

UNITED STATES



OF AMERICA

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 89<sup>th</sup> CONGRESS  
SECOND SESSION

VOLUME 112—PART 18

SEPTEMBER 26, 1966, TO OCTOBER 4, 1966

(PAGES 23753 TO 25174)

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cynicism and frustration which breed much of our present-day crime.

I have said from several platforms of late that one of the great enemies facing this land is the enemy of communism—yes, without, that challenges us all over the world and challenges free men everywhere, and challenges us within.

Yet there is another "ism" that is gnawing at us and it is like a contagious virus; it is called "slumism"—the deterioration, not only of buildings, but of people. And as I go from city to city, which is my privilege, I travel in these areas of our metropolitan centers that breed crime faster than any police department can enforce the law. So we seek now to find ways and means of getting at the root causes of crime, of tension and frustration and bitterness, and hatred.

The historic measures enacted last year to support elementary and secondary education have, as their principal objective, helping to make our schools relevant to modern life, useful, meaningful, and worthwhile to the poor and the deprived, and the educationally handicapped children—so that fewer of them will be tempted to join the ranks of the school "dropouts" from which so many juvenile delinquents are recruited.

Now some of you may have heard about crime in Washington. That's a favorite topic for those outside of Washington, and it even concerns us here. I think you will be pleased to hear that the incidence of serious crime in this city has been falling, in comparison with last year's level, ever since November.

And I congratulate Chief Layton, Chief of the Metropolitan Police Department—Chief Layton and his men for their effective work. I've met with these men to give them encouragement and a pat on the back. But some of the credit also belongs to the great programs of social welfare, the antipoverty programs which began to take hold in this city last summer, to the reduction of overcrowding in our schools, to the opening of playgrounds—and since I mention that term, I want to say to the people of Washington, you're a century behind the rest of the civilized world in playgrounds, and young people need recreation facilities. Next to atomic energy, youth energy is the most powerful. And it either needs to be directed in proper channels or it bursts out in anti-social conduct.

We also have less restrictive administration of our public welfare system.

President Johnson's youth opportunity program, which we launched last summer and which is underway once again this year, has had an effect upon juvenile crime. It has reduced it. It has given young people a chance for a job, a chance for wholesome activity. Action against the conditions which lead to crime does help and it is your No. 1 ally. Mr. Police Officer, the better the schools, the better the social conditions, the fewer, the slums, the better your record as a police officer.

But law enforcement officers are still, as President Johnson has said, our "frontline soldiers in the war against crime."

And they deserve the full support of the community—moral and material.

Now I don't merely preach this—I believe it. As mayor of Minneapolis two decades ago, I practiced it. When I took office, there were underworld influences at work in our city and they were strong influences. I called the church, business, labor, and other civic leaders together. We appointed a law enforcement commission and I said to them:

"I want your backing. I can't clean up this city alone. I want to be able to pay the best policemen the best salaries that we can. I want to give them good working conditions because we simply can't afford anything less than the best."

I can say quite candidly that most police departments and most police officers—indeed, the overwhelmingly majority—want to be efficient and honest. And if there's an honest politician in charge, there'll be an honest police department—it's just that simple. You get what you ask for.

And the community needs to understand, as I tried to indicate, that law enforcement is everybody's business.

Dr. Elson, I had to tell the clergy of my city that the salary that they paid the mayor of Minneapolis when I was mayor just wasn't enough for me to do the job alone and that I didn't think it was good enough just to ask for good living on Sunday, that we had to have it 7 days a week. And my friends who are here from the Twin Cities will recall that we had our law enforcement Sundays, we had our honor banquets to honor the police officers who in each month had performed outstanding duties. The city and the State and the Nation must learn to honor those who defend our rights and who protect the public interest.

And I'm happy to say that after these frank visits with the leaders of our community, they did back me up. And I'm happy to say to this audience that I did come to see Mr. Hoover about whom we ought to have as police chief, to get his recommendation. He said, "You don't need to come here. You have a man right at home that we've trained. His name is Ed Ryan." He's today sheriff in Hennepin County. And, I said, "My goodness, he's my neighbor. He only lives a block away." He said, "Go home and find him." And I went home and found him and he was a great chief and he's been succeeded by great chiefs.

Yes, I had the backing of that community. But I also want to say for the record, I backed my chief and I backed my department. And I think that is the duty of the politically elected officer. You cannot have high morale in a police department if you're going to run out every time there's some criticism. You have to stand with them.

Now, I want to see our law enforcement officers paid at a professional level, and with professional health and retirement benefits. I want to see them backed up with the most modern equipment and facilities. Here, let me put in a special word now about precinct stations—and I run counter now to most all the public administration experts, but this is my platform for a moment. Many of these precinct stations around the Nation are a shame and a disgrace. They're obsolete and they're poorly equipped—yet policemen have to spend a lot of their lives in these stations—and they should spend it in reasonable comfort and dignity with the best of equipment.

And I'm one that believes in the precinct station because it provides law enforcement on a neighborhood basis. It may not look as good on the charts of public administration courses that I once taught—I owe some of my students a refund—but the precinct station can be a bulwark of law enforcement and law observance because in many of our communities in America we need to know each other better—not only to know the law, not only to know our duty—but to understand what's going on in the area.

I want Americans, young and old, to trust and respect the man with the badge—not merely because he wears it, but because he wears it with honor.

Men of the National Academy, as you return home to resume rightful places of leadership and service in your communities, I ask that you carry proudly that torch of understanding that you've earned during your 12 weeks of intensive study with the FBI. You're going home better people, more professional, with greater competence. And, in the tradition of those who have preceded you across this graduation platform, I ask you to

use that training, that torch of enlightenment and knowledge, to light the beacons of knowledge and enlightenment elsewhere and to promote insight and the search of truth—because these are the beacons of greater service to humanity. I congratulate the graduates. I feel that our country is the stronger and the better today because of your training here in this academy.

#### UNITED NATIONS DEVELOPMENT PROGRAM

Mr. MONDALE. Mr. President, for last week's Saturday Review, the eminent American statesman, Paul G. Hoffman, now administrator of the United Nations Development Program, wrote a superb article on the gap between the rich and the poor nations, and the means by which the gap might be closed.

One particularly stimulating idea which Mr. Hoffman presents, which is the basis for the United Nations Development Program, is the notion of "seed money," the investment of a small amount in a crucial preinvestment project which brings forth, from other sources, investment of many times the amount of the initial seed project. Using this principle, an investment of \$35.7 million by the UNDP and the countries involved, has led to more than \$1.4 billion in further investment by others. This is certainly an approach which deserves to be expanded.

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

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

[From the Saturday Review, Sept. 17, 1966]

THE RICH AND THE POOR: 1966—THE GAP BETWEEN THE WEALTHY AND THE UNDERDEVELOPED NATIONS IS WIDENING WHILE THE PROPORTION OF GROSS NATIONAL PRODUCT DEVOTED TO AID IS SHRINKING—WHY?

(By Paul G. Hoffman)

It's a rich world for some—and the rich are getting richer. In 1965, the more developed countries, including the United States, Canada, most of Western Europe, the Soviet Union, Japan, Australia, New Zealand, and South Africa, had a Gross National Product of approximately \$1.4 trillion. What is more, the \$1.4 trillion figure is increasing by \$40 billion to \$50 billion annually, thus assuring the one-third of humanity living in the richer countries a rapidly rising standard of living.

But it is a distressingly poor world for most. The estimated Gross National Product for the less developed countries, excluding China, is about \$250 billion a year. While this figure is going up by some \$10 billion to \$12 billion annually, population growth is cutting the average annual increase in per capita income to 1 per cent. At this rate, the people of the less developed world will not reach even a \$200 level in average annual per capita income by the end of this century. For hundreds of millions of people the average will be close to \$100.

The contrast between riches and poverty on our planet is one of the tragedies of this century. "In an age when man is literally soaring to the stars," U.S. Ambassador to the U.N. Arthur Goldberg has said, "he has not yet managed to raise to decent heights the conditions of life for some two billion of the earth's three billion people." On a planet of unimaginable wealth and potential, some 3,000,000 human beings are dying each year

as a result of starvation and nutritional diseases. At a time when the frontiers of knowledge are expanding at an explosive rate, a majority of men live and die without benefiting from the wonders of science and technology.

Poverty, of course, is nothing new. What is new is that the poor no longer accept poverty as an inevitable way of life and are determined to do something about it. What is also new is that for the first time in history men command the means to launch a global attack on poverty. Many of the developed countries have devoted substantial resources to bilateral and multilateral development assistance programs. In designating the 1960s as a Development Decade, the United Nations has called upon all member states to unite in a sustained world war on hunger, disease, ignorance, and poverty.

There is much confusion as to the dollar value of goods and services flowing from the richer to the poorer countries for development purposes. My estimate, based on the study of many conflicting reports, is that it was approximately \$11 billion in 1965. It should be added, however, that only about half of that \$11 billion represents a burden on the world's taxpayers. The other half represents private investment and commercial loans meeting strict banking criteria.

What has been largely overlooked in appraising the flow of development capital from the richer to the poorer countries is the contra-flow of resources. In 1965, this reverse flow, consisting of interest and dividend payments and loan repayments, amounted to approximately \$4.5 billion—leaving a net development assistance total of \$6.5 billion. It has also been overlooked that, from 1961 to 1965, the annual flow of development resources to the emerging nations increased by less than \$1 billion. As a percentage of Gross National Product, less was devoted to development assistance in 1965 than in 1961. The figure now stands at little more than one half of 1 per cent, despite wide agreement that at least 1 per cent of Gross National Product should be devoted to development purposes. What has occurred in the United States is indicative. Though this country's Gross National Product has jumped by some 35 to 40 per cent since 1961, U.S. foreign aid expenditures are no larger today than they were five years ago.

The contrast between what has been happening to resources allocated for development and resources allocated for defense and weapons of destruction is sharp and devastating. While the amount of funds set aside by the richer countries for development assistance purposes has remained almost static, appropriations for armaments and war purposes have increased from \$120 billion to \$150 billion since 1961.

It is a rich world—and a mad one.

What explains this apparent unwillingness of the richer countries to devote more of their resources to meet the enormity of the development challenge? In the first place, the very concept of utilizing one's own resources to assist others in the development of their country is a new idea. Being new, it has been subject to misunderstanding. Many believed, for instance, that foreign aid could and should be used to win friends. Before long, however, it was evident that the countries of the less developed world could not be bought, or, if bought, were hardly reliable allies.

In addition, the staggering dimensions and complexity of the development process were little appreciated in the early days of economic assistance. People had the notion that the developed countries merely have to export their know-how. What was not realized is the fact that whole nations have to be brought to the point where they want and appreciate know-how. Some people had a different notion—that money alone can solve all development problems. They ignored the

reality that meaningful development cannot occur unless people are educated and trained in a variety of skills. Capital is a vital factor in a well-rounded development program, but it is only one factor among many.

To build the necessary skills and administrative institutions is a complex and time-consuming affair. Thus, development is not, as some supposed, a task which will take years, but one which will occupy men for decades and perhaps even generations. The quick results achieved by Marshall Plan aid to Western Europe cannot be duplicated. The Marshall Plan had the relatively uncomplicated job of speeding recovery from wartime destruction in an area which possessed all the necessary skills and facilities for rehabilitation. Present development efforts, by contrast, must often start at the very beginning—a vastly more difficult proposition.

Considering all this, it is not altogether surprising that both the public and the national legislatures in some of the richer countries should have become disenchanted with the entire development effort. In fact, when the taxpayers hear that in certain respects the plight of the poorer countries is worsening—for instance, in some areas of Asia and Latin America there is less food per capita today than there was at the beginning of the decade—they sometimes doubt that any amount of assistance can help solve the problems of the emerging nations. For these and other reasons, impatience and exasperation with foreign aid have grown over the years.

But there is a bright side to the development story. It is not the lack of resources, physical or human, which is responsible for the plight of the poorer countries. Almost without exception, they possess sufficient resources to assure a more decent life for all their citizens. What is responsible for the poverty of these countries is the underutilization of their resources.

Recently, I put two questions to a cross section of members of the Society for International Development, the only interdisciplinary organization in the development field. I asked them, first, what percentage of the total natural resources of the emerging nations is currently being put to productive use; and second, what percentage of these countries' human resources is now being utilized? You may find their answers rather startling. The average estimate of present natural resource utilization was about 20 per cent of annual capacity, and that of human resource utilization, only 10 per cent. This means that almost 80 per cent of the natural resources and 90 per cent of the human resources that exist in two-thirds of the world remain, as yet, untapped.

Despite this underutilization of resources, a number of the less developed nations have made spectacular progress. These countries are located on all continents, are in various climatic zones, and are of widely divergent cultural backgrounds. But they have certain marked similarities. In each instance of successful development effort there has been a strong determination on the part of the government to modernize and to make necessary sacrifices. Political conditions have been reasonably stable. Economic policies have encouraged savings as well as public and private investment. Finally, a sizable volume of external assistance has been forthcoming.

The face of progress and of enlarged opportunities assumes many different forms. Africa's Ivory Coast has increased its per capita income at an average rate of 10 per cent a year since 1960. At least twelve countries—among them, the Sudan, Tanzania, Mexico, the Philippines, and Thailand—have increased their average annual agricultural yield over a sustained period at a rate higher than that ever achieved by the

United States or any other developed country over a similar period.

Five countries—Greece, Spain, Israel, Lebanon, and Taiwan—have made such satisfactory economic progress that they have "graduated" from the U.S. aid program. Other countries, such as Brazil, Chile, and Turkey, may graduate within the next decade. Still others, such as Pakistan, South Korea, and Tunisia, have made more economic progress in recent years than most observers would have thought possible.

Thousands of strands make up the development story. The daily catch of Ceylonese fishermen has been multiplied many times over by equipping their vessels with outboard motors. In El Salvador, an underground reservoir containing enough water to double agricultural output in the surrounding area has been discovered. A new strain of rice may make it possible for Asia to double its output of that essential crop.

But development prospects cannot be measured in these terms alone. The world knows a good deal more about the development process now than it knew a decade ago. Then, there were few professionals in the field of development assistance; now there are thousands. The self-help efforts of the emerging nations are increasing yearly. In addition, an impressive number of international institutions, as well as individual countries, are deeply involved in development assistance. While the times are certainly difficult, never have they been more auspicious.

However, almost all knowledgeable people in development assistance agree that this promise will not be realized unless the present \$6.5 billion net flow of resources from the richer to the poorer countries is increased. The surprising thing is how little additional capital it would take to step up sharply the pace of world development.

An increase in two types of assistance is necessary. The first type is so-called "soft" loans, which bear no or very low interest charges, are long term, and usually provide for initial grace periods. Since many emerging nations are already burdened by excessive debt repayment obligations, this load should not be unduly increased by new "hard" or regular commercial loan obligations which would only force the low-income countries to divert precious funds from development projects. In 1965, the emerging nations received approximately \$1.8 billion in soft loans. By 1970, it is vital that the amount provided annually in soft loans be increased by at least \$1 billion, making a total of \$2.8 billion.

An additional amount of funds and resources must also be devoted to preinvestment assistance projects. This refers to those activities, such as resource surveys or the establishment of training institutes, which help a country uncover economic opportunities, develop its human resources, or strengthen its administrative services, and thereby boost its capacity to attract and absorb additional development assistance and investment of all types. Until such infrastructure is built, development cannot take place. By 1970, it is essential that the present \$500 million devoted to pre-investment work be doubled to \$1 billion a year.

The additional \$1.5 billion for soft loans and pre-investment projects would generate a flow of several times that amount of assistance to the developing countries in conventional investments and hard loans. This increase in soft loans and pre-investment seed money could well trigger a growth in net capital flow from the present \$6.5 billion to \$12 billion or \$14 billion annually. Can the taxpayers of the richer countries claim that the additional \$1.5 billion, an expenditure which would bring such rich dividends, is too much of an added load?

The experience of the United Nations Development Program—established in Novem-

ber 1965 when the General Assembly consolidated the activities of the U.N. Expanded Program of Technical Assistance and the U.N. Special Fund—illustrates the catalytic effect of seed money. Following a feasibility and survey study supported by the U.N. Development Program, a \$220.5 million hydroelectric complex which, when completed, will be Nigeria's chief source of power, was begun with credits supplied by the World Bank, the United States, the United Kingdom, Italy, the Netherlands, and Canada. The Nigerian Government is providing local currency to pay for local costs.

This is just one example. Currently, the U.N. and its family of related agencies are assisting more than 3,000 large- and small-scale projects in 150 developing countries and territories. This global partnership has already harvested a rich return. More than \$1.4 billion in investment has followed twenty-eight major U.N. Development Program pre-investment projects, undertaken at a cost of \$35.7 million to the Development Program and the countries involved, which supplied more than half the expenditures. While it would be unrealistic to expect this high rate of follow-up investment to continue, it is not too much to assume that, in the future, every \$100 million spent on pre-investment projects will produce a billion-dollar flow of investment capital.

If the international war on poverty is to succeed, it will require a great effort—greater than that which has been made thus far—on the part of all nations. Apart from maintaining the peace, in fact, nothing demands greater attention or effort. This is so not only for compelling humanitarian reasons, but also because global development bears a close relationship to the future prosperity and peace of the entire world.

The economic rewards of development are considerable. The people of the less developed countries comprise the world's largest potential market. They represent the new economic frontier. As income increases, so does purchasing power. Secretary of Agriculture Orville Freeman estimates that every 10 per cent increase in per capita income abroad results in a 16 per cent increase in the commercial exports of the United States. And every \$1 billion worth of additional exports creates more than 100,000 jobs in this country.

The more developed a country becomes, the better a customer it is. The present biggest export customers of the United States are the most highly developed nations—the countries of Western Europe, Japan, and Canada. With a population of 20,000,000, Canada buys more from the United States than does all of Latin America, which has a population of almost 250 million. American export sales to Japan have more than quadrupled since U.S. postwar assistance ceased. Mexico, a country which has made substantial development progress, has more than tripled the value of its imports since 1950. If nothing else, development assistance is a sound, long range business proposition because it builds markets.

Even as a short term proposition, economic assistance is an asset to U.S. business. More than 80 per cent of all U.S. aid dollars are spent on goods and services purchased in this country. In fiscal 1964, U.S. firms did \$1 billion worth of business by supplying aid recipients with a variety of materials and commodities, ranging from steel to fertilizer. In 1965, American shipping firms collected \$60,000,000 in transportation fees for carrying aid-financed products to their destination. U.S. colleges, consulting firms, and other organizations hold nearly half a billion dollars' worth of aid contracts for technical assistance projects. Altogether, the U.S. foreign aid program is directly responsible for more than half a million jobs in this country.

The political rewards of development are also considerable. People in economically backward nations are readily incited to violence, too often believing that this is their one avenue to progress. If our goal is to build a stable world dominated by the rule of law rather than by the specter of lawlessness, it is imperative that all nations join in an endeavor to attack and overcome the social and economic conditions which produce instability. Indeed, if increased stability eventually caused a decrease in the sums spent for arms, then development would, in effect, be financed by shifting funds from war-making to peace-building and would be no added burden on the taxpayer.

The need is clear. What the world does in the remaining years of this decade is crucial, for the development assistance given now is preparing the ground for the much more substantial progress which must be made in the 1970s. Surely the stakes are worthy of man's best efforts. "International development is the great imperative of our generation", Canadian Secretary of State for External Affairs Paul Martin has said. "There is no doubt in my mind that our generation will be judged in history on the success or failure of our efforts in the greatest human adventure of all time."

#### ECONOMIC AND POLITICAL PROGRESS IN SOUTH VIETNAM

Mr. McGEE. Mr. President, as Senators you know, there will be a conference in the Philippines next month attended by our President and the heads of governments of those nations who are contributing troops to the defense of South Vietnam. The conference, initiated by President Marcos of the Philippines, will offer an unusual opportunity for the Vietnamese and their friends to review the current situation in Vietnam and to lay out plans and programs for the future.

I am sure that every Senator wishes the highest success to this conference. We all must hope that it will bring closer a peaceful and honorable settlement to the conflict, and that it will pave the way for a better future for the Vietnamese people.

In connection with the coming conference, Mr. President, I noted with some interest the comments of my learned colleague from New York [Mr. JAVITS]. The Associated Press reports the Senator as saying that the proposed conference was "certainly desirable." But he then is quoted as expressing the view that it would not promise much and accomplish little—as he said the Honolulu meeting did earlier this year.

I was interested in that statement because I strongly feel that it does not represent the facts of the case. I don't know whether the Senator from New York has really looked at what was forecast at the Honolulu meeting and at what has been done in the brief period of 6 months since. If he has not, he should.

For this purpose, I commend most strongly to him the report which was made recently to the President by his special assistant, Mr. Robert Komer. That report sets forth in detail some of the truly encouraging things that have been happening in Vietnam in recent months. It is not a report of meaningless generalities. It is packed with facts and statistics, and it underlines some of the

more difficult problems that remain to be faced and met.

But it is a progress report—and progress there most certainly has been.

Let me refresh the Senator's memory.

At Honolulu, the Government of Vietnam pledged to develop a democratic constitution and to move toward civilian government.

What has happened?

The Saigon government was as good as its pledge. Elections have been held, and more than 80 percent of the registered voters went to the polls to elect delegates to a constitutional convention. That Constituent Assembly is meeting right now in Saigon. The process of democratic political development is underway.

The two governments at Honolulu pledged to take concrete steps to combat inflation.

What has happened?

The Government in Vietnam courageously devalued the piaster by 50 percent.

Port congestion has been reduced, and the volume of imports has doubled.

Import procedures were reformed.

Custom duties and domestic taxes were increased.

By late summer, the cost of living index stopped rising; money in circulation declined slightly; confidence in the currency has risen.

At Honolulu, we and the Vietnamese pledged to emphasize the building of democracy in the rural areas.

What has happened?

I have already mentioned the large turnout in the recent elections.

More than that, the largest budget in Vietnamese history was committed in support of rural development. Rural development cadre teams are now operating in all provinces.

The training of these cadres, who are helping to encourage both democratic development and economic improvement in the villages, has expanded sharply.

At Honolulu, it was promised that new efforts would be made to invite the Vietcong rank and file to join the rest of the nation.

What has happened?

Since that call, more than 12,000 Vietcong have moved to the Government side—more in 7 months than in all of last year.

At Honolulu, it was pledged that there would be continued emphasis on rural construction to meet the people's needs.

What has happened?

Electric power has gone to 135 new localities.

Rural electrical co-ops will bring electricity to 144,000 people in three new locations, beginning this month.

Much of the U.S. aid obligated this year has gone into fertilizer, tools, machinery, and the like, to boost agriculture and industry in the provinces.

Refugees are being taught new skills.

At Honolulu, steps for more rapid land reform were promised.

What has happened?

A pilot program for distribution of 14,000 acres in one province—An Giang—is moving forward.