

the bill admitting Nebraska as a State. President Johnson issued the proclamation on March 1, 1887.

There was no rejoicing in the columns of the Nebraska City News, but the editor, Mr. Morton, turned to other things, now that the matter of statehood was finally settled.

please, Mr. Senator, continue the strong support you have given to our Nation's policies over there. I'll be willing to go again, if need be, to help carry them out.

Sincerely,

ALBERT M. FORGET.

**DIVIDED THOUGHTS BUT NO WEAKNESS IN AMERICA**

Mr. McGEE. Mr. President, the Washington Post, in its lead editorial for Thursday, March 3, made a point that needs to be pressed home; namely, that Congress has overwhelmingly approved legislation which makes it clear that dissent in Congress is no obstruction to the prosecution of American foreign policy.

In short, there is no weakness in America, even though there may be divided thoughts. This editorial, then, speaks eloquently and ought to be shared by all. I ask unanimous consent that it be printed in the RECORD.

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

**THE HARD CHOICE**

Passage of the \$4.8 billion supplemental appropriation for the Vietnam war, by overwhelming votes in both branches of Congress ought to make it clear, at home and abroad, that dissent in Congress is no obstruction to the prosecution of foreign policy.

The combination of a great deal of opposition talk and a very few opposition votes puts the situation in exactly the right dimension. It ought to help countries that do not follow democratic practices to understand our system. If North Vietnam was misled by the angry words in the Senate Foreign Relations Committee, on the Senate floor and in the House, it ought to see the situation more clearly now.

The five votes to rescind the Tonkin Gulf resolution give a fair measure of the importance of Senate opposition to the President's policy in the terms of practical action. Nothing could more clearly show North Vietnam that Washington in 1966 is not Paris in 1954. What the North Vietnamese confront in South Vietnam is not the foreign legion of a tottering parliamentary regime, on the edge of political chaos and in the midst of post-war reorganization. They face the armed forces of a strong American Government, in full political control, backed by immense financial and military resources and supported by a people who are not demoralized, disorganized or disaffected.

This is not to say that either Congress or the country likes this distant conflict over difficult issues. Many are unhappy and distressed, not only by the jeopardy in which Americans must act, but also by the hardship of war that they must inflict upon others. A people indifferent to these anguishing considerations would be devoid of heart or mercy or compassion. The anguish of the Nation was reflected in the speeches in Congress. And it is an anguish of which Senators and Congressmen have no monopoly. There is no delight of battle anywhere in this country.

Government that is capable of making an intelligent choice between a good course and a bad course is not unique in the world. There even have been many capable of choosing wisely between two good courses. The highest test of government is the capacity to choose wisely from available courses when every course presents its difficulties, dangers and hardships and sacrifices. And that is the kind of choice that the administration has had to make and that the Congress has had to make.

They have chosen a hard course—and with understandable anguish. They have chosen it because they recognized that the only alternative course might be even harder. They have embraced the known risks of today, because those risks, however formidable, seem smaller than the risks that would confront us tomorrow were we to seek an easy escape from present danger. This is not the kind of choice that is accompanied by cheers and shouting—but the courage and wisdom to make such a choice is the mark of a stable, mature, and resolute government that cannot be easily shaken from its appointed purpose.

**WHAT IT COSTS TO SAY CHARGE IT—THE NEED FOR TRUTH IN LENDING**

Mr. DOUGLAS. Mr. President, I recently had brought to my attention an article which appeared in the Kiplinger magazine, Changing Times, last June, which provides strong arguments in favor of the truth-in-lending bill, S. 2275. The burden of the article is to point out to consumers that unless they exercise caution and compare their credit alternatives they may be saddled with high and unexpected finance charges.

The article in particular deals with the difficulty of knowing how much you are paying in finance charges under revolving credit accounts, and it includes a very helpful table to explain the various plans employed under the revolving account system. Significantly, the article comments that, "as revolving plans spread, it becomes increasingly difficult for new customers to secure a regular account."

The truth-in-lending bill, without attempting to regulate acceptable rates of finance charges, would permit the customer to know what the finance charge is, expressed as an annual percentage rate on the outstanding unpaid balance of the obligation. This Kiplinger magazine article correctly suggests that for some kinds of debt the consumer will be much better off with the use of credit union or bank loans rather than installment sales credit. Unless the consumer can master the intricacies of the various revolving account plans described in this article, he can never make a judgment about what his best credit buy would be.

The truth-in-lending bill, through its simple requirement that all offers of credit state the charge for the financing in comparable fashion, will provide the consumer with the information he needs to make the best choice.

Mr. President, I ask unanimous consent that this article from the June 1965 issue of Changing Times, along with the table entitled "How They Figure Service Charges," be printed in the RECORD.

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

**WHAT IT COSTS TO SAY CHARGE IT—THE TREND IS TO NEW KINDS OF ACCOUNTS, SOMETIMES MORE USEFUL, SOMETIMES MORE EXPENSIVE**

Aladdin could do without his magic lamp today. A few charge accounts at the local stores would do almost as well.

**VIETNAM—REPORT FROM A MILITARY MAN**

Mr. CANNON. Mr. President, we have heard a great deal in recent weeks from civilians concerned about our policies in Vietnam and the course we are following in southeast Asia.

The one group which has been heard from only infrequently is the U.S. military man himself. I was pleased to receive a letter recently from a member of the armed services from my home State, Albert H. Forget, a U.S. Navy veteran who spent 2 years in Vietnam. His remarks, I believe, will be of interest to all and I ask unanimous consent that the letter be printed at this point in the RECORD.

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

LAS VEGAS, NEV.,  
February 21, 1966.

DEAR SENATOR CANNON: In November 1955, I returned to the United States after having served for 2 years with the Military Assistance Command, Vietnam. I am under orders to report to the U.S. Naval Air Station, Moffett Field, Calif., for duty.

During the past week I have been watching the televised hearings being conducted on Vietnam, and have seen more harm to U.S. prestige done, in what seems to be a forum for the aggrandizement of a few Senators, than has been accomplished by Communist propaganda in any year since the end of World War II.

What is of even more concern to me is the effect these hearings will have on the morale of the American fighting men in Vietnam. They will read in the papers, that "the distinguished Senator, from \* \* \* today said \* \* \* get out of Vietnam."

I recall getting very mad when I read or heard such comments in the past. I remember one question passing through my mind, "With support like that from home, what's the use of being here?" It is very discouraging to be actively supporting the policies of your Government and to have those policies blatantly attacked by persons who are, supposedly, the leaders in that Government.

None of us wants war. The military man exists, it is true, for the purpose of war; but he likes it and wants it even less than does Joe Citizen—the man for whom he is fighting. Someone has to do the job, and that someone is the second-class citizen, the underpaid but highly dedicated and loyal American soldier, sailor, airman, or marine.

Mr. Senator, I have seen much of Vietnam. I worked, for many months, in a job which brought me in contact with the overall plans and detailed intelligence on Vietnam. I came to believe, and do still believe, that there is no more important place in the world for a full U.S. mission to be than South Vietnam. I urge that the military components be indoctrinated more fully, though, on their part in the picture—something that the rapid buildups obviated.

Please, Mr. Senator, don't let the nation of South Vietnam be sold down the river. Please don't take away the helping hand of friendship that we have extended to the valiant people of that war-torn nation. And

Modern-day Aladdins, though, labor under a disadvantage. They have to pay back what they receive, plus service charges. Look back through your monthly statements and you may be surprised at how much you've purchased with the help of store credit over the course of a year. You may be startled, too, at how quickly service charges mount up.

Charge accounts are a great convenience. But as many a shopper has learned, the service charges can often be reduced by choosing and managing the accounts with a little care.

**THE OLD LOOK**

There was a time—many, many monthly payments ago—when there were two primary ways of charging purchases at a store:

You bought the item "on time," made a downpayment, and pledged to work off the remainder and the interest charges in fixed weekly or monthly installments. This is the traditional installment contract.

You bought the item on a charge account and were billed at the end of the month. Technically, the bill had to be paid in 30 days. In practice, the merchant often let the account slide for 60 or even 90 days before he complained. The store gave you the credit free, though its prices may have been a shade higher than at "cash only" stores. That was the traditional charge account.

**THE NEW LOOK**

Today, any charging you do is probably on some sort of revolving account. This is neither the old-style installment contract or the old-style charge account. It is the merchant's way of giving customers quick, plentiful credit without running up his own costs.

Revolving accounts are fast becoming the predominant form of retail credit. The store may run the plan itself or use one operated by a bank or central charging service.

In these group charging systems, retailers "sell" their sales checks to the financing organization for cash at, say 3 to 6 percent less than the face value. The service collects the full amount plus credit charges from the customer.

On the surface, the revolving account is a fairly simple operation: You buy as you would with a regular charge account. However, only a specified part of the monthly bill, not the whole amount, has to be paid each month. The monthly installment may be calculated as a proportion of the balance—a fifth, sixth, etc.—or as a flat sum computed on a scale of balances. Under the latter system, for example, the monthly payment could be \$15 for balances between \$100 and \$150, \$20 between \$150.01 and \$200, and so on up the ladder.

Basically, the account functions like an open-end installment plan. The monthly payments constantly reduce the balance while new purchases build it up again.

Stores often limit the amount that can be outstanding at any one time, according to the customer's credit standing. If you run over the maximum, the store may require payment of both the regular monthly installment and the excess of the monthly balance over the limit.

The service charge—generally 1½ percent of each month's balance—is added to the bill at the end of the billing period.

**THE OPTION ACCOUNT**

Many stores combine the revolving account with a 30-day charge into an option account. There is no service charge if you pay the entire amount within a certain period, usually 30 days, after the billing date. But you can elect to use the revolving feature by sending in a part payment. In that case, the store imposes a service charge. And if you fail to make any payment, the store automatically adds a service charge.

Some stores—relatively few—use coupon or script plans. The customer is issued certificates that are only valid for buying goods in the particular store. And he pays the dollar value of the script and service charges in installments.

**YOUR BEST PLAN**

Obviously, the cheapest form of credit for the customer is the old charge account. If you can get one, take it. If you already have one, cherish it. Understandably, retailers like the revolving plans. When the store in which you have a regular charge account introduces a revolving plan, you may be asked to go along with the switch. The store might simply start billing you on the new system without any notification. When that happens, ask the store to keep you on the old charge plan, which is all that you signed up for in the first place.

As revolving plans spread, it becomes increasingly difficult for new customers to secure a regular account. Your choice at any one store nowadays may be restricted to an option account or revolving accounts with different monthly payment schedules. Installment financing will also be available for special purchases.

By all means, take the option account. It gives you much more flexibility. With a no-option revolving plan there's a service charge even when the balance is paid in full within 30 days.

**STILL MORE WAYS TO SAVE**

Picking the right kind of account is important, but it is really only the first step toward reducing charge costs. Here are other key points that should be kept in mind:

The most common service charge seems to be 1½ percent. But as you can see from the examples in the table following, the actual service charge in dollars and cents depends on the way the 1½-percent rate is applied. Two stores charging the same rate can come up with different charges for the identical set of purchases.

Generally, you get the best break when the charge is calculated as a percentage of the

unpaid balance; the previous month's balance minus the monthly payment and credits for returned merchandise (see plan II).

A monthly payment 2 days late is not better than one 2 weeks late. In both instances, the payment is not credited until the following month and the service charges won't be reduced until then. So try to pay punctually. If you can't, you might as well wait until the last minute—you're paying for the time anyway.

Remember that the payment period begins on the date your account closes, which should be marked on the bill. The deadline may not coincide with the end of the month.

Many stores employ a cycle billing system. Customers are classified alphabetically and accounts close on a continuous schedule—the A's and B's may be billed the third of the month, the C-D group the fourth, etc. On top of that, bills may be mailed weeks after the account closes. You may even receive a bill just a few days before it is due.

**HOW THEY FIGURE SERVICE CHARGES**

The way a service charge is applied can make a substantial difference in the cost of a charge account, as these three examples of revolving accounts illustrate. The same transactions are used in all three: The customer starts with no outstanding balance and buys \$100 of merchandise the first month, \$30 the next month and nothing the third. He makes two payments of \$20 each.

In plan I, he has no option for paying the entire amount in 30 days without charges. The 1½-percent charge is calculated on the current balance, which is the previous month's balance minus the monthly payment, plus new purchases. Note that with this account you pay a service charge for an item that might have been bought the day before the bill was drawn up.

In plan II, there is a 30-day option, and the charge is computed on the unpaid balance—the previous month's balance minus the monthly payment.

In plan III, another option account, the charge is figured on the previous month's balance.

|                             | Date    | Previous balance | Payments | Charges | Balance  | Service charge | Balance owed |
|-----------------------------|---------|------------------|----------|---------|----------|----------------|--------------|
| Plan I, revolving account   | July 1  |                  |          | \$100   | \$100.00 | \$1.50         | \$101.50     |
|                             | Aug. 1  | \$101.50         | \$20     | 30      | 111.50   | 1.67           | 113.17       |
|                             | Sept. 1 | 113.17           | 20       |         | 93.17    | 1.40           | 94.57        |
|                             | Total   |                  |          |         |          | 4.57           |              |
| Plan II, revolving account  | July 1  |                  |          | 100     | 100.00   |                | 100.00       |
|                             | Aug. 1  | 100.00           | 20       | 30      | 110.00   | 1.20           | 111.20       |
|                             | Sept. 1 | 111.20           | 30       |         | 91.20    | 1.37           | 92.57        |
|                             | Total   |                  |          |         |          | 2.57           |              |
| Plan III, revolving account | July 1  |                  |          | 100     | 100.00   |                | 100.00       |
|                             | Aug. 1  | 100.00           | 20       | 30      | 100.00   | 1.50           | 111.50       |
|                             | Sept. 1 | 111.50           | 20       |         | 91.50    | 1.67           | 93.17        |
|                             | Total   |                  |          |         |          | 3.17           |              |

Some retailers have a minimum monthly service charge. If the charge figured at the regular rate is less than the minimum, you pay the minimum. This practice makes it unwise to leave small balances unpaid. For example: You have a \$7 balance at a store with a 50-cent minimum and pay only the scheduled \$5 installment. One and a half percent of the remaining \$2 is 3 cents. But you are charged 50 cents—equivalent to 25 percent of \$2.

Store credit is relatively expensive and should be used sparingly. A service charge rate of 1 percent works out to 12 percent simple annual interest. To see why this is so, start with a \$100 balance and multiply it by 12 percent. The annual charge would be \$12. However, with a charge account you

borrow and pay charges on a month-to-month basis. For 1 month, then, the charge would be one-twelfth of \$12, or \$1. This is precisely the result produced by multiplying \$100 by 1 percent. The prevalent 1½ percent charge comes to 18 percent simple annual interest.

Credit union loans usually cost 1 percent or less a month. Banks usually add the interest charge to the face amount of the loan or deduct it at the outset. The simple annual interest rate for these loans is about double the stated rate. A 6 percent discount is roughly 12 percent interest. The store charging 1 percent is giving you credit at or close to bank and credit union rates.

When you have to pay 1½ percent, you're better off with a credit union or bank loan—

if you intend to buy a sizable amount. Negotiating one loan after another to cover small balances is a cumbersome way to shop.

For the little stuff, you can't beat the convenience of a charge account. Like Aladdin's genie, it's always there, ready to serve. But unlike Aladdin's genie, it will start demanding wages if you don't treat it just right.

**FORTHCOMING RETIREMENT OF FEDERAL JUDGE LUTHER W. YOUNGDAHL**

Mr. MONDALE. Mr. President, I am proud to represent a State which has contributed to this country an unusual number of men of exceptional ability, serving in posts of the highest responsibility. Of these men, none is more deserving of our esteem and our gratitude than Federal District Judge Luther W. Youngdahl.

After 15 years of most distinguished service on the District of Columbia bench, Judge Youngdahl will be retiring this May upon reaching his 70th birthday. Before coming here, he served the State of Minnesota in a career that is already legendary there. He was an exceptionally able justice of the Minnesota Supreme Court. He was elected Governor of Minnesota three times; and although I am of another political party, I can testify that Luther Youngdahl has earned the abiding respect and affection of Minnesotans for his distinctive blend of integrity, intelligence, and compassion. He is justly and highly revered by the people of our State. Our warmest wishes for a long and rich retirement are with him as he approaches this milestone in a lustrous career.

I ask unanimous consent to have printed in the RECORD an editorial entitled "Senior Judge," which was published this morning in the Washington Post. The editorial pays tribute to Judge Youngdahl's outstanding contributions to the Federal bench in the District of Columbia.

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

**SENIOR JUDGE**

The sense of public loss that is conveyed by Judge Luther Youngdahl's decision to retire from active service on the U.S. District Court when he reaches his 70th birthday in May is moderated by two considerations: he has richly earned some rest; and he has promised, in any event, to serve on the bench a substantial part of the time as a senior judge. Thus his retirement will open the way for appointment of a younger man to active service on the court, while continuing to keep available for use the ripened harvest of his experience—the very purposes which the retirement arrangements were designed to serve.

The son of immigrant parents, Luther Youngdahl was a justice of the Supreme Court of Minnesota and was elected to three terms as Governor of that State before he came to the most important trial court in the country, here in the District of Columbia, 15 years ago. He brought to the bench an extraordinary combination of toughness and sensitivity—toughness in conducting innumerable complicated civil and criminal trials to completion with stern fairness and dispatch, sensitivity always to human values and the essentials of justice.

We recall with particular satisfaction the vigor and indignation with which Judge Youngdahl dismissed the empty, vindictive charges of perjury brought against Owen Lattimore by a servile Department of Justice at the behest of the Senate's McCarran committee. The country owes him great gratitude for that judgment alone—and for the whole of his long and devoted public service.

**A TRIBUTE TO THE HOUSE SUBCOMMITTEE ON FAR EASTERN AFFAIRS**

Mr. CHURCH. Mr. President, while the Senate Foreign Relations Committee has been receiving national attention from its hearings on Vietnam, the House Subcommittee on Far Eastern Affairs, under the able chairmanship of Representative CLEMENT ZABLOCKI, has been conducting dispassionate, in-depth and much needed hearings into the question of the United States policy toward China.

A tribute which is rightly theirs was paid to the subcommittee by columnist Joseph Kraft in the February 26 Washington Post. Mr. Kraft concluded:

No prescriptions for action in Vietnam flow from the Zablocki committee hearings. But the testimony suggests uncertainty and danger. It underlies the wisdom of trying to break up, rather than bringing on, a pattern of direct and total confrontation between the United States and Communist China.

As one means of recognizing the contribution made by the subcommittee so far, I ask unanimous consent to have the comments of Joseph Kraft printed in the RECORD.

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

**THE OTHER HEARINGS**

(By Joseph Kraft)

The spectacular Senate hearings on Vietnam eclipsed a set of House hearings that were less dramatic but far more illuminating. For the House testimony, because it centered on Communist China, provided what the Senate sessions could not supply—a good perspective for measuring the likely consequences of the Vietnam war.

The forum was Representative CLEMENT ZABLOCKI's Far Eastern Subcommittee of the House Foreign Affairs Committee. The witnesses were outside experts, mainly from the academic world. Because of the ugly climate of suspicion building here, I find it necessary though odious, to add that all of them are respected anti-Communists, formerly associated with Republican as well as Democratic administrations. Their testimony turned on three main questions.

The first question turned on the strategic outlook in Peiping. Not a single witness supported the official administration view that the Chinese regarded the United States as a weak sister that could easily be pushed around. All the witnesses emphasized that Peiping's policy was rooted in anxiety over Chinese weakness relative to American power. For example, Samuel B. Griffith II, a retired Marine Corps general, testified:

"I think if we can put ourselves in Peiping and look around as the members of the Politburo do, we might see the picture they see. They see American power in Japan, South Korea, Okinawa, the Philippines, Taiwan, and growing in South Vietnam. They see us as an ally of India. I honestly believe

we have to understand, or attempt to understand, that Peiping has reason for apprehension."

The second question turned on Peiping's designs on neighboring states. All witnesses concurred that a long-range aim of Chinese policy was to end the American presence in these countries. But none accepted the premise that, if that presence was ended, the Chinese would necessarily take over. For example, Prof. Howard Boorman of Columbia testified:

"I don't feel the Chinese have any intention of occupying and administering extensive areas of Asia under present conditions. Military occupation of limited areas on China's border might be a realistic thing. But they have never intended to take over India or Thailand. They are well aware (that) the international Communist movement has turned into a medley of contending political forces. If this has happened in the past, the Chinese assume that it could happen in the future. Let's assume, for example, that we had 94 Communist Parties around the world taking orders from Peiping; is there any reason to believe that these countries will always continue to take orders from Peiping and not turn against the Chinese, as the Chinese turned against the Soviet Communist Party leadership?"

The third question centered on the possibility of China's entering the Vietnamese war. All witnesses were agreed that China did not want to become engaged in the conflict. But all agreed also that under certain circumstances Peiping might feel that it had to enter the war to protect its strategic interests. For example, Prof. Doak Barnett of Columbia testified:

"I think there would be a point at which the Chinese would feel compelled to intervene. Certainly, if they thought the North Vietnamese regime was on the point of collapse, they would intervene. Probably escalated bombing, including bombing of Hanoi and Haiphong, would be a symbolic act raising the level of conflict sufficiently to force the Chinese to feel that for a variety of reasons they would have to escalate their own involvement."

No prescriptions for action in Vietnam flow from the Zablocki committee hearings. But the testimony suggests uncertainty and danger. It underlies the wisdom of trying to break up, rather than bringing on, a pattern of direct and total confrontation between the United States and Communist China.

Something quite close to the Zablocki hearings, moreover, stands in the background of the latest storm over Vietnam. Before suggesting that this country accept Vietcong participation in a South Vietnamese Government, Senator ROBERT KENNEDY met at his home with a group of China experts. Not political calculations, as some imagine, but the hope of breaking up the hardening pattern of total confrontation between this country and China inspired him to make his statement. In these circumstances, the odd thing is not that he said what he said. The odd thing is that the administration reacted with such savage fury.

**HIGHWAY SAFETY NEEDS ATTENTION**

Mr. COOPER. Mr. President, last year I joined in sponsoring S. 2231, introduced by Senator RIBICOFF, and designed to establish a Federal program of assistance to the States to assure greater safety in travel on our roads and highways. On Wednesday of this week, I read with interest the message of the President, and the remarks of our distinguished colleague, Senator MAGNUSON,