



Your Washington Review

by
Congressman
JERRY FORD



July 3, 1963

Tomorrow marks the 187th anniversary of the adoption of the Declaration of Independence. While independence was actually declared by the Continental Congress on July 2, 1776, Jefferson's written "Declaration" was approved and adopted on July 4. On July 19 the Congress ordered the Declaration to be engrossed on parchment. This engrossed copy was signed by the members present on August 2 and by others at later dates with the last signature, Matthew Thornton, being affixed in November. This official, engrossed copy of the Declaration may be seen today in the impressive Exhibition Hall of the National Archives on Pennsylvania and Constitution Avenues, Washington, D. C.

This document has been in Washington since 1800 except from August to September, 1814 during the War of 1812 when it was sent to Leesburg, Va., and from 1941 to 1944 when it was at Fort Knox for safe keeping; from May to November 1876 it was on exhibit in Philadelphia for the Independence Centennial. Until 1841 it was housed in a number of locations in Washington and from 1841 to 1876 was on public view in the Patent Office. From November 1876 until 1921 it was exhibited in the State, War, Navy Building, now the Executive Office Building. The document went to the Library of Congress for public display in 1921 where it remained, except for the war years, until 1952 when it was transferred to the Archives Building. Prior to 1800 the Declaration was moved with other records of the new government to seven different cities in the Philadelphia-New York area. After 187 years it remains one of the finest expressions of the basic ideals of the American way of life.

FIFTH DISTRICT IS ALTERED: Beginning in January 1965, the Fifth District congressman will represent Kent and Ionia Counties. Ottawa County, which has been in the same congressional district as Kent since 1837, will join the Fourth District along with Allegan, Barry, Van Buren, Berrien, and Cass Counties. Rep. Edward Hutchinson of Fennville presently represents the Fourth District. Ionia County will be transferred from the Eighth District now represented by Mr. James Harvey of Saginaw. These changes were made by the Michigan State Legislature when it adopted Senate Bill 1334 which was approved by the Governor on June 13th.

I will miss the wonderful relationship which I have enjoyed with all the citizens of Ottawa County. It has been a great privilege to work with folks who have exhibited an unusual degree of appreciation and support. In eight elections, voters in Ottawa County have given me from 67.4 to 76.2 percent of their votes with the percentage dropping below 70 on only two occasions. I must express my deepest gratitude for such a spirit of helpfulness. The personal friendship of so many citizens of Ottawa County will continue to be

valued. A public official cannot easily lose interest in the lives and aspirations of those with whom he has been closely associated for fifteen years. But I know that Rep. Ed Hutchinson will provide Ottawa County and all of the Fourth District with the very best in congressional service.

I am looking forward to a mutually enjoyable relationship with Ionia County. I hope soon to meet more and more of her citizens. I know that our associations will be most pleasant and I pledge to every person in the county my very best efforts in every respect. It will be a real privilege for me to carry on the policies of service and sound government so well established by Rep. James Harvey.

DEFENSE APPROPRIATIONS AND EXPENDITURES: The House of Representatives approved last Wednesday the \$47 billion defense appropriation bill as recommended by our subcommittee except for two minor changes to which the subcommittee had no objections. The first amendment cut \$10 million from the funds for Army purchases because within the past two weeks it was determined that certain radios previously costing \$2,100 each could now be obtained for about \$800. The second amendment prohibits the use of any defense funds to pay salaries or expenses of a study group for the creation of a domestic peace corps or the National Service Corps. The House has added this provision to three other appropriations bills specifically to prevent the Administration from using appropriated funds for that purpose without authorization by the Congress. The bill as amended was passed 410 to 1. Rep. Curtis of Missouri who voted no said, "We haven't got the money. I hope by this vote to call the people's attention to the seriousness of deficit financing."

Defense expenditures do represent more than one-half of the federal budget for 1964. But it is most significant that while the dollar amount for defense spending has increased in the past decade, the percentage of the total federal budget going for defense is the lowest since 1954. On the other hand, federal spending for non-defense items has risen from 30.4 percent to 43.9 percent during the same period. Non-defense spending is increasing at a much greater rate than defense and consequently is taking a bigger bite out of the tax dollar. The chart below gives the facts on budget expenditures in billions of dollars and includes in "Defense" not only the regular military functions but also expenditures for military assistance, atomic energy, stockpiling, selective service, civil defense, and expansion of defense production.

<u>Fiscal Year</u>	<u>DEFENSE</u>		<u>NON - DEFENSE</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
1954 actual	\$ 46.9	69.6	\$ 20.5	30.4
1957 "	43.3	62.9	25.6	37.1
1961 "	47.4	58.3	34.0	41.7
1964 (est.)	55.4	56.1	43.3	43.9



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July 10, 1963

Next week, the third week in July, has in the past been designated as "Captive Nations Week." By a law approved by President Eisenhower on July 17, 1959, the Congress authorized and requested the President to issue a proclamation designating the third week in July, 1959 as "Captive Nations Week." The law also provided that "the President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world." As of July 4th President Kennedy had issued no such proclamation for 1963 although he did comply with the law last year and in 1961. One cannot help but note that since last July the Soviet take-over in Cuba has been completed and there is one more captive nation. The 1959 law states that "since 1918 the imperialistic and aggressive policies of Russian Communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world." If that was true in 1959, it is more true today with Castro recently returned from a triumphant visit to the Kremlin and with Soviet troops and machines in control of Cuba, an island less than a hundred miles from our shores.

In May of this year I introduced a Resolution calling for the establishment of a "Special Committee on the Captive Nations" composed of ten House members. The Committee would determine the means by which the United States could assist the captive nations by peaceful means to regain their national and individual freedoms. While a number of similar resolutions have been introduced, the Committee on Rules to which they have been referred has taken no action on them.

CUBA AND THE MONROE DOCTRINE: The Committee on Foreign Affairs has before it a resolution to restate and reemphasize that the Monroe Doctrine continues to be fundamental to our foreign policies, and that the existence of a military base in Cuba supported by Soviet equipment and personnel is a clear violation of the Monroe Doctrine. The proposed resolution states the objectives of U. S. policy to be the termination of Soviet intervention in Cuba, the establishment of conditions under which the Cuban people may freely exercise their right of self-determination, and an end to Communist subversion, sabotage, and guerrilla warfare against the people of the Western Hemisphere.

It is difficult to understand why the House Committee on Foreign Affairs under the Chairmanship of Rep. Thomas Morgan (Dem., Penn) has taken no action on this resolution. The House Republican Policy Committee has endorsed it; our national security requires the elimination of a Soviet base less than 100 miles from our shores, and it is apparent that

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the position of the Kennedy Administration on Cuba needs strengthening. The captive nations are getting too close to home.

BACK-DOOR SPENDING AGAIN: In my newsletter for May 8th I mentioned that the House had approved H. R. 3872, a bill to extend the life of the Export-Import Bank for five years to June 30, 1968 and to increase the Bank's lending and insuring authority by \$2 billion. There was no disagreement on the need for this bill, nor was there any criticism of the Bank which helps to finance U. S. export trade. Republican members of the Committee on Banking and Currency said, 'We believe the Bank is one of the great institutions of our government. The Bank has financed over \$9 billion of American exports. Its activities have created American jobs. It has earned over \$1.1 billion for American taxpayers. It has assisted the development of free world countries.' There was but one point of disagreement. The bill as recommended by the majority of the Committee provided for "back-door financing" by the Bank. This means that Bank officials could get from the Treasury up to \$2 billion as they requested it without further action by the Congress. Republicans insisted that Bank officials should come before the Committee on Appropriations each year to explain and defend the manner in which they had used taxpayers' dollars in the past and how they plan to use these funds during the coming year. The Committee and the Congress would then "appropriate" the money needed for the following year. This is one more check on federal expenditures and makes waste and inefficiency more difficult. The House on May 1 endorsed the Republican position and eliminated "back-door spending" provisions from the bill. In the Senate this provision was restored and the House must decide this week whether it will insist on a sound fiscal policy and procedure or whether it will make it easier for the administrator to commit taxpayers' dollars.

A NEW FISCAL YEAR IN THE RED: We, the people of the United States, opened the new fiscal year on July 1 with a debt of over \$305 billion or \$6,630 for every family in our country. (Census Bureau: 46,185,000 families in USA). The interest on this debt during the new year will exceed \$10 billion or \$218 per family. Or, putting it another way, the assessment for each American family simply to pay the interest on the national debt is \$18 per month. President Kennedy is recommending a budget to increase the debt to \$315 billion by the end of the year. His "planned deficit" for fiscal 1964 is just under \$12 billion.

It was therefore with good reason that on July 1 Chairman Clarence Cannon (Dem., Mo.) of the Committee on Appropriations warned against such reckless actions and said, 'We have to quit authorizing new projects and expanding old programs and begin paying for the old ones for which we owe.'

OUR AMERICAN GOVERNMENT: We still have copies of this 44-page booklet on the Federal Government which we will be glad to send on request. Please address your request to me at 351 House Office Building, Washington, D. C.



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July 17, 1963

The House of Representatives last Tuesday reaffirmed its opposition to "back-door financing" of the Export-Import Bank which I discussed last week. By unanimous vote it instructed its delegates on the conference committee with the Senate to insist upon financing the Bank through direct appropriations. If the position of the House prevails, the Congress and the taxpayers will have a closer check on \$2 billion worth of expenditures.

A PRODUCTIVE MONDAY: Thirty-seven bills were approved by the House last Monday following the July 4th recess. The major legislative item was a bill authorizing an appropriation of \$216 million for the Atomic Energy Commission for this fiscal year. Of the total amount \$172.5 million is for new construction projects.

The House also passed a bill to increase the fees for persons serving on federal juries from \$7 to \$10 per day, and to make the fee \$14 instead of \$10 if the jurors are required to serve on one case for more than 30 days. The bill also increases the subsistence allowance from \$7 to \$10 per day. The Committee on the Judiciary justified the increase on the basis of "present-day costs and conditions." It is interesting to note that the yearly cost of the federal jury system in the United States under current fees is \$4.5 million. The rates proposed in the bill passed by the House will increase the cost by about \$1.4 million a year for a total of \$5.9 million.

The bulk of the legislation passed on Monday, 35 bills in fact, was handled under Consent Calendar proceedings. This means the problems involved were relatively minor and non-controversial. As Chairman of the Republican Objectors for the Consent Calendar, I examined all these bills and the reports on them to determine if there was any reason why they should not be approved. In addition to the 35 bills adopted, six other bills on the Consent Calendar did not obtain unanimous approval and were "passed over without prejudice."

U. S. COURT OF MILITARY APPEALS: Another bill approved by the House last week gives life tenure to the three judges of the Court of Military Appeals who are now appointed for a term of 15 years. Established by law in 1950 this court applies and interprets the Uniform Code of Military Justice, hearing appeals from court-martial cases of all the military services. Since it first went into operation in 1951, through May 31, 1963, the court has reviewed the records of about 16,900 cases and has published 1,939 opinions. Its work protects the rights of all servicemen and insures a greater degree of uniformity in the dispensation of military justice.

LIBRARY

Should this bill, H. R. 3179, become law, present judges would have to be re-appointed and reconfirmed by the Senate to enjoy life tenure or as the law puts it, to serve "during good behavior." We in Michigan have a special interest in this court as one of the present judges is Homer Ferguson, our former Senator.

STANDARDS FOR SEAT BELTS: The Secretary of Commerce will be required to establish minimum safety standards for automobile seat belts sold or shipped in interstate commerce under H. R. 134 approved by the House last Wednesday. This bill does not require that all new cars be equipped with seat belts but permits the federal government to prescribe minimum standards. These standards would apply to any strap, webbing, or similar device to hold the passenger in the vehicle, and also to the buckles, fasteners, and hardware for installation of the seat belts. The purpose of the legislation is to insure maximum protection to those who purchase and use automobile seat belts.

The use of seat belts has been generally encouraged and today 14 states have enacted legislation requiring the installation of belts in new cars sold within their boundaries. Michigan does not insist on belts but does require anchorage points for those who want to install them.

COMMITTEE ACTION ON PRESIDENT'S TAX PROPOSALS: Following extensive hearings the House Committee on Ways and Means in recent weeks has been meeting in executive session to make tentative decisions on the President's tax recommendations. While we cannot predict whether there will be a tax law this year or what its final provisions might be, we can report on some of the committee's tentative decisions which have general interest.

1. President Kennedy recommended that deductions for church and charity, interest, taxes, etc. be permitted only when they exceeded 5 percent of the taxpayers adjusted gross income. The committee has rejected this proposal but has agreed that the following state taxes should not be deductible: gasoline, cigarette, alcoholic beverages, license fees on automobiles, and admissions taxes.

2. The President asked for repeal of the law permitting the taxpayer to exclude from income the first \$50 of dividends and to take a tax credit of 4 percent on additional dividends. The committee has rejected this recommendation.

3. Under present law, an employee is not taxed on the premium paid on his group term life insurance by his employer. The President wanted employees to pay a tax on these premiums on all insurance over \$5,000. The committee raised exemption to \$30,000 and provided that no retired employees shall be taxed in this regard.

4. Under present law taxpayers over 65, as others, pay a capital gains tax on the difference between the cost and selling price of their home unless they purchase another at the same or greater price. The President offered no relief, but the committee recommends that there be no capital gains tax on the gain to the first \$20,000 of sales price provided the taxpayer is 65 or over and has lived in the home for at least five years. This will be of substantial help to elderly persons who dispose of their homesteads.



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July 24, 1963

The Department of the Interior Appropriation bill for 1964 is the second of the 12 regular, annual money bills to obtain final approval in the House of Representatives. Technically all twelve should have become law by the beginning of the new fiscal year on July 1. Passed last Wednesday, the Interior bill calls for the expenditure of \$958,456,500 in 1964. This is \$70 million less than requested by the President and \$27.2 million less than approved by the Senate but \$29.8 million more than the House originally allowed. Approved by the House on April 2nd and by the Senate on May 28, the version adopted by the House last Wednesday was worked out by conferees appointed by the House and Senate. It was a compromise which followed the customary pattern: the House makes a substantial cut in the President's request; the Senate restores a considerable amount; the final figure is somewhere between those of the two houses. The House conferees expressed concern "over the rapid expansion proposed in the budget for many of the research programs funded by appropriations" and "over the increasing number of employees being requested by the agencies. They took action to reduce funds for research which seemed to be duplicated in other departments and for non-essential personnel.

CIVIL RIGHTS HEARINGS: My office is just a few doors from that of the Committee on the Judiciary where the Civil Rights hearings are in progress. The hearings opened on May 8th, have been continued daily since June 26, and probably will be concluded by the end of July. It will undoubtedly take the committee a month to prepare its recommendations so floor action is not expected before Labor Day.

The two major problems in the legislation before the committee involve the "public accommodation" provisions relative to lodging and other services, amusements, etc., and the question of whether federal authorities should have the power to cut off federal funds from states which exercise or permit the exercise of discrimination.

PEANUTS FOR BOILING: The debate last Wednesday on H. R. 101, the "peanuts for boiling" bill produced some bits of humor which enlivened the House chamber and the otherwise staid pages of the Congressional Record. The purpose of the bill was to exempt farmers who plant peanuts for boiling purposes from the acreage allotments and marketing quotas of the Agricultural Control Act. The bill applies only to those peanuts which are harvested before maturity and sold to be boiled and eaten as a green vegetable similar to spinach or other fresh garden produce.

A western Congressman insisted "that these peanuts are not Yankee approved. In fact, the pigeons on Capitol Hill will not eat them."

A colleague from Florida explained that "the taste of a boiled peanut is unique. If the peanut were air conditioned, it would taste like an artichoke....If a boiled peanut were dehumidified, you would have that swamp cabbage taste, a crunchy, delightful taste."

Only about 3,000 acres in five southern states are involved in the production of peanuts for boiling. But H. R. 101 says that peanuts for boiling are not peanuts in the eyes of the law. This led one midwesterner to observe that "in line with the statement made by Gertrude Stein...it should follow that a peanut is a peanut is a peanut. Nonetheless, we are asked today to extend a bill that says a peanut is not a peanut because it is a boiled peanut....We consider roasted peanuts as peanuts, and peanuts in peanut butter as peanuts, but by an act of Congress we have declared a peanut not a peanut at all....Shall we go down in history as a Congress that labored and labored and labored and finally brought forth a peanut--a boiled one at that?"

Not all comments were in this vein but everything that was said pointed up two serious observations: Fundamental leadership in Washington beginning with the White House is woefully weak with the result that time and energy is wasted and efficiency greatly impaired; secondly, attempts to regulate the activities of all farmers from Washington would be completely ludicrous if it were not so dangerous in principle, unworkable in practice, and costly in operation.

FARM SUPPORT COSTS AND LOSSES ON THE INCREASE: \$81 million more was lost in the farm price-support program during the eleven-month period ending May 31, 1963 than for the same period last year. According to a report recently released by the Department of Agriculture the net loss to the Department and the taxpayers from the operation of the price-support program from July 1, 1962 to May 31, 1963 was \$2,240,036,000. The comparable loss a year earlier was \$2,159,974,794.

As of May 31, the taxpayers' total investment in price-support loans and inventories amounted to \$7.7 billion. Inventories alone of grains, cotton, dairy products, peanuts, turpentine, and honey amount to over \$5 billion. A year ago this figure was \$4.6 billion and the total investment was \$6.9 billion.

A CONGRESSIONAL MILESTONE: Rep. Carl Vinson of Georgia, Chairman of the Committee on Armed Services, has served in the House of Representatives longer than any other man in the history of our country. As of last Tuesday, July 16, he completed 48 years, 8 months, and 13 days of continuous service to break the previous record established by Speaker Sam Rayburn. Mr. Vinson came to the House on Nov. 3, 1914 at the age of 30. Senator Carl Hayden of Arizona has been in Congress for 51 years (since Arizona became a State) but his service has been in both the House and the Senate. This is an all-time record for membership in the Congress.



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July 31, 1963

The railroads have agreed to postpone the initiation of work rule changes for another 30 days. Pressure is off the Congress to enact legislation within one week to avert a strike. Another opportunity is afforded the carriers and the brotherhoods to resolve their differences through the traditional free collective bargaining procedure. I sincerely hope that they can do this.

The Congress in the meantime will have the opportunity to examine carefully President Kennedy's proposal, H. J. Res. 565. Presented to the Congress last Monday afternoon, hearings on the Administration's Resolution opened Tuesday before the Senate Committee on Commerce and on Wednesday before the House Committee. It was not until 11:30 last Monday morning that Republican congressional leaders were told at a White House meeting what the Administration was proposing as a solution to the rail crisis.

Of course serious questions were raised as to whether this specific proposal is the best solution to the problem. While the President tried to show that he was not recommending compulsory arbitration, he does propose to submit the issues in dispute to the Interstate Commerce Commission for final settlement. This is compulsory arbitration which is foreign to the American concept of free collective bargaining. Although in this instance and for obvious reasons the carriers had agreed to compulsory arbitration, this concept generally has been strongly opposed by both labor and management. To accept this expediency on this occasion means to establish a precedent for government-dictated settlement in future labor-management disputes. Once we agree that wages and work rules shall be determined by a government agency, the pattern has been set for government control of prices and potentially the regulation of our entire economy from Washington.

The President wants the ICC to have this power for a two-year period "during which both the parties and the public can better inform themselves on this problem and alternative approaches." The "parties" are presently very well informed on the problem as any review of four years of negotiation and litigation will demonstrate. The public has the right to expect that the parties acted responsibly in collective bargaining and in consideration of the recommendations of the presidential commissions. The two-year period has too many earmarks of political expediency with the national election of 1964 about 15 months away.

I have many reservations concerning the Administrations' solution contained in H.J. Res. 565 as introduced. As a minimum change, the authority granted to the ICC should be restricted to a shorter period than two years.

Alternatives which the Congress will now have time to consider include the Taft-

Hartley approach with the 80-day cooling off period and a court injunction at the request of the President. Another approach would be that used previously to eliminate musician featherbedding in connection with the radio broadcasting industry. A bill to provide this solution has been introduced. Four years of collective bargaining has brought no success; nine months of effort by the Administration has produced only failure; the Congress now has 30 days instead of one week to come up with a constructive answer.

SERVICE ACADEMY ENROLLMENT INCREASED: The House approved legislation (H. R. 7356) last Tuesday to increase the number of cadets at the Military and Air Force Academies, to increase the number of appointments by each Congressman, and to raise the obligated service of all academy graduates to five years.

Presently each congressional district may have up to four cadets at one time at both West Point and Colorado Springs while five may be attending the Naval Academy at Annapolis. This bill sets the maximum at five for all three institutions. The bill as passed by the House requires academy graduates to serve a minimum of five years as officers in the Armed Forces. Current law requires three years but regulations have extended the obligation to four years. It was suggested that the minimum period of service be seven or eight years and I must agree that a strong case can be made for a longer period of obligated service for those officers who receive the privileges and benefits of a military academy education.

Under present law the Military and Air Force Academies each graduate about 550 cadets annually while the Naval Academy has a class of about 800. The Navy graduates more officers because the authorized attendance is 4,417 midshipmen whereas at the other academies only 2,529 cadets are authorized. H. R. 7356 authorizes 4,417 students at each academy. One of the reasons for this action is to increase the percentage of academy-trained officers. Today about 32 percent of the regular officers in the Navy are Annapolis graduates while in the Army 22 percent and in the Air Force 8.4 percent are academy trained. If H. R. 7356 becomes law and is fully implemented, it is expected that one-half of all new regular Army officers and 31 percent of new regular Air Force officers will be graduates of the service academies.

One other good feature of the bill is that it provides for additional appointments of "qualified alternates" from among congressional nominees. This means that more boys who are fully qualified can get into the academies even though they did not get the principal congressional appointment.

ACADEMY OPPORTUNITIES FOR FIFTH DISTRICT RESIDENTS IN 1964: There will be a minimum of one opening at each of the three academies for residents of Kent and Ottawa for the term beginning in July, 1964. Any young man who will be a high school graduate by that date, is single, and under 22 years of age may be considered for appointment. The Civil Service Designation Examination by which I select boys from our District will be given in November of this year. Requests for application forms should be submitted to my office before October 1st.



Your Washington Review

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August 7, 1963

Consideration of the bill authorizing appropriations for the National Aeronautics and Space Administration (NASA) was the principal item of business in the House of Representatives last week. NASA spent \$3.7 billion during the past fiscal year. The President requested \$5.7 billion for 1964, an increase of 54 percent. The Committee on Science and Astronautics, which held five months of hearings on the request and wrote a 205-page report, cut the amount by about a half-billion to \$5.2 billion. Personally, I think further reductions can be made without harming the overall space program. This may be done when the appropriations bill for NASA is before the Committee on Appropriations and the House and various aspects of the space program can be reevaluated.

Most Americans will endorse NASA's "Project Mercury" and the "Gemini" project. The latter will place two men in earth orbit to explore long duration flight and to develop the techniques of space rendezvous. However, when we get to the "Apollo" or moon project, there is a divergence of opinion on long-term space goals and on current space emphasis.

Six members of the House in their "additional views" in the Committee Report said, "we have grave reservations concerning our national space posture, and, specifically, the emphasis of this nation on nonmilitary space programs." These men feel we should give greater attention to "inner space," the area surrounding the earth to a distance of 100 to 500 miles. Agreeing that exploration in either outer or inner space will provide a vast amount of scientific knowledge, they hold that "the result of the manned moon landing will be largely prestige, while the result of achieving supremacy in inner space will be the ability to introduce or prevent the introduction of nuclear-armed satellites, together with other national security factors."

The United States is planning to spend between \$20 and \$40 billion on a crash program to get a man to the moon in this decade. "This is a noble ambition," said the six members, "but, we believe, it ignores the main thrust of the Soviet space aim, which is to dominate inner space through the ability to exercise control over the surface of the earth."

While the President requested \$5.7 billion for our civilian space effort, he asked for only \$1.5 billion for the military space program. I endorse the position of the Committee minority that there is a need to reevaluate, reappraise, and possibly redefine our national goals in space. We need to be sure that we are improving our offensive and defensive military capability in space. Command and control of inner space are as important as placing a man on the moon.

It seems to me that we must broaden the base of our civilian space program. This may delay for a year or more the moon landing, but by broadening the base we will accumulate a greater body of scientific knowledge, we will realize a substantial financial saving by modifying a "crash program" which is inherently wasteful, and we can move ahead on all space fronts instead of concentrating on one.

NUCLEAR TEST BAN TREATY: While the Moscow treaty on nuclear testing must be ratified by the Senate only, all of us could be profoundly affected by this agreement. We trust therefore that while considering the treaty the Senators will make every attempt to get satisfactory answers to such questions as: Why is the Kremlin so eager for a treaty now? Will the treaty impair in any way the defense of our country? Will it give the Soviet Union any military advantage. Are Khrushchev's promises any more valid today than in the past? This treaty may be, as we are told, a step in the right direction; but let us be sure we know our direction and our companion----in other words, let's watch our step.

HOUSE ADAMANT ON BACKDOOR SPENDING: For the third time this session the House of Representatives has affirmed its opposition to "backdoor financing" for the Export-Import Bank. When H.R. 3872, the bill to extend the life and lending authority of the Bank, was passed on May 1 the House approved an amendment requiring that its funds be appropriated annually. When the Senate changed this to permit the Bank to draw money directly from the Treasury without further review by the Congress, the House on July 9 voted to stand by its position.

Last Tuesday the House Conferees reported they could reach no agreement with the Senate. To demonstrate support for its conferees and their position, the House voted 379 to 11 to insist on financing the Bank through appropriations rather than the Treasury's "backdoor." The only representative from Michigan among the 11 who opposed this tighter congressional control over federal spending was our Congressman-at-large, Neil Staebler.

WITH THE COMMITTEES: A review of last week's committee activities demonstrates again the importance of the committee system in the legislative process. Ways and Means considered proposals to further increase the public debt ceiling. Interstate and Foreign Commerce held hearings on legislation relative to the railroad labor dispute. Judiciary continued its work on civil rights. The Committee on Foreign Affairs was concerned with the bill to authorize expenditures for the mutual security program while our Subcommittee on Foreign Operations Appropriations heard testimony on the same issue. Armed Services had under consideration a bill providing a civil defense fallout shelter program.



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August 14, 1963

The Democratic majority on the Committee on Ways and Means last week urged the House of Representatives to continue for three more months the current public debt limitation of \$309 billion. Republican members of the Committee recommended a debt ceiling of \$307 billion through October 31st. Under existing law, the temporary limitation of \$308 billion expires on August 31 and the permanent limitation of \$285 billion would become effective. It is evident that some action must be taken but it is obvious that the Congress must hold the reins on the Kennedy Administration if we are to have any semblance of a responsible fiscal policy.

As the Republican members stated in their Report on H.R. 7824, the bill extending the debt limit: "The real attitude of the Kennedy Administration with respect to Federal spending is reflected in its requests for new programs, and for the expansion of existing programs, which are pending before the Congress. In spite of the critical fiscal situation, both with respect to the public debt and with respect to the balance of payments, the Administration still seeks additional funds for programs such as foreign aid, Area Redevelopment Administration, Domestic Peace Corps, Youth Conservation Corps, urban mass transportation, accelerated public works, and general aid to education.... Since the Kennedy Administration took office in January 1961 budget receipts have increased by about \$10 billion. Expenditures have increased by about \$20 billion. There is now a 'gap' of \$8 to \$10 billion which must be added to the public debt each year.... In the face of the Administration's complete disregard of fiscal responsibility, the Republican members of the committee have no alternative but to continue to use the limitation on the public debt as a means of exerting a positive influence over future spending." I am in complete accord with this position.

When the previous request of the Kennedy Administration for an increase in the debt limit was considered in May, Republicans called for a continuation of the \$305 billion ceiling. Subsequent developments have shown that \$305 billion would have been adequate. The Treasury has been borrowing funds in excess of its current needs. On June 30, 1963 there was about \$10 billion of Treasury deposits in commercial banks. None of this money drew interest yet it costs the taxpayers on the average of \$33.3 million per year in interest charges for each \$1 billion of debt outstanding.

Unfortunately, the recent claim by the Administration that the deficit for 1963 was reduced by \$2.6 billion is more a mirage than a reality. Some \$2 billion of disposable assets (FHA, VA mortgages, etc.) were sold in the last few months to get an additional \$1 billion not forecast earlier; tax revenues were up by \$900 million over earlier estimates;

welfare costs were \$46 million below prior predictions; the Department of Defense collected in advance about \$340 million for goods sold overseas, and delays in implementing the "accelerated public works" program postponed some expenditures. There were therefore no real savings to the taxpayers in fiscal 1963.

In fact, the Kennedy budget estimates for fiscal 1963 were revised four times and the final figures differed from every revision. A comparison of the original budget estimates with the actual final figures shows receipts down \$6.6 billion, expenditures up \$100 million, a deficit increase of \$6.7 billion, and the public debt up \$10.9 billion. Only one firm conclusion can be drawn: If we are to have fiscal responsibility on the federal level, the Congress must hold the Kennedy Administration in check. But the Democratic-controlled House approved the bill extending the \$309 billion limit by a vote of 221 to 175.

VOCATIONAL EDUCATION ACT: The House last week also passed H. R. 4955, a bill to authorize additional funds for expanding and improving vocational education. The history of federal assistance for vocational training goes back over a hundred years. This bill updates the program, broadens the legal definitions of vocational education, and contains provisions aimed at improving job training. Under the bill an additional \$42,750,000 would be distributed for vocational education in fiscal 1964. The committee estimates that of this amount \$1,784,403 will go to Michigan. However, this will not be a net gain; in fact it can mean a net loss for our state. According to the estimates of The Tax Foundation, Michigan contributes 4.39 percent of all federal revenues. Therefore to receive the \$1,784,403 in federal aid, Michigan must pay \$1,876,725 in federal taxes.

During House consideration the only amendment to the bill resulting in a roll call vote involved civil rights. It was proposed that after June 30, 1965 federal funds under this bill could go only to schools operated "on a racially non-discriminatory basis." The amendment was defeated 181 to 217. All Republicans from Michigan who were present voted for the non-discrimination amendment; all Democrats from Michigan except Mr. Diggs voted against the amendment. It is interesting to note that the five negro members of the House were evenly divided on the amendment: Two voted for it, two against, and one (Mr. Diggs) answered "present." The bill was finally approved 377 to 21 with no member from Michigan in opposition.

THE MINTS TO EXPAND: Americans are using coins at such a rate that the Philadelphia and Denver mints must be expanded or rebuilt. This action was authorized by S. 874 which the House passed last Monday. During the fiscal year 1963 over 3.6 billion coins were manufactured. This included 2.6 billion pennies, 405 million nickels, 446 million dimes, 162 million quarters, and 56 million half-dollars. Estimates put the coin requirements in 1970 at 17.8 pieces annually.



Your Washington Review

by
Congressman
JERRY FORD



August 21, 1963

The bill to provide federal assistance for the construction and improvement of college buildings had bipartisan support when it was passed by the House of Representatives last Wednesday. For many years Uncle Sam has shared the responsibilities for financing higher education and this bill, H. R. 6143, providing only for "bricks and mortar," supplements the National Defense Education Act which supplies funds for loans and grants to students and for specific instructional programs.

The need for additional and improved facilities at our colleges and universities is well known. More young people are attending college and the demand for highly trained individuals continues to increase. In the fall of 1962 a total of 4,174,936 students enrolled in colleges in the United States. The number is expected to go to 5,220,000 in 1965 and to 6,959,000 in 1970. In Michigan the fall enrollment of 182,827 for 1962 will climb to over 304,000 in 1970. This will be due to the increase in the number of youths of college age and to the increase in the proportion of high school graduates going to college.

H. R. 6143 authorizes the appropriation of \$690 million over a three-year period for matching grants to build or improve undergraduate academic facilities. It is significant that 22 percent of this amount is reserved for use by junior colleges and technical institutes. The bill also provides \$145 million in three years for construction grants for graduate schools and \$360 million for loans to institutions of higher learning. Under the terms of the bill 25 percent of any costs for new construction or remodeling must come from non-federal funds and not more than one-third of the federal assistance may be in grants. The remainder will be in the form of loans to be repaid.

While federal funds may go to non-public as well as public institutions, they cannot be used for chapels, divinity schools, or any facility to be used primarily for religious purposes. Neither can funds be used for buildings designed for athletic or recreational activities other than physical education, nor for facilities intended primarily for events for which admission is charged the public. The purpose of the bill is to help provide needed academic accommodations: classrooms, laboratories, and libraries.

Consideration was given in the Committee handling the bill to a provision which would enable the Supreme Court to rule on the question of whether non-public colleges and universities could receive grants and loans for construction purposes. On the floor an amendment was offered to restrict grants to public institutions. However, the final decision was that the Congress should make this determination and as far as the House is concerned, non-public institutions were to be eligible for assistance. I concur in this decision.

D. C. CRIMINAL CODE: The only other major legislative action in the House last week was the adoption of a bill (H. R. 7525) relative to law enforcement in the District of Columbia. The purpose of the bill is to strengthen the authority of law enforcement officials by tightening the penalties for certain crimes, by making more effective the law against obscene publications, and by permitting detention of persons for investigation or as a material witness. The bill alters the so-called "Mallory Rule" so that confessions made by an arrested person will not be excluded from evidence at his trial solely because there was a delay in taking him before a judge. This would override a decision of the Supreme Court relative to a rule of evidence in criminal cases. (No constitutional question is involved here.) The bill also sets up a test of insanity as a defense in criminal cases and modifies a court of appeals decision in this regard. In enacting these two sections of the bill the House was exercising its power as a coordinate branch of the government and was attempting to remedy decisions of the courts which seemed unrealistic and impractical.

The House of Representatives is under no illusion that the enactment of this bill will solve the crime problem in Washington. But it is hoped that this will be one means to that end. There is considerable evidence that stronger measures and a more determined spirit are needed if we are to cut the soaring crime rate. As the Chief Judge of the Court of Appeals in the District of Columbia said recently, "In our concern for criminals, we must not forget that nice people have some rights, too."

I think it is unfortunate in this connection that a recent editorial in a Washington newspaper expressed "a certain grudging admiration for the British bandits who held up a mail train...and got away, momentarily at least, with a million pounds or more." The editorial went on to say that "a good many otherwise hard-headed people, we fancy, will feel not only admiration but a degree of sympathy for these daring criminals as well." If this be the spirit of our times, we hardly deserve anything better from the underworld.

INCOME TAX REVISION: The Committee on Ways and Means has completed its decisions on tax revision. A bill incorporating these decisions will be prepared and a Report written to explain the bill in detail. This means that the bill will not get to the House for consideration until after Labor Day.

Our mail would indicate a general interest in President Kennedy's proposal to limit deductions for church and charity, etc. to the amount in excess of 5 percent of adjusted gross income. The final decision of the Committee was to reject the President's recommendation. It did, however, remove from the list of deductible items state and local taxes on gasoline, cigarettes, alcoholic beverages, license fees on automobiles and drivers' permits, and admissions taxes. These taxes will not be deductible if the bill becomes law. This change will result in an estimated revenue gain of \$500 million annually.



Your Washington Review

by
Congressman
JERRY FORD



August 28, 1963

The seventeenth annual authorization bill for the foreign assistance program was approved last week by the House of Representatives. While debate on the bill opened on Tuesday, final passage did not come until Friday. The \$4,087,075,000 proposal recommended by the Committee on Foreign Affairs ran into immediate trouble as nearly 30 amendments were ready to be offered from the floor. Although this was an authorization bill and the final amount to be available in fiscal year 1964 for foreign military aid and economic assistance will be determined by the size of the appropriation bill, the House was in no mood to accept the committee proposals without revision. For instance it adopted an amendment to bar all aid after 60 days to countries whose ships or planes carry products to or from Cuba. Another cuts off aid to underdeveloped nations which refuse to pay for seized American property. I favored both of these amendments.

In January President Kennedy asked for \$4.9 billion for foreign aid. He later reduced his request to \$4.5 billion, but the committee set the limit at a little over \$4 billion. I supported this reduction and believe that further cuts can and should be made when the appropriation bill is considered. It is evident, also, that the additional legislative restrictions were necessary if we are to obtain efficiency and economy in the administration of these funds.

The mutual security program has served a useful purpose in promoting our own national security and the defense of the free world. However, there is no reason to believe, nor should we assume, that the United States must continue to spend \$4 to \$5 billion a year on this program. As world conditions change, the foreign aid program should change. It is apparent that many developing countries are now much better able to support themselves than they were a decade ago. Likewise, our allies in western Europe have come a long way economically and in defense capability since the late 40's and early 50's. They should assume a larger degree of responsibility in our mutual defense. Furthermore, the status of the federal treasury and the ability of recipients to make effective use of U.S. aid are important factors in determining the amount of tax funds to be allocated to foreign aid.

We are in no way committed to an annual appropriation of \$4 to \$5 billion. In fact, the appropriations for three different years under President Eisenhower were only \$2.7 billion. Rather than increasing our expenditures for foreign aid, President Kennedy would be well advised to work toward substantial reductions. This can be done if we spend only what the United States can rightfully afford for that which the developing nations can

efficiently absorb less an equitable contribution by our prospering allies.

In line with this policy I supported the amendment which was adopted to effect some control over the proposed financing of the Bokaro steel mill in India. The amendment requires congressional approval of all foreign aid projects toward which the United States contributes more than \$100 million. This restriction was opposed by the Kennedy Administration which seems to forget that it is the taxpayers' money with which we are dealing.

FROM THE MAIL BAG: During the past week there has been a substantial increase in the amount of mail arriving at the office. We received about 300 cards in support of H. R. 3920, the Hospital Insurance Act or the so-called "medicare bill." This legislation is pending with the Committee on Ways and Means which has scheduled no action on it. Because this bill varies considerably from similar ones introduced in previous sessions extensive public hearings by the committee will be necessary in order to fully analyze all the implications of the proposal.

Many of our constituents have written in support of the resolutions relative to a constitutional amendment overruling the Supreme Court's decision on the use of Bible reading and the Lord's Prayer. About 50 resolutions proposing such an amendment have been referred to the Committee on the Judiciary which to date has scheduled no action on them. Constitutional amendments which may be proposed by a 2/3 vote in each House of Congress, must be ratified by 3/4 of the states to become effective.

INCOME TAX REVISION: Last week I mentioned the decision of the Committee on Ways and Means relative to the proposed 5 percent floor on itemized deductions for income tax purposes. Another proposal which our mail indicates to be of general interest concerns the taxation of income from dividends.

Under existing law the individual taxpayer can exclude the first \$50 of dividends from his income. A husband and wife each receiving dividends can exclude \$100. In addition, a taxpayer is permitted to deduct from his income tax an amount equal to 4 percent of his taxable dividends. President Kennedy recommended complete repeal of this law.

The committee rejected the President's recommendation but did propose a change in the law. If the committee's bill becomes law an individual will be able to exclude from his gross income after January 1, 1964 the first \$100 of his income from dividends. For married couples, where both own stock (either jointly or separately) the exclusion will be \$200. But effective the same date, the 4 percent tax credit will be reduced to 2 percent and a year later the credit will be removed completely. It is estimated that this change will mean a revenue gain for the government of \$120 million in 1964 and of \$300 million in 1965 and thereafter.



Your Washington Review

by
Congressman
JERRY FORD



September 4, 1963

After last week's newsletter was written the House of Representatives cut an additional \$585 million from the foreign aid bill and set the authorization for our mutual security program in 1964 at \$3.5 billion. Almost immediately President Kennedy angrily denounced this action as "short-sighted, irresponsible, and dangerously partisan." He insisted that "for the first time since the end of World War II, this program experienced a shocking and thoughtless partisan attack by the Republican leadership." The President then said, "I recall during eight years in the Senate from 1953 to 1960 consistently supporting the requests which General Eisenhower made as President of the United States."

Still in an angry mood Mr. Kennedy remarked, "I see no reason why the program and its bipartisan support should be destroyed." He also told the American people that "hopeful social and economic progress in Latin America will be stalled and our shield against Communist aggression in this hemisphere will be weakened. It will mean that the Soviet Union will be giving almost as much assistance to the small island of Cuba as the U. S. is to the whole of Latin America. This is no way to defeat Communism in this hemisphere."

It is regrettable that in his anger, President Kennedy ignored obvious facts, and permitted himself to indulge in partisan politics. Let's look at the record:

1. The foreign aid bill as passed by the House authorizes \$3.5 billion for fiscal year 1964. On final passage the vote was 224 for the bill to 186 against. Only 172 Democrats voted for the bill; this means that without the help of the Republicans (and 52 assisted) the entire measure would have been defeated.

2. Among the 52 Republicans who voted for the \$3.5 billion authorization were the four elected leaders of the party in the House: Representatives Halleck, Arends, Byrnes, and Ford.

3. It is true that 156 Republicans voted to reduce the funds by \$585 million (from \$4.08 to \$3.5 billion), but in order to win they had to be joined by a sizable group of Democrats. In fact 66 members of the President's party in the House agreed with the Republicans that foreign aid funds should be reduced. This is bipartisanship but not the type the President wants. Mr. Kennedy's bipartisanship apparently consists in "rubber-stamping" his demands.

4. It should not be overlooked that among the 66 Democrats voting for the \$585 million cut were the Democratic chairmen of three powerful committees: Ways and Means, Appropriations, and Rules. President Kennedy included these leaders of his own party

as among the "short-sighted, irresponsible, and dangerously partisan."

5. In his anger Mr. Kennedy suffered a lapse of memory as far as his own voting record in the Senate is concerned. He did not "consistently" support the requests of President Eisenhower. On July 1, 1953 he voted to cut mutual security funds by \$300 million. On August 3, 1954 he voted to cut the mutual security authorization bill by \$500 million. He voted against restoration of a \$420 million reduction in a military aid bill on July 22, 1955 and on the same day voted "no" on a proposal to add \$50 million to the fund for Asian economic development. He voted to eliminate \$90 million from the military security defense support funds on June 14, 1957 and to cut \$200 million from the military aid fund on June 6, 1958. In addition during 1959 and 1960 Senator Kennedy was absent on five occasions, missing five votes on mutual security matters and therefore did not support President Eisenhower. This is hardly a record of "consistently supporting the requests which General Eisenhower made as President of the United States." I am not critical of his exercise of an independent judgment. As a member of Congress he had the responsibility to decide each issue according to his conscience and the facts as he saw them. But his statement of last week to the American people was inaccurate and misleading.

6. While the President said he could see no reason why the "bipartisan support should be destroyed," there was one person absent from the Congress who could have given him one reason. Walter Judd of Minnesota, the veteran Republican Congressman, was not on the floor of the House this year with his usual eloquent plea for a strong foreign aid program. He was not there because just a year ago President Kennedy personally went to Minnesota to demand the defeat of Walter Judd and the election of a Democrat in his place. Ironically, the very day in 1962 Mr. Kennedy spoke in Minnesota, Walter Judd was defending the President's foreign aid bill on the floor of the House. Kennedy helped to still Judd's voice. THAT helped to destroy bipartisan support.

7. The President's statement on Latin America is hardly consistent with the facts. As of June 30, 1963 there was an unliquidated balance of \$1,660,466,000 available to the Kennedy Administration for economic and military assistance to Latin America. In addition there was over \$400 million in unliquidated funds for Latin America from the Inter-American Development Bank and the International Development Association. Moreover the bill as passed specifically provides \$650 million for assistance in this hemisphere. Since 1945 the American taxpayers have put up \$7.6 billion for foreign aid to Latin America. The \$150 million cut from funds for Alliance for Progress by House action will hardly tip the scales in favor of Communism.



Your Washington Review

by
Congressman
JERRY FORD



September 11, 1963

While the House of Representatives did meet on Tuesday and Thursday for a few minutes, no legislative business was scheduled for last week. This week, except for minor bills, the only legislation listed for consideration is S. 1576, an act to provide federal financial assistance for the construction of local mental health centers and research facilities and for the training of teachers for the mentally handicapped.

This bill, as passed by the Senate on May 27th, set up an 8-year, \$850 million program. The House Committee on Interstate and Foreign Commerce which handled the legislation limited the initial program to three years and the cost to \$238 million. The Senate authorized \$30 million over a 5-year period for grants to pay up to 75 percent of the cost of constructing research centers "to develop new knowledge for preventing and combating mental retardation." An additional \$42.5 million was to be used for grants to construct college or university clinical facilities for treatment of the mentally retarded. Another \$67.5 million was authorized over a 4-year period to help states construct facilities for the care of the retarded. The House Committee recommended \$20 million and \$22.5 million for a 3-year period, and \$27.5 million for 2 years respectively for each of the above items.

The Senate's bill also provided \$230 million for a 4-year program to assist in the construction of community mental health centers and \$427 million for the next eight years to help pay salaries of those working at these local health centers. The House Committee proposed a 2-year construction program costing \$115 million and eliminated completely any federal assistance for personnel costs at the numerous local health centers. In its unanimous report the House Committee said, "It is the strong belief of the committee that federal support is necessary to assist in the creation of community mental health services, but such federal support should be so tailored as not to result in the federal government assuming the traditional responsibility of the states, localities, and the medical profession for the care and treatment of the mentally ill."

The third part of the Senate bill made available \$51.5 million for a 3-year program for training teachers and finding better methods of educating the handicapped. The House bill raises this amount to \$53 million.

Mental illness is one of our most serious health problems. About one-half of the hospital beds in the U. S. are occupied by mental patients and the direct cost of caring for the mentally ill is approximately \$2 billion a year. The mental retardation field

offers extensive challenges for research in prevention and in care and training. The need for additional and improved facilities for the care of the retarded is generally recognized. However, I prefer the House approach to the problem rather than that of the Senate. By restricting the new program to three years, the Congress will have an opportunity to review its operation during that period and to determine whether results justify a continuation of the projects. An 8-year program is too long if results do not match costs.

TAXES AND CIVIL RIGHTS: Two issues of general interest are with House Committees. The Committee on Ways and Means will meet Tuesday of this week to give final approval to the tax bill to be introduced by the committee. This bill will incorporate the committee's decisions on the tax revisions and reductions recommended by the President. It is expected that the committee's written report explaining the bill will be ready on Friday or Saturday. The Committee on Rules will be asked next Monday or Tuesday for a "rule" to bring the bill to the floor of the House on September 18 or 19. However, it may be that House consideration will be postponed to the week of September 23.

Although the House Committee on the Judiciary concluded its hearings on civil rights on August 2nd and has had some informal discussions in executive session, the subcommittee in charge of the legislation has delayed until this week the task of "marking up" the bill. This process of determining the precise provisions and language of the legislation is expected to take at least two weeks. The full committee must endorse the work of the subcommittee (Rep. Emanuel Celler, Dem. N. Y. is Chairman of both groups) and this will take us into the first part of October. Then the Committee on Rules will hold hearings to determine under what circumstances the bill will go to the floor of the House. It is expected to get there during the first part of November and to be acted upon by the last of November or the first of December.

While no one can predict with any degree of certainty what will happen, those in the know feel the above schedule will prevail. They also believe that the House will approve with possible minor changes, the civil rights bill as recommended by the committee.

COMPULSORY ARBITRATION IN RAILROAD DISPUTE: The joint resolution requiring that the two principal issues in dispute between the railroad brotherhood and carriers (employment of firemen and the composition of train service crews) be settled by compulsory arbitration has become law. The measure passed the House on August 28th by a division vote (individuals not recorded) of 286 to 66. I was one of the 66 in opposition. I did not want to establish a precedent which could and undoubtedly would result in ineffective and unsuccessful bargaining by labor and management in nationwide industries with the Congress on each occasion being called upon to intervene. Nor did I want to help set a precedent for compulsory arbitration (forced settlement by governmental authority) of difficult labor-management disputes. Had the leaders on both sides fully understood the serious implications of this legislation, I am sure they would have resolved the issues by the traditional methods of collective bargaining.



Your Washington Review

by
Congressman
JERRY FORD



September 18, 1963

S. 1576, the bill concerning mental retardation and mental health centers described in last week's newsletter, was approved by the House of Representatives by a vote of 335 to 18. The House accepted the committee recommendation providing a three-year, \$238 million authorization. Because the Senate version of the bill sets up an eight-year, \$850 million program the legislation must go to a conference committee composed of Senators and Representatives who will iron out the differences and recommend a compromise bill to each house. Rep. John Bennett of Michigan, the senior Republican member on the House Committee on Interstate and Foreign Commerce, is one of the nine conferees for the House.

SPECIAL COMMITTEE TO INVESTIGATE RESEARCH PROGRAMS: The House last week also voted to establish a nine-member special committee to carry out a thorough investigation of the various research programs conducted by or sponsored by the federal government.

Research is essential but it is also a big and growing business with costs running into the billions. The federal government will spend about \$15 billion on "research" in this fiscal year. This is approximately 15 percent of the federal budget and of every tax dollar. In 1940 Uncle Sam spent only \$74 million on research and development programs but by 1953 the figure had grown to \$2 billion.

A cursory study reveals that 90 percent of the research dollars are spent by five agencies of the government; the Department of Defense which accounts for one-half of the expenditure, the National Aeronautics and Space Agency, the Atomic Energy Commission, the Department of Health, Education, and Welfare, and the National Science Foundation. Eight other departments and 24 other agencies also expend tax funds for research. Under these circumstances there is bound to be overlapping and a duplication of effort. For instance, eleven departments and agencies perform research in the field of health and medicine; seven are doing work on oceanography, and 14 are studying meteorology.

Furthermore, while 25 percent of research dollars are used for work performed directly by a government agency, 75 percent of the expense is for services performed for the government by private industry, research organizations and universities under government contract and research grants. Projects cover all phases of the physical, biological, and social sciences. The House of Representatives is concerned not only with rising costs for research but with the necessity of obtaining an objective analysis of the value of the work being done and developing a means for coordinating the various projects and programs.

Some overlapping and duplication may be justified in really important areas of research. But there may be "research" going on which cannot be justified as a legitimate expense of government.

The sponsors of the resolution setting up the committee stated the group will do three things: (1) compile an inventory of Government research; (2) catalogue the projects and programs into meaningful categories and determine how best to evaluate them, and (3) make a general evaluation of its own, suggesting improved procedures for eliminating needless duplication and for filling obvious gaps, and establishing priorities to assure a fair return on research dollars. The committee, headed by Rep. Carl Elliott of Alabama, is due to report by December 1, 1964.

1968 OLYMPIC GAMES: Among the measures approved unanimously last Monday was a joint resolution urging the International Olympic Committee to hold the Olympic games at Detroit in 1968. The resolution pointed out the excellent facilities offered by the Michigan city, that its "midwestern location will offer foreign visitors a revealing look at the American heartland," and that the Olympics have not been held in the United States since 1932. Already passed by the Senate, the resolution went to the President for his signature.

THE STATE OF THE TREASURY: According to the latest report of the Treasury Department (Sept. 6) the national debt is up to \$307.6 billion. This is an increase of \$5.7 billion over the same date a YEAR ago when the debt stood at \$301.9 billion. Each billion dollars of debt cost the taxpayers in interest charges \$33.3 million a year. In the last year, therefore, there was an increase in annual interest costs of \$190 million.

The Treasury also reported that since July 1st (new fiscal year) federal revenue exceeded \$18.19 billion but that expenditures were over \$24.72 billion for a \$6.52 billion deficit. During the same period a year ago income was \$16.87 billion; outgo was \$23.36 billion, with a deficit of \$6.48 billion. All this means that while there is a revenue increase of \$1.3 billion over last year, expenditures are up by \$1.4 billion with a greater deficit and a greater debt. One cannot escape the conclusion that the brakes must be put on spending if we really want a responsible fiscal policy. I maintain that for our government to add \$190 million in one year to the annual interest charges is morally wrong. It is wrong to burden future generations with the cost, plus interest charges, of those benefits we enjoy. Deficit financing, except in times of dire emergency, is neither sound economics nor good ethics.

CONSTITUTION DAY: Tuesday, September 17, 1963 is the 176th anniversary of the adoption of the U. S. Constitution by the Convention in Philadelphia. This is a good time to remind all readers that I still have an ample supply of the 44-page booklet of questions and answers on "Our American Government" which will be sent upon request.



Your Washington Review

by
Congressman
JERRY FORD



September 25, 1963

The tax bill (H.R.8363: Revenue Act of 1963) is scheduled for consideration in the House of Representatives this week. The bill contains 304 pages and the Committee Report on it runs to 375 pages. The bill, representing months of work by the Committee on Ways and Means, incorporates the Committee's decisions and recommendations.

FACTS: The bill is expected to reduce taxes over a 2-year period by \$11.1 billion (\$2.3 billion for corporations; \$8.8 billion for individuals). Present income tax rates on individuals of 20 to 91% are to be reduced to 14 to 70% in 1965. On corporations the rate goes from 52 to 50% in 1964 and to 48% in 1965 with other changes also provided.

In addition the bill contains 23 sections making changes in the tax structure. For instance, state gasoline, auto license, and certain other taxes will no longer be deductible for income tax purposes; a change is made in the taxation of dividends, in the rules for the deduction of medical expense, child-care, moving, sick pay, etc. The bill, therefore, does more than reduce taxes; it also redistributes the tax burden.

The bill does not contain all the proposals outlined by the President in his tax message of January 24, 1963. The Committee rejected some, modified others, and added a few provisions of its own. However, Mr. Kennedy has accepted the bill as approved by the Democratic majority of the Committee.

AGREEMENT: Republican members of the Committee "are in favor of a reduction in both individual and corporate tax rates" and "have always favored sound tax reduction and reform." They agree that steps should be taken to "lighten the oppressive burden of taxation." Republicans and Democrats on the Committee agree on the need for tax reduction and revision.

DIFFERENCES: An examination of the Republican and Democratic views as presented in the Committee Report reveals that the major differences between the parties involve the timing of the tax cut and some basic principles of economic and fiscal policy. The Democratic majority approved the \$11.1 billion cut for fiscal years 1964 and 1965. President Kennedy asked that "the bill be enacted this year as rapidly as possible."

Republicans on the Committee contend that "a tax cut of more than \$11 billion, with no hope of a balanced budget for the foreseeable future, is both morally and fiscally wrong." They are "opposed to the reduction of tax rates until there is a realistic control over expenditures." They insist that "tax reduction should be accompanied by a reduction, and not an increase, in the level of Government expenditures." Simply, the President wants this tax cut now in spite of Treasury predictions of a \$9.2 billion shortage in fiscal 1964, and a \$10 billion deficit in 1965. Republicans want to cut expenditures and achieve or approach a truly balanced budget before reducing taxes.

Democratic members of the Committee nearly slipped into the Republican camp when they stated in their Report that "a greater effort needs to be made, both by the executive departments and by Congress, in holding down Government spending....Top priority cannot be given both to tax reductions and to spending at the same time." In the first section of the bill they state as an objective, "balanced budgets in the near future," and declare that the Congress recognizes "the importance of taking all reasonable means to restrain Government spending and urges the President to declare his accord with this objective."

The DEMOCRATIC majority on the Committee contend "that this bill will stimulate the economy, and--after a brief transitional period--raise revenues...(which will) be used first to eliminate deficits...and then to reduce the public debt." We are also told that "the same growth in the economy which this bill provides...will at the same time reduce unemployment" and that "this bill is also needed to help reduce the persistent balance of payments deficit." Furthermore, the majority promises that this bill "will not lead to inflation." A rosy picture indeed: reduced taxes, a balanced budget, more employment, an improved balance of trade, all without inflation.

The REPUBLICAN minority believe "it is extremely foolhardy, and a cruel deception on the American people, to enact a tax cut of this magnitude so long as continuing pressures are being brought to bear by the (Kennedy) Administration for greater and greater spending." They contend that a majority of Americans agree that "it is morally wrong to mortgage the future earnings of their children and their grandchildren in order to enjoy presently the questionable luxury of grandiose spending and lower taxes." Specific mention is made of the President's insistence on enormous expenditures for "foreign aid, Area Redevelopment Administration, Domestic Peace Corps, Youth Conservation Corps, urban mass transportation, accelerated public works, and general aid to education."

The Republicans insist that under this Administration the national debt will continue to grow, that the assumption of increased revenue through tax cuts is based upon a "novel economy theory which cannot be tested against any demonstrable facts," that a "program of 'planned deficits' means a long-range program of planned inflation," that increased consumer spending will produce more "work" but not necessarily more "jobs." They also hold that "the bill is another 'patchwork' of tax juggling" as far as its efforts at reform are concerned. To them the picture is not such a rosy one.

A PROPOSITION: The President and other proponents of the tax bill could win many converts by placing their theories and predictions squarely on the line. They can gain wide support by publicly agreeing now to support, or concede the election to, the Republican presidential candidate in 1968 if their theories do not work and their predictions do not materialize. If these "sure" New Frontier theories fail, Republicans should have an opportunity to apply their principles.

By suggesting this for 1968, I'm not conceding a Kennedy victory in 1964; I'm merely providing ample time to prove the New Frontier theories.



Your Washington Review

by
Congressman
JERRY FORD



October 2, 1963

Passage of the tax bill last week by the House of Representatives involved three roll call votes. I voted against the "rule" under which the bill was considered, for the motion to recommit the bill to Committee, and against the measure on final passage.

On Tuesday the Committee on Rules proposed House Resolution 527 providing a closed rule with eight hours of debate on the 304-page bill containing the recommendations of the Committee on Ways and Means for tax reduction and tax revision. A "closed rule" is in effect a "gag rule." It means that no amendments, except those recommended by the Committee, may be proposed from the floor. The bill is presented on a "take it or leave it" basis with only one chance to change the bill and that by use of the motion to recommit.

I will agree that to open up a complicated tax bill to all types of amendments from the floor could result in a completely unworkable law. But I do think that a limited number of amendments should have been permitted so the House could have passed on some of the specific changes made in the tax law by the Committee. These amendments could have been restricted to those provisions in the bill on which the Committee was closely divided. Because I believe that some of the specific provisions of the bill can and should be improved, I voted against the "gag rule." The rule was adopted, however, by a vote of 319 to 66.

THE MOTION TO RECOMMIT: Following eight hours of debate over a two-day period, Rep. John Byrnes, senior Republican member of the Committee, made a motion to recommit the bill to Committee with instructions to report the bill to the House immediately with an amendment. This was the only means by which any change could be made in the bill under the "gag rule" procedure. Mr. Byrnes proposed that the tax reductions and revisions should not become effective unless the President notified the Congress in January that Budget expenditures for the current fiscal year would not exceed \$97 billion and expenditures for fiscal year 1965 would not exceed \$98 billion. This seemed to me to be a reasonable restriction and I voted for it. But the motion to recommit was defeated by a vote of 199 to 226.

Rep. Byrnes' proposal was not a drastic one but it was a constructive effort to achieve tax reduction. In January the President proposed budget expenditures of \$98.8 billion for 1964. The Byrnes amendment would have cut this less than \$2 billion to \$97 billion. The fact that the President and the Democratic majority objected strenuously to this modest restriction on spending can only be an indication that expenditures are to advance. As I said in the debate on the floor: "It is not sound or fiscally responsible ...for us to have a tax reduction of this magnitude with unlimited spending. We will have

unlimited spending by the Administration unless we do impose this limitation." Or as Mr. Byrnes put it: "There is only one reason for our high taxes today. It is our high spending. ...Spending is out of control." The veteran Democratic Chairman of the Committee on Appropriations, Clarence Cannon, in supporting Mr. Byrnes said the question is, "Are you for curbing spending where there is no money to spend?"

It is most significant that Administration-endorsed bills pending with only one House committee (Education and Labor) would add over \$6.8 billion in new obligational authority (new spending) to the federal budget in the next five years.

ON FINAL PASSAGE: Had the Byrnes amendment been adopted I would have voted for the bill. But when the Democratic Majority (all Republicans except one voted for it) rejected a simple, modest proposal for restricted spending to accompany the tax reduction, I opposed the legislation on final passage. I do not share the optimism of those who predict that a \$11 billion tax cut now will produce a balanced budget in 1967 or 1968. Treasury officials cannot give any facts or estimates to bear out this contention. But we know that in 1962 and 1963 the public debt was up \$17 billion. Another \$18 billion is forecast for this year and next. This adds up to an increase in the debt of \$35 billion in four years of the Kennedy Administration. An increase of \$35 billion in the public debt means an increase of over \$1.1 billion in annual interest charges for American taxpayers. I voted against the \$11 billion tax cut because without a spending restriction it is economically unsound and morally wrong. At the best we are to enjoy some benefits while others pay the bill plus interest. At the worst inflation will be encouraged, the stability of the dollar endangered, and the integrity of the government jeopardized. The bill was approved by a vote of 271 to 155.

CIVIL RIGHTS LEGISLATION: The subcommittee handling the civil rights bill is scheduled to complete its work on Tuesday of this week. Its recommendations will go to the full Committee on the Judiciary the end of this week or the first of next. The subcommittee is recommending an all-inclusive, tough bill with certain provisions expected to be debated strenuously in the full committee. The House will not act until the full committee makes its recommendations.

LATEST IN PENTAGONESE: The Pentagon has many talents, not the least of which is the creation of new words and new word usage. One of the latest examples results from the application of space terminology to earthly subjects. I was told recently by the Army that the "Detroit Recruiting Main Station is satellited upon the Navy and Air Force for the purpose of administering this examination." I'm assured, however, the completed case file must be forwarded to Washington for review and final determination. The Detroit Station may be "satellited," but it has not gone into orbit.



Your Washington Review

by
Congressman
JERRY FORD



October 9, 1963

With the tax bill through the House of Representatives and the civil rights bill being worked on by the Committee on the Judiciary, the desirability of selling United States wheat to Communist Russia has become a common subject of conversation.

The Soviet Union needs wheat and there are reports that she is in the market for about 100 million bushels of our supply. We have the wheat. On August 31st the Department of Agriculture alone had on hand over 1 billion bushels. It is estimated that our 1963 wheat crop will produce over 1.1 billion bushels. We are in a position to sell.

THE URGE TO SELL: There are those who argue that the United States should dispose of some of its abundance to assist needy people wherever they are and whatever the nature and attitude of their government. Of the same viewpoint are those who argue that we should get rid of some of our surplus wheat when we have the opportunity, that to sell to Russia will have a propaganda value by pointing up the failure of communism, that it will make the Soviets more dependent on us and weaken the cold war, that it will help solve our balance of payments problem, that it will strengthen our bargaining power with the Kremlin in other areas, that it will improve the agricultural economy at home and cut down on price-support costs, and that we are being short-sighted and unrealistic if we refuse to take advantage of an opportunity by which our allies in the free world are profiting.

IN OPPOSITION TO A SALE: There are others who look upon a sale of American wheat to the atheistic Communist conspirators as an act of immorality. They contend that the use of U. S. wheat in Russia or its satellites would simply strengthen the conspirators who are committed to our destruction. It would be providing assistance to a regime which is our enemy in the cold war and whose purpose is "to bury" us. Opponents ask why we should spend upwards of \$50 billion a year for military forces to protect ourselves against the Communists and at the same time bail them out of a serious difficulty with our tax-subsidized wheat.

THE SUBSIDY PROBLEM: Our farm price-support program does compound the difficulties involved in this proposed sale. No one expects Russia to pay more for U. S. wheat than the current world price. On October 2nd the world price for wheat loaded aboard an ocean vessel at Galveston, Texas was \$1.76 a bushel. At the same time the wheat price to our own domestic consumers was equivalent to \$2.30, or 54¢ over the world price. On the same day American farmers were being paid \$1.91 for a bushel of wheat at the farm. The difference between \$1.91 and \$2.30 represents the cost of transportation, handling, etc.

Any wheat placed on ship for foreign export brought only \$1.76 a bushel. But the shipper immediately obtained a certificate from an official of the Department of Agriculture (Commodity Credit Corporation) which entitled him to 54¢ worth of CCC wheat at the domestic price. With this certificate the shipper obtains more wheat from government bins and continues the operation. Or if he wishes, he may cash in his certificate and obtain dollars from the Federal Treasury. The point is this: For every bushel of wheat shipped abroad, including any to Communist nations, the American taxpayer is charged 54¢ (on Oct. 2) or whatever the difference is between the world price and the domestic price as determined each day by the Commodity Credit Corporation. This subsidy of 50¢ to 60¢ would be paid on all wheat going to Russia.

Some proponents of the proposal argue that this subsidy is paid to Americans. But the first cold fact is that the claim against the CCC stockpile (purchased by tax dollars) or the Treasury comes only when wheat is loaded on ships for foreign export. And the second cold fact is that Russia or any foreign country pays 54¢ less for a bushel of wheat than does the American consumer. The difference is made up by the American taxpayer.

Bread in Leningrad, USSR, would be made from wheat costing 54¢ less than that used to make bread for Lowell, USA. And taxpayers in Lowell and all over the USA will be paying the difference.

Some have suggested that the sale to Russia be made from wheat presently held by the government. The Communists would still pay the world price which is at least 50¢ below the cost of the wheat to the government. The exact amount of the subsidy under this method is difficult to determine because of variables in original costs and in storage charges. It could be well over 50¢ a bushel.

Authorities in this field tell me there is no way to sell wheat to Russia without an American subsidy of 54¢ (as of Oct. 2) on every bushel. For the 100 million bushels under discussion, this means that \$54 million in taxes collected from American citizens would be used to help the Communist conspirators. Looked at in this light the Russian wheat deal loses much of its luster.

On weighing the evidence presented to date I can only conclude that the proposed wheat deal should not be approved. Moreover, the deal is of questionable legality and I would not support legislation to legalize the sale without certain changes and concessions. The changes should come in the price-support program which creates the subsidy problem. The concessions should be made by the Soviets whose delight in the thought of burying us generates the cold war.

Furthermore, all of this seems to me to call for cooperative action by the free world, especially the NATO alliance, to meet the clever methods of the Kremlin in creating dissension among the free nations. The President would be well advised to suggest the establishment of a permanent NATO Trading Council to develop effective policies in this area.



Your Washington Review

by
Congressman
JERRY FORD



October 16, 1963

The House of Representatives last Tuesday concluded action on the Defense Appropriation bill with which our subcommittee was concerned since it opened hearings on the 1964 defense budget on January 21st. As finally sent to the President for signature, the bill appropriates \$47.2 billion for the Department of Defense during the current fiscal year. This is a \$1.8 billion reduction in the President's request and is \$1.1 billion less than the 1963 appropriation. The action last week was on the conference report in which the differences between the House and Senate versions of the bill were resolved.

One of the more significant changes as far as the House was concerned involved funds for the mobile medium range ballistic missile. Some funds for this weapon were supplied last year and the request this year was for \$143 million. The House granted \$43 million because it appeared the Department of Defense had not made a final decision on the need for the weapon. But later General Taylor, Chairman of the Joint Chiefs of Staff, did request additional funds and the Senate added \$60 million making a total of \$103 million. The conferees split the difference and set the amount at \$73 million.

This weapon is designed to fill the range gap between the intercontinental ballistic missile and the Army missile called the "Pershing," which has a range of 400 miles. The mobile medium range ballistic missile would have a range of up to about 2,000 miles. It would be transportable on a truck or by aircraft. If necessary, it could be fired from mobile sites near whatever area of the world a difficulty had arisen.

The bill as finally approved maintains the same number of military personnel (2,695,000) requested by the President. The dollar amount is about \$7 billion above the last full fiscal year (1960) of the Eisenhower Administration. It is apparent that the Congress remains alert to the dangers of communist aggression. A \$47.2 billion expenditure for defense should indicate to all the world the determination of the American people to remain strong and our willingness to pay the price necessary to preserve our independence and liberties. The Congress is taking no chances on what some see as a thawing of the cold war.

We do hope, however, that we have approached a plateau in defense spending. I will not be surprised if next year's budget is held at approximately this year's level. And this year we are about \$1 billion under last year's level. Of course, there is always room for economy and greater efficiency in a Department which handles one-half of the federal budget. Our subcommittee must continue to work with the Defense Department in a search for legitimate means to reduce defense spending. But there must be no slackening of our vigilance as long as the Communist conspirators are determined to bring about our destruction.

DEFENSE, COMMUNISM, AND WHEAT: One day after the Congress voted the \$47.2 billion expenditure for defense against Communism, President Kennedy approved the sale of tax-subsidized wheat to the Soviet Union. In his statement the President glossed over the subsidy aspect of the deal by saying "there is in such transaction no subsidy to the foreign purchaser." As I pointed out last week it is true that no money is paid to the foreign purchaser. But the FACT remains he gets the benefit of the subsidy and that is the essential point. Every bushel of wheat sold to the Soviet Union will cost the Communists about 60¢ LESS than it will cost an American. The subsidy goes to the exporter, not the farmer, but the benefit goes to the Russian purchaser. The Russian gets wheat at a lower price than an American. The difference is paid by the Americans.

On October 10th the export subsidy on wheat was 56¢ a bushel with the world price at \$1.77 and the equivalent cost to American purchasers at \$2.33. To sell the 150 million bushels of wheat to the Soviets will cost the American taxpayers \$84 million in subsidy benefits for the Communists. And another fact should be emphasized: On October 10th wheat was selling in Russia for about \$2.50 a bushel in American dollars. This is 73¢ above the world price. While taking into account transportation costs, it is clear that the Kremlin will also realize a tidy profit on the U. S. wheat deal when it can buy at the low world price and sell at the higher Russian price.

Furthermore, in approving the wheat sale, the President ignored and negated the clearly stated policy of the Congress that subsidized farm products should not be sold to Russia. This policy was stated in a law signed by Mr. Kennedy on August 8, 1961.

I have always favored the use of our surplus agricultural commodities to assist the needy at home and abroad, provided those abroad were not aiming to destroy us. I'm willing to give away our products when this means preservation of life and health. I can defend the sale of subsidized products to allies and true neutrals. But the sale of tax-subsidized wheat to communist conspirators who would "bury us" is in an entirely different category. Certainly all of us can understand the implications of the fact that only two days after the President announced his approval of the wheat deal, the Communists held up for hours a U. S. Army convoy on the highway leading into Berlin.

DEFENSE SPENDING AND UNEMPLOYMENT: It is significant that on the day before the defense appropriation bill was passed, the majority whip of the Senate, Senator Hubert Humphrey (D-Minn), told his colleagues that the government has "essentially failed in encouraging defense spending in areas of persistent and substantial labor surplus." Senator Humphrey pointed out that "only 4 percent of all defense contracts are let in these areas" and that "less than one-quarter of 1 percent of defense moneys" has been placed in areas of substantial unemployment.

Senator Humphrey said that according to latest reports, "over 50 percent of research and development work done in the universities and research institutions goes into two states, and prime contracts often follow the research and development work into these same areas." The two states are California and Massachusetts.



Your Washington Review

by Congressman **JERRY FORD**



October 23, 1963

In acting on the four regular 1964 appropriation bills which at this writing have been sent to the President, the Congress has reduced the request for tax funds by \$2.2 billion for a 3.5 percent saving. The table below summarizes the action:

<u>Departments</u>	<u>Presidential Requests</u>	<u>Congressional Action</u>	<u>Reduction</u>
Defense	\$49.0 billion	\$47.2 billion	\$1,794.2 million
Treasury-Post Office	6.1 "	6.0 "	101.0 "
Labor-HEW	5.7 "	5.4 "	288.4 "
Interior	.99 "	.95 "	45.5 "

Four other appropriation bills have passed the House which has reduced the requests in them by 11 percent for a savings of \$1.9 billion. However, the Senate must still act on these bills and generally ups the amount. (Some contend that this is why the Senate is known as the "upper" house.) The story in the House is as follows:

	<u>Presidential Request</u>	<u>House Bill</u>	<u>Reduction</u>
Independent Offices	\$14.6 billion	\$13.1 billion	\$1,555.8 million
State, Justice, Commerce, Judiciary	2.1 "	1.8 "	308.6 "
District of Columbia	.289 "	.284 "	5.2 "

The President requested \$6.3 billion for the Department of Agriculture but the House cut this to \$5.9 billion for a saving of \$389 million. However, the Senate upped the amount to \$6 billion or \$320 million less than the request. This difference of \$68.5 million between the House and Senate bills is being worked out in a conference committee composed of delegates from each house.

The other bill presently in conference carries the appropriation for the legislative branch: the House and Senate, Library of Congress, Government Printing Office, and the Botanic Gardens. Because each house generally permits the other to determine its own specific expenditures, this appropriation bill varies from the others. But the House cut \$8.5 million from the \$140 million request which it considered and the Senate reduced its \$182 million total request by \$13.9 million. Those items in dispute which do not solely affect one house will be ironed out in conference.

This leaves three regular appropriation bills involving requests of \$11.3 billion still to be acted upon by each house. They are for military construction, public works, and foreign aid. These bills have not been reported by the Committee on Appropriations at this writing because the respective authorization bills have not been approved by both houses. Under the rules, bills authorizing expenditures (which are handled by the various legislative committees) must be approved before the Committee on Appropriations can report

its bills unless there is in effect a "continuing authorization." The twelve regular appropriation bills and such supplemental appropriations as may be necessary represent the minimum legislation which must be enacted during each session of Congress. They provide the money to operate the government and theoretically should become law by the opening of the new fiscal year on July 1.

DEBT AND INTEREST: The public debt today stands at \$307 billion according to the latest statement of the U. S. Treasury. One year ago the debt was \$302 billion. This \$5 billion increase in one year means that the annual interest charges on the debt have grown \$166 million during the past 12 months. During this year the total amount of interest on \$307 billion of debt will exceed \$10 billion or \$218 for every family in the United States.

In light of this fact I was especially impressed by a clipping sent to me last week by a constituent. The article he sent spoke of "the fictitious debt of 300 billion dollars." The author contended that money spent for parks, defense, etc. is listed as expenditures only. He stated that "these are not recorded as assets on the net worth of the federal government. With no worth put on its assets and all of its spending counted as expenditures this makes the big reason the difference in the two types of bookkeeping systems used by private enterprise and government and that is the only reason for the fictitious debt of 300 billion dollars." But the hard fact remains we are paying genuine interest on \$307 billion and that isn't fiction. Every \$1 billion increase in debt means \$33 million more in interest charges.

ON HISTORICAL DOCUMENTS: By a vote of 157 to 154 the House approved H. R. 6237 to authorize a \$500,000 five-year program of federal grants to assist in the collection, reproduction, and publication of documentary source material on the history of the United States. Because of the state of the Treasury and the availability of non-tax funds for this purpose, I voted against the bill. This is another example of spending which although for a good purpose can be postponed until our fiscal house is in better order.

MOBILE OFFICE TOUR TO BE OMITTED: I sincerely regret that it is not possible to plan a mobile office tour of the Fifth District this fall. For the past eight years it has been my privilege to bring my office into from 20 to 28 communities for an afternoon and evening. The opportunity to visit with over a thousand constituents each year has proved invaluable. But with the extended session of the Congress and with no prospect of adjournment before Thanksgiving or possibly Christmas, I will have to omit what would have been the ninth annual mobile office tour.

I will make every effort to return home from time to time to meet with various groups and to keep individual appointments at my Grand Rapids office. The office is located at 425 Cherry Street, S. E. and is open daily with Mrs. Eleanor Todish in charge.



Your Washington Review

by
Congressman
JERRY FORD



October 30, 1963

The House Committee on Post Office and Civil Service is considering in executive session this week legislation to increase the salaries of civil service and postal employees, top officials in the executive branch, judges in the federal judiciary, and members of the Congress. We do not know precisely what increases will be recommended by the Committee when it concludes action on this Administration-endorsed proposal. But this is one instance when I can report before the Committee takes final action that I will vote against any bill it recommends to increase federal salaries across the board including those of members of Congress.

I opposed the tax reduction bill recently passed by the House because, among other reasons, there was no assurance that federal expenditures would be cut or held to a reasonable level. I have voted against new or expanded spending schemes, which under other conditions could be approved, because of the size of the annual deficit and of the public debt. I cannot now vote to increase further the cost of the federal government when it is evident that the higher salaries will have to be paid with borrowed money.

Under a leading bill being considered by the Committee the increased annual cost of the proposed pay raise is \$539.5 million. Most of this amount (\$508 million) would provide an average 4.7 percent increase above the 1964 salary schedule (which exceeds that of 1963) for civil service employees and a 3.2 percent increase for postal employees. It must be remembered that last year (1962) civil service salaries were increased 5.5 percent (another 4.1 percent due automatically in 1964) and postal salaries were upped 8.6 percent with another 2.6 percent due in 1964.

The legislation with the Committee also would increase the salaries of cabinet officers from \$25,000 to \$40,000 per year, of other presidential appointees presently in the \$19,000 to \$22,500 bracket to salaries from \$27,500 to \$38,500, and members of the House and Senate from \$22,500 to \$35,000. Supreme Court judges now receiving \$35,000 a year would get \$50,000 under the bill; salaries of judges of the appellate courts would go from \$25,500 to \$40,500; judges in the District, Customs, and Tax Courts now paid \$22,500 would receive \$35,000 per year. Judiciary and legislative employees would also be made eligible for pay increases and the Vice President and Speaker of the House would each get a raise of \$15,500 for a salary of \$50,500.

It is argued that "the Federal Government should give comparable pay for comparable skill and responsibility to that paid by private enterprise for similar duties." In the lower and medium salary ranges this is highly desirable, and it is feasible provided we

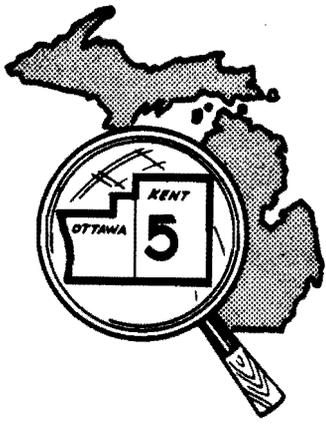
can accurately determine "comparable skill and responsibility" and provided we take into consideration all "fringe benefits." We know however, that many individuals among the 2,500,000 civilian employees of the federal government prefer to be associated with Uncle Sam because of stability of employment and other reasons. Few citizens realize the annual payroll of the federal government for civilian employees right now is \$15.3 billion.

Those who accept judgeships, cabinet posts, high administrative office, or who run for Congress are likewise motivated by considerations other than the monetary reward. I doubt that an increase in salary from \$25,000 to \$40,000 per year will raise the caliber of cabinet officers nor will a pay raise of \$12,500 give us more competent federal district judges. While personally a pay raise would be pleasant, I do not think congressional salaries should be raised until our fiscal house is in order. As the "board of directors" for the country we should cut governmental costs, eliminate the annual deficit, and achieve a degree of federal fiscal responsibility before we vote ourselves a pay raise.

It will be argued that the \$21 million annual cost of the proposed increase in top executive, congressional, and judicial salaries is a mere drop in the bucket of a \$100 billion budget. But the proponents of the legislation are frank to say that "the failure to raise congressional pay depresses the maximum salaries which can be offered to lawyers, doctors, scientists, space technicians, and many others in key...positions." In other words, this is the beginning of another round of salary increases for federal employees--and on additional borrowed money.

MENTAL HEALTH FACILITIES: Final action was taken in the House last Monday on S.1576, the bill to provide federal assistance for the construction of local mental health centers and research facilities, and for the training of teachers for the mentally handicapped. In an earlier newsletter I described the provisions of the House and Senate versions of the bill and indicated my preference for the House bill. In the bill worked out in conference, the House position prevailed on the most important issue: whether federal funds should be used to help pay salaries and wages of employees of the local mental health centers. The original Senate bill authorized \$427 million over the next eight years for this purpose. The House insisted that no federal money be used to pay employees in order to preserve the traditional responsibility of the states in the care of the mentally ill.

After considerable debate and delay the Senate conferees accepted the position of the House on employee salaries. The House went along with a compromise which split the difference on the duration of the program and on some of the cost differences. The final version of the bill was approved 296 to 14.



Your Washington Review

by
**Congressman
JERRY FORD**



November 6, 1963

For the sixth time since he became President, Mr. Kennedy has requested the Congress to increase the limit on the public debt. The Committee on Ways and Means has approved legislation to raise the limit from \$309 billion to \$315 billion until June 29, 1964.

On June 26, 1961, early in the Kennedy Administration, the House voted to raise the debt limit from \$293 billion to \$298 billion until June 30, 1962. I supported this increase at that time in order to prevent embarrassment of the Treasury and to permit proper flexibility in fiscal management. I stated, however, that in order to promote fiscal responsibility I was going to oppose new or expanded spending programs except those directly related to national defense.

On February 20, 1962 the House passed legislation to increase the debt limit by \$2 billion to a level of \$300 billion until June 30th. President Kennedy had asked for a \$308 billion ceiling. Again I voted for the increase (to \$300 billion) largely because our defense expenditures had gone up \$2 billion during the year. But I pointed out that "the Congress cannot blithely go on voting for new proposals to increase spending" and that "the Congress may have to refuse to increase further the national debt limit" to encourage the President to make a bona fide effort to curtail non-defense expenditures.

Three months later on June 14, 1962 at the urging of the Kennedy Administration, the House raised the debt limit to \$308 billion until March 31, 1963 when it was to revert to \$305 billion until June 24, and then to \$300 billion. For the first time I voted against an increase in the debt ceiling but the bill passed 211 to 192. I supported a recommittal motion (defeated 145 to 258) which would have placed the limit at \$306 billion. I said then that "if the debt limitation is to have any meaning at all, it must be recognized as a signal or warning to the tax-spenders that the tax payers are calling for a halt to deficit financing."

By May 15, 1963 the Kennedy Administration was calling for a still higher debt ceiling and the House upped the limit to \$307 billion until June 30 and to \$309 billion for July and August. I voted for the Republican substitute to keep the ceiling at \$305 billion but this was defeated 195 to 222. It was very evident at that time that all the Kennedy deficits were created by increased spending and not by decreased revenue. Many members of the House were growing increasingly concerned and the \$309 billion limit was approved by a narrow margin of 213 to 204.

Then on August 8 the House voted 221 to 175 to continue the \$309 billion ceiling for three more months until November 30, 1963. I opposed this action but supported a

substitute proposal to put the ceiling at \$307 billion until October 31. I agreed with Republican members of the Committee on Ways and Means who stated they had "no alternative but to continue to use the limitation on the public debt as a means of exerting a positive influence over future spending."

Now the request by the Kennedy Administration is for a ceiling of \$315 billion until June 29, 1964. Because the national debt currently stands at \$306 billion and without further legislation the limit on November 31st will automatically revert to the permanent ceiling of \$285 billion, some action is required. But I cannot endorse an increase of \$6 billion to put the debt ceiling at \$315 billion. Neither defense spending nor a decline in revenue is the cause of the additional indebtedness. The Kennedy policy of planned deficits with high expenditure regardless of income nurtures the growing debt. This policy is not only poor economics and bad ethics but extremely costly in greater and greater interest charges.

MEXICAN FARM LABOR: For the second time this year the House of Representatives has considered legislation to extend the law permitting the employment of Mexican labor in U. S. agriculture. I voted for the bill (H. R. 8195), which passed the House last Thursday, to continue the present program for one year to December 31, 1964. I also supported H. R. 5497 to extend the law for two years but this bill was defeated by the House on May 29th.

The Mexican nationals (braceros) are needed because of the seasonal nature of farm employment and the lack of domestic workers to perform the "stoop labor" required in producing and harvesting fruits and vegetables. No braceros may be employed unless the Secretary of Labor determines that there are available no able, willing, and qualified domestic workers, that the employment of the Mexicans will not adversely affect the wages and working conditions of U. S. agricultural workers, and that reasonable efforts have been made to attract domestic workers at comparable wages. This offers adequate protection to domestic labor, both local and migrant, and helps to insure sufficient manpower to farmers when they need it.

In a seven-county area in Western Michigan, including Kent and Ottawa, 2321 braceros were employed on August 15 this year. On the same date 10,365 domestic farm laborers were on the job. By October 15th the number of Mexicans employed had dropped to 70 while 4,710 U. S. citizens were still working. During 1962 Michigan used 18,361 man-months of Mexican labor which was a 19 percent decrease since 1959. Nationwide there has been a 56 percent decrease in the use of braceros since 1959. Eventually the program can be terminated but to cut it off on December 31 will work a hardship on American agriculture and especially on small farmers. It should also be noted that Mexican labor involves only men who are in the U. S. for a limited period so problems of child labor and education are completely eliminated.



Your Washington Review

by
Congressman
JERRY FORD



November 13, 1963

For the sixth time since Mr. Kennedy became President, the House of Representatives at his request has voted to increase the public debt limit. Under the bill (H. R. 8969) passed last Thursday, the temporary debt limit goes to \$315 billion until June 29, 1964 when it will be reduced to the present \$309 billion ceiling. I outlined in last week's newsletter my reasons for opposing this increase but the bill passed by the narrow margin of 187 to 179 with no Republicans voting for it. A Republican motion to recommit the bill to committee for further study and revision was defeated 197 to 172 but 23 Democrats did support this proposal.

The Republican members of the Committee on Ways and Means in their Report on this bill said: "The majority proposes to reduce tax receipt as an available source of funds, but at the same time to make more funds available through enlarged borrowing authority. We are opposed to tax reduction through enlarged borrowing authority... and we are equally opposed to unnecessary government spending financed in the same manner.... We do not regard proposed expenditures of \$97.8 billion (net) for 1964--an increase of \$5.2 billion over fiscal 1963--as indicating that the administration has chosen to forego spending as a means of solving all of the nation's problems. If the administration would, in fact, abandon that road, it would be wholly unnecessary to increase the debt limitation to \$315 billion as provided by this bill."

POSTSCRIPTS TO THE RUSSIAN WHEAT DEAL: When President Kennedy announced administration approval of the sale of tax-subsidized wheat to Communist Russia he said that it would be a deal between the Soviets and private American merchants. Yet now we learn that the Export-Import Bank, a U. S. governmental agency, has agreed to guarantee up to 100 percent of the credit extended by commercial banks to those Americans who carry on transactions with the Communists. Already such guarantees have been given on the corn deal with Hungary. All indications are that the same terms will be granted on the wheat deal with the Soviet Union. If the Communists default, the American taxpayer will pick up the entire bill.

This is doubly amazing because the normal practice involving our friends in the free world is for the Export-Import Bank to guarantee no more than half the amounts due from foreigners.

As I have mentioned before in connection with the wheat deal, the recent and repeated action of the Russians in holding up our Berlin-bound convoys on the German autobahn should demonstrate that Communists understand only firmness and force. As a Washington

newspaper friendly to the administration observed last week: Russia in stopping our troops "is plainly saying to all who will listen that no real detente has been achieved with the Soviet Union."

ON THE FARM AND IN THE DEPARTMENT: The New Frontier hasn't done very well on the farm but it has succeeded in building the largest and most expensive agricultural bureaucracy in history. With the number of farms and farmers at an all-time low, the number of employees and total expenditures in the Department of Agriculture has risen to an all-time high. Both farm costs and farm debt are at the highest level in history but the parity ratio for 1962 was 79, the lowest level for a year since 1939.

The parity ratio which gives the relationship between what the farmer receives from the sale of his products and the cost of the things he buys, has been declining under the New Frontier. In 1956 the parity ratio was 83; in 1958 under Ike it was up to 85, but in 1963 it will be a trifle over 77, a new yearly low. In other words farm income has been unable to keep pace with farm costs. Net farm income for the second quarter of 1963 (seasonally adjusted) was \$12.6 billion or \$700 million less than 1962 and \$200 million less than 1961. On January 1, 1963 farm debt, at \$28.9 billion, reached the highest level in history. But we had fewer farmers (14.3 million) and fewer farms (3.6 million) than ever before.

Yet the Department of Agriculture is spending this fiscal year \$8.4 billion, a figure never before reached, and has 116,268 employees on the payroll, also a new record. Incidentally, that is 1 employee for every 31 farms. Farmers may not be prospering but the bureaucratic regime set up for them is. However, neither Secretary Freeman nor any of his host has been able to solve the primary problem: agricultural surpluses. On June 30, 1963 CCC investments (tax money) in farm commodities stood at \$7.25 billion. A year ago the comparable figure was \$6.65 billion.

CANDLE POWER AND LEGAL STANDARDS: By an act of Congress (S. 1064) "candle power" as a measurement of light has gone the way of the log cabin and the covered wagon. Now the term is "candela" to bring official U. S. usage in line with the International System of Units of measurement. For the technically minded, S. 1064, approved by the President on November 4, says that "the unit of intensity of light shall be the candela, which is one-sixtieth of the intensity of one square centimeter of a perfect radiator, known as a 'black body,' when operated at the temperature of freezing platinum."

The Bureau of Standards reports that except for the "candela," there is no legislation specifically intended to fix fundamental standards in the customary system of weights and measures. The Bureau under law sets the fundamental standards such as the pound, gallon, and yard and bases them on customary units in use over the years.



Your Washington Review

by
Congressman
JERRY FORD



November 20, 1963

The major item of business in the House of Representatives last week was consideration and passage of a bill (H. R. 9009) authorizing the appropriation of \$102 million for the Peace Corps in fiscal year 1964.

During its first year (fiscal 1962 or calendar 1961-62) the Peace Corps received \$28,060,000. During its second year the cost rose to \$55,130,000. For the current fiscal year (1964) the Committee on Foreign Affairs recommended and the House approved an authorization of \$102 million, the specific amount requested by the Administration.

On August 31st the Peace Corps had placed 6,634 volunteers in 48 countries. By the same date next year it hopes to have 11,300 volunteers in 49 countries. Latin America where over 2,400 corpsmen are in 17 countries and Africa with over 2,200 volunteers also in 17 nations provide opportunities for the majority of Peace Corps personnel.

The annual cost per Peace Corps volunteer is \$9,000. This includes \$7,000 for supporting the volunteer and \$2,000 for administrative expenses. Of the total \$102 million request for this year, it is estimated that 19.9 percent or \$20,300,000 will be used for administration.

I believe it is fair to say that the Peace Corps has done a much better job than many expected at the time it was established. Many of us supported it initially more out of hope than expectation. But I must agree that it has come along better than I expected. This is not to say that the final appropriation for the Peace Corps should be equal to the \$102 million authorization. The Committee on Appropriations must of necessity review carefully the activities and proposals of the Corps before practically doubling its funds for next year. This program should not be permitted to get out of hand, financially or otherwise, but it should have sufficient funds to enable it to support volunteers who are truly dedicated to their task and who are producing results favorable to the United States.

I do not want to leave the impression that there was no Congressional criticism of the Corps. Three members of the Committee on Foreign Affairs filed a minority report in which, among other things, they said: "We have been told of its successes, and to a limited degree, of its shortcomings. But the tenor of the story is one of accolades and kudos by those who are administering the Peace Corps. Against these accomplishments by public relations we have almost no evidence of accomplishment in fact." Calling for a more modest expenditure and a Congressional study of actual results, they said, "until

such studies are made, we are reluctant to accept without qualification the endorsement of those who direct it."

PROSPERITY AND PUBLIC DEBT: According to the latest report of the President's Council of Economic Advisers, the Gross National Product (GNP) has reached the highest point in history. The GNP is the sum total of all goods and services produced in our country; it is an indicator of the state of the economy. In other words, its upward trend means economic prosperity rather than recession or depression. During the third quarter of this year it reached \$588.5 billion per annum compared with \$566.8 billion a year ago. This is an average rate of growth of more than 5 percent. The President's advisers reported that the "GNP rose \$9 billion (seasonally adjusted annual rate) in the third quarter" of this year over the previous three months. This demonstrates that, using the GNP as an economic barometer, these are "good times."

We have heard much of the Soviet rate of economic growth which averaged 7 percent per year during 1955-59, dropping to 6 percent in 1960, to 5 percent in 1961, and to 4 percent in 1962. Estimates for this year are not available but are expected to go below 4 percent. Our 5 percent, therefore, in an already comparatively more prosperous economy, is very good.

But the President has announced that there will be a huge federal deficit this year, and has requested a new high of \$315 billion in the public debt limit. It is only fair and logical to ask: If we can't have a balanced budget in times such as these, when will we pay our way? Certainly not during recessions or depressions when revenues are reduced, nor in time of great international stress when expenditures are increased. The time to balance the budget is now.

It would be wonderful news indeed to hear from the Treasury before June 30, 1964 that because of increased economic activity our tax collections exceeded expectations and we will have a balanced budget. With a continuation in the growth of the economy and in the efforts of the President and the Congress to control spending, we could achieve that result.

VA HOSPITALS IN MICHIGAN: Five of the 168 hospitals operated by the Veterans Administration are in Michigan. Battle Creek's psychiatric hospital has 2000 beds. The others are general hospitals and are located at Ann Arbor (486 beds), Dearborn (890 beds), Iron Mountain (269 beds), and Saginaw with 217 beds.

"THE FEDERAL GOVERNMENT AND EDUCATION:" A supply of the 170-page booklet bearing this title has been delivered to my office. The booklet was prepared to provide a complete picture of the nature and scope of the Federal Government's programs in education. Copies are available upon request to my Washington office, 351 House Office Building.



Your Washington Review

by
Congressman
JERRY FORD



November 27, 1963

We, in America have so tremendously much to be thankful for, that I am taking this opportunity to remind all of us of a few facts about the holiday itself--as well as some of the benefits and privileges we Americans enjoy and should be most thankful for.

In 1621--three hundred and forty-two years ago, to be exact--Governor William Bradford of the Plymouth Colony proclaimed the first "Thanksgiving Day." The Pilgrims gave thanks to God for a bountiful harvest after a period of suffering and starvation.

There was, of course, no suggestion then that the holiday become an annual one. It was simply an act of faith by a people who were deeply thankful that their grain bins were full and that they had food to last them through the rigors of the coming winter.

One hundred and sixty-eight years was to pass before a "national" day of Thanksgiving was proclaimed by George Washington--thanksgiving for the freedom this country had at last achieved--Thanksgiving for the liberty to pursue happiness, each in his own way.

Still, Thanksgiving Day did not become a yearly event celebrated by the whole Nation. Another seventy-four years was to pass before Abraham Lincoln, in 1863, urged on by Mrs. Sarah J. Hale, proclaimed that the fourth Thursday in November be celebrated as a day of national thanksgiving.

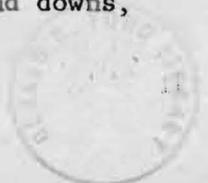
That briefly is the background of America's great national holiday.

Today, we as a nation, have so much to be thankful for, it is difficult to know where to start. We are rich in food, rich in our material possessions, and rich in our rights and our freedoms--the spiritual possessions whose value is beyond any price.

There is no question that America is the wonder and envy of the world. That the world envies us our material wealth, is natural enough. A hungry man is hypnotized by the sight of a full dinner plate. But the peoples of some of the less fortunate nations are more deeply envious of our spiritual possessions--our freedom of speech, freedom of religion, freedom of the press. They seem to sense that it is upon these spiritual possessions that our material abundance is based. How right they are.

I sometimes wonder if Americans truly realize how completely these two are interlaced--how much the one depends on the other; how much, in fact, the one is the outgrowth of the other.

Our present pre-eminence in the world was reached under a system of free and untrammelled individual liberty. We must never forget this. We have had our ups and downs,



our bad times and our good, but our continuing and magnificent national growth was not the result of any government-dictated or organized blueprint for action. The United States grew in less than 180 years from 13 poor struggling colonies to a strong and respected nation of 50 states because of its people and the priceless kind of government given us by our forefathers at Constitution Hall in Philadelphia.

We did not grow from a country of magnificent open spaces, marvelous forests and vast inland seas into a country whose cities with "topless towers" awe the world because a federal government decreed that it should be so.

The inventive genius of the individual, his dogged determination, his capacity for labor when he knew that the fruits of his labor would remain his--this is what gave us our present greatness.

If in our complacent satisfaction for our "material" abundance we ever neglect our "spiritual" abundance, we deserve the downfall that will inevitably follow. Because of our rapid and fantastic national growth, we have been faced by problems and confusions that often seemed insoluble. Added to this we have travelled the long road between the covered wagon and the space capsule. In such an era of tremendous change, seemingly insoluble problems springing up over night, were inevitable.

It is natural that in times of national crisis our citizens have turned to the Federal Government for guidance and help. But it will be fatal if we ever let this become a national habit--if we ever look to the Government for the solution to every problem--if we ever barter our spiritual birthright for the domination of our lives by an all-powerful Washington bureaucracy.

If our people ever succumb to the "easy way" we will be betraying the beliefs and convictions of those undaunted pilgrims who first "gave thanks." We will be betraying the sacrifices that were made under George Washington to cement us into a nation.

We will be betraying the millions of individual builders who peppered this continent from coast to coast with thriving cities and towns and villages.

As we "give thanks" let us count our blessings and resolve to preserve for our children and our children's children the great heritage of America. Let us be certain that we pass on to those that follow a better world and be thankful for the opportunity to do so.

AGRICULTURE YEARBOOKS:

Annually in the fall the Department of Agriculture publishes a Yearbook. In 1963 it is entitled A PLACE TO LIVE. It has a somewhat different format than those in the past but it should be most interesting. Each member of the Congress has a limited number available for distribution to constituents. As in the past my office will make our supply available on a "first come, first serve" basis. Write our office in Washington, 351 House Office Building.



Your Washington Review

by
**Congressman
JERRY FORD**



December 4, 1963

The ignominy at Dallas was a tragedy for the United States and the world. Little can be added to the millions of words that have been spoken and written in expressions of shock, and of sympathy, and of support--of shock that such a crime could take place in our country, of sympathy to the family and to all of us for whom John F. Kennedy was "Mr. President," and of support to Lyndon Johnson upon whom the responsibilities of the Presidency have fallen.

Mrs. Ford and I paid our respects to the late President personally and on behalf of the Fifth District in the White House on Saturday afternoon. I attended the funeral services at the church but traffic conditions prevented a number of the members of the House of Representatives from getting to the graveside services at the cemetery. However, Mrs. Ford was present at the burial services in Arlington National Cemetery.

I first met Jack Kennedy in January, 1949 when I came to Congress and was assigned an office across the corridor from his on the third floor of the Old House Office Building. Frequently during the ensuing four years we walked and talked together as we went to and from the House Chamber. Although on many fundamental issues we held different viewpoints, I always respected his ability and valued his friendship.

From 1953 to 1960 while JFK served in the Senate I saw him less frequently but whenever we met he was most cordial and congenial. Following his election to the Presidency in 1960 I had several close and intimate contacts with him. In the summer of 1961 during the consideration of the controversial foreign aid authorization bill, Mr. Kennedy asked me to come to his office in the White House for a conference on the legislation. This half-hour session with the President on an important legislative problem will remain one of the highlights of my experiences in the Nation's Capital. For thirty minutes just the two of us talked about his proposal to finance the development loan part of the mutual security program by the "backdoor-spending" method. He was friendly and extremely well informed on the technical details of our differences. Although we didn't see eye to eye on the controversy, I well remember his fairness and kind consideration of my views. The memory of that discussion in the President's White House office was vivid as we stood before the bier in the East Room on Saturday afternoon.

In full realization that I vigorously disagreed with President Kennedy on many basic issues of public policy, I did appreciate his friendship and I do commend to all people as a fitting tribute to his memory these words of his eloquent inaugural address:

"And so, my fellow Americans, ask not what your country can do for you: Ask what you can do for your country. My fellow citizens of the world: Ask not what America will do for you, but what together we can do for the freedom of man."

IN THE AFTERMATH: Little is to be gained by speculating on "what might have been." But I believe there are a few areas relating specifically to the assassination where thought and action can well be directed:

1. Congress should thoroughly investigate the Oswald types, the Communists, Marxists, leftists, and the pro-Castro elements in our country. It is essential that we get on the record all possible background information on these individuals and groups so that the American people can more fully understand the threat of the Communist conspirators to the peace and security of the United States.

2. The Congress must immediately review the laws relative to the purchase and sale of guns by mail to determine whether stronger controls are needed.

3. Legislation should be enacted to make it a federal crime to assault or assassinate the President or Vice-President. Presently such crimes are covered only by the state law where committed.

4. Further attention should be given to the problem of the instability of the President to carry out the duties of his office. Had Mr. Kennedy been totally or partially disabled by the shooting rather than killed, who would have exercised the authority of the President? Who determines when a disabled President is unable to act and when he can resume his responsibilities? These questions should be answered specifically in legislation. Some Congressional consideration was given to this problem at the time of former President Eisenhower's heart attack in 1955 but no affirmative action was taken.

THE PRESIDENT'S MESSAGE TO CONGRESS: President Johnson's first speech to a Joint Session of the House and Senate was beautifully written and well delivered. The words eloquently expressed the nation's sorrow on the shocking and incredible death of President Kennedy.

I can and do subscribe to President Johnson's policy statements indicating the maintenance of a powerful and alert military program. I endorse his foreign policy statements reaffirming U. S. commitments to defend freedom against Communist aggression from Berlin to Viet Nam.

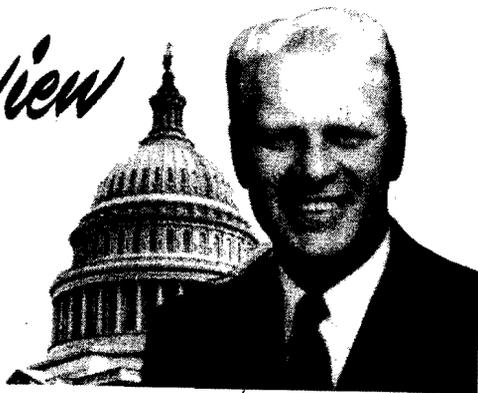
On the other hand it should be noted that our new President has endorsed all of the federal spending policies and programs that have caused America's serious fiscal problems in the last three years.

On the issue of ever-increasing federal spending I reserve the right to oppose where conscience dictates. No President, especially one who has served so long in the House and Senate, would expect a member of the legislative branch to abandon honestly and legitimately held principles that fiscal responsibility of the federal government is a must, now and in the future.



Your Washington Review

by
Congressman
JERRY FORD



December 11, 1963

The major legislative business of the House of Representatives last week involved consideration and passage of H. R. 6196 described as a bill to "revitalize the American cotton industry." Although all authorities recognize that a very serious problem faces the cotton industry, it was generally agreed that H. R. 6196 was not the best solution for any segment of the industry. The bill was proposed as one on which there was maximum agreement within the industry and which was thought to have the best chances of passage. In fact it was passed by a vote of 216 to 182 but Senate approval of the House version of the bill is doubtful. Senator Allen Ellender (Dem. La.), Chairman of the Senate Committee on Agriculture has indicated strong opposition to the bill.

On February 21, 1961, only 30 days after he took office Secretary of Agriculture Freeman for political purposes raised the price support on cotton from 30¢ to 33.04¢. He also upped the export subsidy from 6¢ to 8 1/2¢. This accentuated the difficulties and since then the cotton situation has been growing steadily worse. Moreover, farmers' income in 1963 from cotton will be reduced because Secretary Freeman recently cut the national cotton acreage allotment from 18.1 to 16.2 million acres without changing the price support in terms of dollars and cents.

Because of the export subsidy program for which taxpayers are spending \$148.7 million a year, foreign textile mills are obtaining American cotton for 8 1/2¢ a pound less than American textile mills can buy it. With this advantage and lower production costs, it is easy to see how foreign textile can be imported to compete unfairly with U. S. products.

Furthermore, it is perfectly evident that if Secretary Freeman would only use his present authority wisely and follow the mandate of existing law, he could alleviate the situation without further legislation, control, and expense.

H. R. 6196 modifies the two-price system for cotton. It enables domestic cotton mills to buy American cotton at the world price which is now 8 1/2 cents per pound below the current U. S. price support level of 32.47 cents per pound. This means, in effect, a subsidy for the textile industry. Processors will buy cotton from Uncle Sam for about 8¢ below the price paid by the government. We will then have a "triple subsidy" program for cotton: One for producers, another for exporters, and finally this one for the mills.

At a minimum the additional cost of the new program will come to \$250 million during the next three years. During the two years ending July 31, 1963, the Treasury spent about \$1 billion acquiring surplus cotton. By July of next year the government

investment in cotton will be about \$1.5 billion. In trying to "do something" for the cotton industry, the sponsors of this legislation are completely ignoring the taxpayers.

I voted against H. R. 6196 because I do not think it is a constructive approach to the problem. It compounds our difficulties, increases our costs, and extends governmental controls over agriculture. Furthermore under existing law the Secretary of Agriculture could recognize his previous error and reduce the support price by executive order. I believe we should work toward a farm program which relaxes governmental interference and reduces the burden on the taxpayers.

IS IT TO BE A \$100 BILLION BUDGET? Never in our history has Uncle Sam budgeted \$100 billion for one year. But now we are told that the budget to be presented in January for fiscal 1965 will undoubtedly pass the \$100 billion mark. Expenditures are going to exceed those of this year by \$3 billion and the annual deficit will run to \$8.5 billion. When do we call a halt?

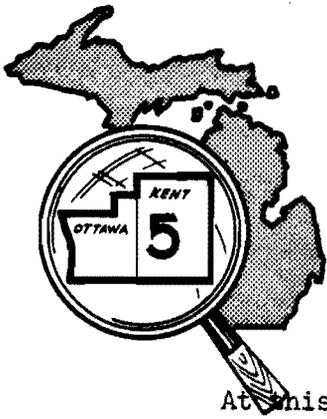
The announcement of the most costly year in history came within days of President Johnson's call for frugality and prudence in fiscal matters. Most of us, I'm sure, applauded his intention to hold the line on spending. But the forecast of the first \$100 billion budget is not a good omen.

Right now the President could give effective expression to his desire for frugality by requesting the Senate to keep this year's appropriations at the level approved by the House of Representatives. The House has cut \$5.4 billion from the presidential requests in the eleven appropriation bills on which it has acted. The foreign aid bill is still to be considered and a reduction of \$2 billion may be expected. This makes a total reduction by the House of \$7.4 billion out of a total budget request of \$96.3 billion.

Four appropriation bills involving cuts of \$2.2 billion have become law. Nothing further can be done relative to these. But if the Senate accepts the House figure on three money bills on which it has not acted, there will be a reduction of nearly \$1 billion. If in addition the Senate agrees to the House recommendations on three bills now in conference, there will be another \$1.9 billion saving. Combining these with a potential \$2 billion slash in foreign aid, we could yet cut about \$5 billion from the 1964 budget request. With \$2.2 billion reduction already on the statute books, it is possible to achieve a reduction in excess of \$7 billion this year.

The President has been urged by House Republicans to use his influence to obtain Senate approval of these budget reductions made by the Democratic-controlled House. If this is done and the Congress continues similar efforts next year, we may be able to hold expenditures below \$100 billion, eliminate the deficit, and make possible some proper tax reduction.

CONGRESSIONAL RECORD FOR NOVEMBER 25: Edged in black and consisting of eight sheets, the Congressional Record for November 25th contains the eulogies to our late President delivered in the Rotunda of the Capitol. Copies are available upon request to my office.



Your Washington Review

by
**Congressman
JERRY FORD**

December 18, 1963



At this writing 153 members of the House of Representatives have signed the petition to discharge the Committee on Rules from further consideration of the civil rights bill, H. R. 7152. The bill was reported from the Committee on the Judiciary on November 20. Normal procedure calls for a determination by the Committee on Rules of when and under what conditions (length of debate, number of amendments, points of order) the bill is to be discussed by the entire House. The discharge petition was filed on December 9 because it was alleged that to await action by the Rules Committee would result in unreasonable delay in enactment of this significant legislation.

Let me say, first, that I voted for the Civil Rights Act of 1957 on June 18, 1957. While 168 Republicans in the House voted for the bill, it was supported by only 118 Democrats. Opposing this civil rights bill were 107 Democrats and only 19 Republicans. I voted for the Civil Rights Bill of 1960 when on April 21, 1960 it was supported by 123 Republicans and 165 Democrats. However, in opposition were 83 Democrats and only 12 Republicans.

I have also indicated my general support of the civil rights compromise bill of 1963 worked out by the Republican and Democratic members of the Committee on the Judiciary. But now we are being urged to sign the discharge petition because of the alleged need for immediate action by the entire House.

I think it is only fair to take a look at the record to see when and where the delay on civil rights legislation has occurred:

1. On September 9, 1960, the Democratic candidate for President said in Los Angeles, "(Civil Rights) legislation is already being prepared. ...And this bill will be among the first orders of business when a new Congress meets in January."

2. On May 8, 1961, the White House announced that it did not endorse the civil rights legislation introduced by Democratic Congressmen and that it had no proposals of its own to submit.

3. About two years later on January 31 and on June 3, 1963 when as yet no recommendations had come from the White House, over 30 Republican Congressmen introduced civil rights bills. The Democratic-controlled Committee on the Judiciary took no action on them.

4. Finally on June 19, 1963, twenty-nine months after taking office, the Administration submitted its civil rights proposals to the Congress.

5. On October 2nd Chairman Celler's subcommittee recommended a civil rights

bill to the full committee but the Attorney General personally appeared before the Committee to state his objections and to ask for revisions.

6. Then on October 29, 1963, four months after it opened hearings, and through strong bipartisan efforts the Judiciary Committee approved a final version of H. R. 7152.

7. It was not until November 21 that the Committee's written report on the bill was available to members of the House.

8. On the same day, the Committee on Rules was asked to hold hearings on the bill but Part II of the Judiciary Committee's report was not received by the Rules Committee until December 4.

9. On December 9th the discharge petition was filed. If 218 or more members had signed by last Friday the bill could go directly to the floor of the House but not before December 23, two days before Christmas. (There is certain to be a recess between Christmas and New Years)

10. Chairman Smith has stated that the Committee on Rules will take up the civil rights bill "reasonably soon in January."

In light of this statement and of the length of time which the Administration and the Judiciary Committee took to present the bill, I have not signed the discharge petition. Many have suggested that I go along with the petition for political purposes. But civil rights is too important an issue to be made a political football. We know the Committee on Rules will act in January and that the House will then be able to debate the bill on its merits under regular procedure.

"WE, THE PEOPLE:" A colorful 140-page book entitled "We, the People," presenting a picture story of the U. S. Capitol has just come off the press. Produced by the National Geographic Society, its format, paper, and photography is similar to the "Geographic Magazine." It may be ordered from the United States Capitol Historical Society, House Office Building, Washington, D. C. The full-color paper cover edition sells for \$1.25 postpaid while the deluxe edition costs \$2.75 postpaid.

This is a companion volume to the well-known book on "The White House" introduced by Mrs. Kennedy. Copies of "The White House" may be obtained at similar prices from the White House Historical Association, 718 Jackson Place, Washington 6, D. C. Because these publications are privately produced, copies are not available from my office.

CONGRESSIONAL RECORD FOR NOVEMBER 25: Last week I mentioned this eight-page issue of the Record (the first to be published after the assassination) containing eulogies to Mr. Kennedy delivered in the Rotunda and in the Senate. I have 1,000 copies for distribution, single copies or in reasonable quantities.

UNTIL NEXT YEAR: This is the last issue of YOUR WASHINGTON REVIEW for this year.