Mr. MONDALE. Mr. President, in his speech to the Nation, President Johnson exhibited what the Minneapolis Tribune rightly described as "statesmanship on a plane commensurate with the traditions and ideals associated with the Nation's highest office." His offer of peace to the world and unity for our land may be judged as his greatest act—and certainly his greatest sacrifice.

He placed—in the words of the Minneapolis Tribune "the needs of the Nation above partisan advantage to himself," unity above party, peace above politics.

The President joined his plea for united purpose at home with a call for united, international action for peace abroad. And to demonstrate the sincerity of his personal and formal commitment to his convictions, he made the supreme political sacrifice—he took himself out of partisan politics.

If we in America—and if the nations of the world—can match the President's dedication to freedom and tranquility we cannot fail to succeed.

His sacrifice was as great as his belief that peace in the world and unity in the United States are more important than the fate of any man.

I ask unanimous consent that the editorial be printed in the Record.

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

[From the Minneapolis (Minn.) Tribune, April 9, 1968]

This President's speech was statesmanship on a plane commensurate with the traditions and ideals associated with the nation's highest office. Mr. Johnson clearly placed the needs of the Nation above partisan advantage to himself or to the party under whose political banner he has served in Washington for more than three decades.

His decision to cease the bombing of most of North Vietnam for an indeterminate period is a courageous one, both because of the political risks at home and because the shift implies recognition that his previous policy was not succeeding.

The President's decision to send only 13,500 troops to Vietnam to support the 11,000 sent recently reflectsrowing American opposition to the war, principally there to protect and defend American fighting men from certain defeat in the war, principally there to prosecute, and that American fighting men cannot win for South Vietnam what its citizens are unwilling to do for themselves.

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Significantly, the President has made his final appeal for action in the Senate-Vietnam nameless," a description which presumably includes the Viet Cong, could not chart their course of free outside interference.

The President reminded the world that there is a useful role for the Senate to play in obtaining peace in the Indo-China conferences—toward the goal of making the Russian plan now will come forward, there are hopes, including the countries with which the United States is currently at war, that such a role may be difficult, if not impossible, for Russia.

The President again called for recognition that the progress must increase, the speed of this may be in an election year, because such a step is needed to lessen the dangers of inflation at home and to restore confidence abroad in the American economy. The President spoke with realism and courage. We hope the Congress responds in kind.

By removing himself from personal competition for the next four years, President Johnson has, in effect, greatly improved the Nation's opportunity to achieve those goals that most Americans—including Presidents Humphrey and Sens. McCarthy and former Vice-President Nixon and Gruenberg. We hope that the credibility of the Johnson administration will now be dissolved by the President's action of last night.

Let the North Vietnamese Government have the desire for peace with honor. Let other nations reassess their general belief negotiations can be made in good faith before the November election.

President Johnson has made a generous offer toward unity in our land, and perhaps this offer will someday be measured as his greatest act.
information on what credit costs them in easily understandable terms.

This, in brief, is one major reason for the death of the House bill. It has been underway for more than 7 years to get truth-in-lending legislation enacted into law. The battle has been a long and hard one, and the issues have been complex and confused. We are now near the end of this difficult road, and success—victory—is in sight.

Just recently, there was a interesting television program that aired well on the question of the end of lending and where it stands today. Sponsored by the Georgetown University Forum and shown March 17 on WRC-TV, the program was entitled: "Truth in Lending: Its Promise and Importance." The participants in the program were Joseph W. Barr, the Under Secretary of the Treasury; Representative Leonor K. Sullivan, chairman of the House Subcommittee on Consumer Affairs; and Charles R. McNell, director of the Washington Office of the American Bankers Association. For the information of those who did not see the program, I ask unanimous consent that a transcript of the proceedings be printed in the Record. The Record carries my remarks.

I urge Senators who are members of the conference committee to give close and careful consideration to this important piece of proposed consumer legislation. I hope they will cast their votes for a simple, fair, and equitable credit- or lending bill, such as the one the House has passed.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

TRUTH IN LENDING: ITS PROMISE AND IMPORTANCE

(Georgetown University Forum, as broadcast over WRC-TV, Channel 4, March 17, 1968, and WETA, Channel 26, March 18, 1968)


PROCEEDINGS

Mr. FANNING. Welcome to another in our series of Georgetown University Television Forums. I'd like you to meet the members of today's panel.

The Honorable Joseph W. Barr, the Under Secretary of the Treasury, the Honorable Leonor K. Sullivan, U.S. Representative from Missouri, Chairman of the House Subcommittee on Consumer Affairs; and Mr. Charles R. McNell, Director, the Washington Office of the American Bankers Association.

The question of whether or not there should be Federal legislation in the form of a truth-in-lending bill has been before Congress for eight years. In recent months, both the House of Representatives and the Senate have been working on a bill. The House bill, as now is being discussed in conference committee representing the two branches.

Consumer credit is a huge fact of American life. Every American might well want to know the latest developments in the congressional efforts to protect the consumer. Recently, I have invited a representative of the Executive Branch, a Congresswoman who has fought valiantly for passage of such a bill on the floor of the House, and a representative of the American Bankers Association. They will

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expound the purpose of the legislation, the problems that are faced in enacting the limitations of Federal legislation, and the anticipated results when the bill reaches its final form.

Mrs. Sullivan, would you begin the discussion, please?

Representative Sullivan. Be happy to, Mr. Fanning.

Basically, the purpose of this legislation is to provide for the consumer—the consumer—this fee schedule that is available to use credit in an informed manner. We require in the bill that in every consumer credit transaction the seller, or the lender, or anybody when they tender the full amount of all of the extra costs—the full amount of the money that's involved in the loan, and all of the extra costs added for the purpose of financing the obligation. And these have to be spelled out in understandable terms, and then translated also into an annual percentage rate, so that the consumer can compare the credit costs on the rate basis as well as on a dollar-and-cents basis. And in addition to comparing one type of credit offer with another, the consumer can, if he knows the actual percentage rate of a credit he's going with the annual percentage rate of the return on his own money; that is, if he has a savings account or makes an investment, he can compare what he gets when he invests with what he has to pay when he borrows. So I think the annual percentage rate is the heart of this issue—to give the consumer or the customer the proper information in order to "shop for credit" as he shops for merchandise.

Mr. Fanning, you've been talking about, essentially, is the House bill, your bill, is that true?

Representative Sullivan. That's right.

Mr. Fanning. How does this differ from the Senate version?

Representative Sullivan. Well, there are nine really major differences in the House and Senate bills.

Number one is that all first mortgages are covered in the House bill, not the Senate's. Where the Senate has exempted all department and catalog houses from expressing their credit rate on an annual basis for their catalog houses, the House bill has removed that exemption and now these revolving charge accounts must be expressed on a nominal annual percentage rate the same as is required in the House bill.

We have also removed the exemption in the Senate bill pertaining to the transactions where the credit charge is more than two percent of the total. These are two very important items that should not be exempted.

We cover in the House bill credit advertising: we cover credit life insurance, as part of the finance charge, which the Senate bill did not. We have a garnishment provision in the House bill that would remove the Consumer Finance, that would last for two years, to oversee and report back to the Congress every year to see how this legislation is working. And one of the most important things we have, too, is administrative enforcement, so that when someone finds that there is something wrong, they don't have to start suits themselves. They take it to the proper Federal agency right in their area and it's taken from there.

And then the last, is the anti-lump-shark provision that is in the House bill.

Mr. Fanning. Well, now, those are the things that are in the House bill that the Senate bill does not. Does the Senate bill have any features that your bill does not?

Representative Sullivan. Yes, the Senate bill does have, but it leaves a lot of loopholes so that everyone who sells or lends—sells credit—does not have to reveal the same information. In the House bill, we have made it clear—across-the-board, so that everybody who sells an item on credit or makes loans must express the annual percentage rate and dollar amount information.

Mr. Fanning. Mr. Secretary, how does the administration regard these bills?

Mr. Barr. The administration has been fighting, as I think nearly everyone knows, for approximately eight years to get this legislation enacted. We believe it's important that we're going to have to resolve the differences between the House bill and the Senate bill. My feeling is that the House bill is a much better bill, for the reasons Mrs. Sullivan has given you.

In the first place, the House bill does get the job done. You can hardly pick up a paper, or turn on your television, or turn on your radio, without being reminded of the problem in coming and getting credit. Unfortunately, a lot of this advertising—I'm not going to say it's misleading—but it's really confusing. The House bill should remove much of this confusion. That's why it has a great advantage over the Senate bill.

As Mrs. Sullivan says, too, the House bill goes across the whole board; it doesn't take a certain type of lending or credit operation. It includes all types of credit operations. Third, I think it also has some advantages that I see between the House and Senate bills.

When you know, I'd like to add just a little bit right here, as we start off, on the importance of this legislation.

Consumers in this country have outstanding right now roughly a hundred billion dollars in consumer debt. This is installment debt on cars, and refrigerators; it's debt to stores, it's debt to doctors and service people, and it's debt to banks.

Now, I'm not talking about mortgages, the mortgage credit we owe on our homes, and that's in the billions of dollars, or of what the government owes. I am referring only to the debt we owe as a people. Now, of this hundred billion outstanding, over seventy-five billion is repaid each year, so you can see that this debt nearly rolls over every year. The seventy-five billion dollars is paid every year by the American people on installment plans. That figures out to one dollar out of every six of the disposable income we have. In other words, for the average American, one out of every six he is earning is being used to pay this credit. So, when you're up in magnitudes of this size, you can see that the average American consumer have the information he needs to make an installment decision as to what kind of credit he wants. We can, in fact, tell what he's buying, whether he can pay for it, and get the best deals available. This is a lot of money, and I just don't think we can brush it off the rug. I think we must make it crystal clear to the consumer what he's getting into. That's the whole purpose of this legislation.

Mr. Fanning. Thank you, sir. Let's get to Mr. McNell now and the Bankers Association. I understand that the American Bankers Association believe that after many years of consideration of this bill, that the Federal Reserve Board, which is the Senate and the House, and as it is likely to be enacted, is one that is both workable and practicable. We see some problems in it, and I'd like to talk about the possibility that government charged with formulating regulations, the Federal Reserve Board, is going to have a very difficult time in that their regulation and their rules are simple and understandable and readily usable by all types of lenders and extenders of credit. But let's think this through, and see how this is done in the manner that we anticipate, that the consumer will then be in a position to have a reasonable comparison of cost. This, of course, means that the consumer takes an interest in this comparison. Some people have
said that many borrowers, many consumers, are only interested in how many dollars they have to pay each month, and care very little about the period of repayment or the cost of credit over the period of a loan. If this is true, the legislation will not be meaningful to those people.

But for those consumers who want to have a basis of comparison, we believe that this legislation, as it is likely to come out of this conference, will not do anything to make them the opportunity for a meaningful comparison.

Mr. McNeill. Mr. Fanning, I doubt if there are abuses of the system, as Secretary Bunn said, I think the manner in which consumer credit has developed has led to some misunderstandings.

Mr. Fanning. Well, Mr. McNeill, is it your estimate that the legislation will materially reduce the amount of credit buying and selling that there is or do you think rather it will just work toward eliminating abuses of the system?

Mr. McNeill. Fanning, I doubt if there are abuses of the system, as Secretary Bunn said, I think the manner in which consumer credit has developed has led to some misunderstandings.

Mr. Fanning. Well, Mr. McNeill, is it your estimate that the legislation will materially reduce the amount of credit buying and selling that there is or do you think rather it will just work toward eliminating abuses of the system?

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Mr. Fanning. Well, Mr. McNeill, is it your estimate that the legislation will materially reduce the amount of credit buying and selling that there is or do you think rather it will just work toward eliminating abuses of the system?

Mr. McNeill. Fanning, I doubt if there are abuses of the system, as Secretary Bunn said, I think the manner in which consumer credit has developed has led to some misunderstandings.
legislation, as I see it, is that we do make available, to Americans as consumers and borrowers, commercially, the ability to use credit intelligently. I've got a lot of faith in the American people; traditionally they've never behaved too deeply into debt. Good times or bad times, if you give them the information, they have essentially very good sense, in the management of debt. The only thing that they need help with the legislation is giving them more information so that they can make better choices.

Mr. FANNING. Mr. Secretary, is there any figure that can be cited that would serve as a limit or ceiling to which debt might go, the public debt?

Mr. D. No. People ask me this; I think they probably asked that of Alexander Hamilton. It really gets down to the good, hard sense of the American people, Wally. In the United States, clearly, the statistical studies that I have seen indicate that—in the majority of families—it's the mother who finally determines just how much debt the family can carry. Believe me, when they get to what they think is the limit, she cuts it off and cuts it off fast. Essentially, the American people have good sense, and that's it.

Mr. FANNING. This legislation that we're talking about, when and if it becomes law and if I become law, if it's along the present line, do you think it's enforceable?

Mr. D. Yes. I don't see any real difficulty, especially in the House version. The Federal Reserve Board, which has had long experience in this area, will draft the necessary regulations; then the Federal agencies will administer the law in the particular segment of the economy that they regulate. I think it will not be difficult to enforce. As a matter of fact, it will be self-enforcing. When somebody thinks he's been cheated or he's had a crooked deal, he'll come in and complain. That's one way this will be enforced.

Representative SULLIVAN. And may I say, Mr. Fanning, that—getting back to the limitation on what might be charged—we have not attempted in either the Senate bill or the House bill to put a ceiling on what rate of interest may be charged; no one has attempted to do that. The only thing we've tried to do, as Mr. Barr said, is to give a measuring stick to the individual consumer so that he can like the credit terms that John Jones is giving them, they'll go over to Paul Brown and see what he can give them.

As long as they all have to express, and count in, all these additional finance charges and put it all under a nominal annual percentage rate, and have people an intelligent way to go and to shop for the product, to shop for the credit as well as to shop for the merchandise.

Mr. FANNING. You didn't think then—there wasn't a consensus, then, that there was any need to put a limit on it?

Representative SULLIVAN. Oh, we talked about it.

Mr. FANNING. Well, why did you discourage the idea? Can you tell me that?

Representative SULLIVAN. Why did we discourage it? I don't think we discouraged it because I don't believe we could put a hard-and-fast Federal usury law in effect. I think each state does have some sort of a usury law that they apply in their own way. But I don't think it would be advisable to try to meet every possible contingency through a Federal usury law in the original sense, but we took it out at my suggestion. I put in a proposed limit of 18 per cent a year, because I desired to shock the people into letting them know that 18 per cent was not an unusual amount that they paid for credit. Because everyone who has a revolving credit charge today, in any department store or in any catalog house, is paying at least one and a half per cent per month, which is 18 per cent a year, and they don't realize that. That is why we fought so hard to have revolving credit on an annual rate basis, and I credit the American Banking Association for helping us in this. Because if we let the retail group, the big stores, have the right to quote a monthly rate and everyone else had to quote an annual rate, there would be no basis for comparison. In the Senate bill they are allowed to do that—to use just a monthly rate. In the House bill, they must quote the annual rate on any loan or any item that is sold for credit.

Mr. McNELL. We certainly agree that if this bill becomes law, the basic consumer protection has to be the same for all extenders of credit, banks, other lenders and retailers and others.

Mr. FANNING. Very briefly—we have less than half a minute—is there anything the public can do at this point? I judge it was not long ahead with this legislation, because there doesn't seem to be any groundswell of public opinion, but can the public do anything?

Mr. Barr. They don't need to write the House, but I think there are other members of the Senate that should be told what the public feels about truth in lending.

Representative SULLIVAN. The people should write to their own senators, not to any other House Member or Senator, but to their own.

Mr. FANNING. Thank you very much for your discussion of "Truth-in-Lending: Its Promise and Importance." Thanks to the Honorable Joseph W. Barr, the Under Secretary of the Treasury, the Honorable Leonor K. Sullivan, United States Representative from Missouri, Chairman of the House Subcommittee on Consumer Affairs, and to Mr. Charles R. McNell, Director of the Washington Office of the American Bankers Association. Join us next week on the Georgetown University Forum when we will discuss "New Towns, New Health Problems."

A Time for Action

HON. WILLIAM HENRY HARRISON

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 10, 1968

Mr. HARRISON. Mr. Speaker, I ask to have printed an editorial from the April 6, 1968, Cheyenne, Wyo., State Tribune which deals with the violence in our cities.

In his brief and hard-hitting commentary, Editor James M. Flincham asserts that the "massive outbreak of lawlessness that threatens to topple the structure of America, must be halted by any available means."

Says the Tribune in a statement with which I fully agree:

"It must be done now, at once, without delay. What is happening today cannot go on."

The editorial reads:

A Time for Action

America today is a land of violence. Our nation's population 60,000,000, to New York, Chicago and even to the nation's capitol, this is the day of the assault and the looter.

It is not that the nation has been beset by violent uprisings. But it could be the last.

It is not the first time rioters have swept through the streets of Washington, nor even burned down buildings.

But it just might be the last.

The assassination of Dr. Martin Luther King provides no justification for this disorder. It is merely an excuse for an attack on our society.

The time has come in America to stop what is taking place in our cities today.

The time has arrived for a stern and fear- less leadership, willing to do whatever is needed, to white and blacks, young and old, men and women: We must not and we will not tolerate any longer this violence and this lawlessness. It must be put down with every means at our command.

The time has come to say: Each of you—quote—go home.

To those of you who do not, we shall deal with you in the harshest possible measures. For months now we have heard the pleadings of our citizens in this land against "senseless violence."

There have been prayers and entreaties. There has been consultation. Commissions have been appointed. Much money has been spent.

There has been shedding of tears and writing of songs.

None of it has worked.

The time for waiting, and praying, the time for pies and parleys and spending of money is over.

This massive outbreak of lawlessness that threatens to topple the structure of America, must be halted by any and every means available.

Somewhere, somehow, someone must perform this task, now so long overdue. That it has not been carried out is evidence enough today that it should have been accomplished a long ago.

It must be done now, at once, without delay. What is happening today cannot go on.

Teachers in Politics—Toward a Stronger Government

HON. CHARLES H. PERCY

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Wednesday, April 10, 1968

Mr. PERCY. Mr. President, this past weekend, teachers were involved in the observance of Teachers-in-Politics Weekend. A series of clinics were held to publicize the ways in which the average citizen can contribute to political participation. It is a commendable idea, and one which I regard as a fine contribution to the future strength of the country.

Thomas Jefferson once noted:

"That government is the strongest of which every man feels himself a part."

To be a part of a nation is to take actively in chiseling a part of that nation. It is the foundation upon which our freedoms rest. Realizing that the average responsible citizen has always supported and campaigned for their preferred candidates and issues.

Teachers, as a group, already have an admirable record of political involvement. Their participation in the November 1964 elections was almost universal; nine out of 10 teachers went to the polls as compared to seven out of 10 persons of voting age in the general population.

Furthermore, many school teachers are active in politics—seeking and holding office at every level of government—local, county, State, and National.