctors' bills or surgeons' fees. Private duty nursing would not be covered nor would the cost of drugs and medicines used outside the hospital or nursing home.



# Your Washington Review

by  
Congressman  
**JERRY FORD**

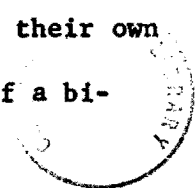


May 30, 1962

This is Memorial Day. As we think of those who have lived and worked and died to give us the opportunity to serve fully and freely, the recent words of former President Dwight Eisenhower assume added significance. On May 10th Ike said, "It has long been my judgment that the real threat to liberty in this Republic will not come from any sudden, calculated assault; rather, the threat to our liberties will be primarily found in a steady erosion of self-reliant citizenship, and in excessive power concentration, resulting from the lodging of more and more decisions in an ever-growing Federal bureaucracy."

**REPUBLICANS FAVOR VOTER CONTROL:** The House Republican Policy Committee reasserted last week its faith in the people's elected representatives and in local control of public works. It called for the defeat of the "Public Works Coordination and Acceleration Act" (H. R. 10113) which would empower Washington bureaucrats to spend up to \$900 million of the taxpayers' money on public works projects to stimulate employment without further action by the elected representatives of the people. The bill permits tax money to be spent for all kinds of projects including swimming pools, golf courses, and ski slides under the direction of a federal public works czar known as a "Director of the Office of Coordination and Acceleration." The Committee also pointed out that the legislation is unnecessary because already there are agencies with funds (urban renewal, community facilities, area redevelopment) ready to spend federal money; it is unworkable because in most instances the required local matching funds would not be available for prompt action to meet an unemployment emergency. But primarily the Republican Policy Committee is concerned with keeping the power of government in the hands of the people and their elected representatives on the local, state, and federal level. Our democracy is safe only when the policy-making authority of government rests primarily in the hands of those officials on whom the voters can pass judgment periodically. Personal liberty is preserved by the personal responsibility of the governors to the governed. At a very minimum, the Congress must maintain control of the "purse strings." Recent history in Washington records that the legislative branch, particularly the House of Representatives, is far more economy minded than the "high level" planners and theorists on the White House staff!

**REPUBLICANS FAVOR "CAPTIVE NATIONS" COMMITTEE:** To beat the Communists at their own propaganda game the House Republican Policy Committee urged the establishment of a bi-



partisan Congressional Committee on the Captive Nations. Disappointed that President Kennedy resisted for weeks the issuance of a Captive Nations Week Proclamation in 1961, the Committee said, "The failure in our cold war strategy is nowhere better seen than in our failures to place Moscow under constant, tactful, and skillful pressures in the area where they are most vulnerable in every sense of the word--captive nations." Those nations held captive by the Communists give the lie to Soviet claim that it seeks to liberate the peoples of the developing nations from colonialism and imperialism. A Congressional committee to emphasize this truth would be a step toward strengthening the position of the free nations throughout the world.

**NASA AUTHORIZATION:** The day before Astronaut Scott Carpenter made his breath-taking flight the House of Representatives passed legislation to authorize an appropriation of \$3.6 billion for the National Aeronautics and Space Administration in fiscal 1963 and an additional 71 million for the current year. Project Mercury is one of the responsibilities of NASA whose appropriation for this year is \$1.8 billion or only about one-half of the amount authorized for the coming year.

During the debate on the legislation this 100 percent increase in expenditures came in for discussion. A member of the Committee on Science and Astronautics which reported the bill pointed out that the increase was not due primarily to new programs but "to the maturity of our existing programs." He went on to explain that "we are now at a stage where these large projects are becoming operational and therefore require large sums of money to realize and insure their successful execution."

Another member of the Committee said "we also took into account the fact that this is an authorization bill only. The Appropriations Committee has had a chance to again screen the expenditures." A member of the Committee on Rules told the House that "this is simply an authorization bill, and (NASA officials) will have to appear later before the Appropriations Committee of the House of Representatives, and later of the Senate, in justification of any appropriation that may be made for the purposes contained in, and authorized under, this measure." These explanations indicate a specific parliamentary procedure (first an authorization bill, then an appropriations bill) and emphasize the responsibility of the Committee on Appropriations to analyze critically and in minute detail all requests for public funds. The Committee on Appropriations, of which I am a member, is not always expected to approve the amount authorized but must exercise an independent judgment in recommending an appropriation.

**WHY A SPACE PROGRAM?** During debate on the NASA authorization bill which passed 342 to 0, various justifications were given for spending tax dollars on space exploration. Obviously such a program is significant in the defense and security of our country. Second, space research contributes to overall knowledge and acts as a gigantic spur to our educational system. Third, the space program develops technological benefits (improved weather forecasting, communications, etc.) of practical use in the work-a-day world. A number of items under this heading can already be listed and more will come into being as the years go on. In addition to these three considerations, we must recognize that the space programs of the Soviet Union are a vigorous challenge to the competence of the free world and although it may be extremely costly, the United States cannot afford to do less than its best.