

search for an honorable and enduring peace in Southeast Asia should never be doubted again by any American, however cynical, or by any foreigner however skeptical.

May this act of self-abnegation on the part of our President be clearly understood by Ho Chi Minh as evidence of our national will to work with him or anyone else in creating the framework for an honorable and enduring peace, and also as evidence of our complete unwillingness ever to accede to a phony peace based upon the surrender, sale or barter of the freedoms of those plain people whose freedoms we are sworn to defend. If America fails South Vietnam, what will follow is not merely the plebeian engulfing of the rest of Southeast Asia. The Americans are not fighting the war there so that Saigon racketeers can grow fat on black market profits; indeed, they are only secondarily fighting it so that Saigon may stay free long enough for a society to grow up there that will be strong enough to dispense with the racketeers. The Americans and the South Vietnamese are not alone in knowing the facts. The Australians and New Zealanders know it; the Thais know it; the South Koreans know it; the Filipinos know it. The first author served four years on active duty and sixteen years in the reserves, and he is willing to serve again if necessary.

The verdict of history will be favorable for an Administration that has attacked the social and racial problems of America with skill and vigor. The most recent Civil Rights Bill, with an open-housing section, is another step forward for our beloved Nation. Let history reflect that the Johnson Administration is one of domestic triumphs. More significant education legislation; more new laws to assure human dignity; more efforts to reduce the gaps between the haves and the have-nots have emerged during the five years since Mr. Johnson became President than in any similar period in our history.

#### NOW TOMORROW

The great German poet Goethe, and a scientist of some stature as well, wrote over 150 years ago: "With the world moving at its present pace, mere knowledge avails us nothing; by the time a man has taken note of all there is to know, he has lost his essential self." Then, there is the defeatist side as expressed in a recent play by Friedrich Durrenmatt, entitled "The Physicists." A character is saying: "I give my services to any system, providing that system leaves me alone. I know there's a lot of talk nowadays about physicists' moral responsibilities. We suddenly find ourselves confronted with our own fears and we have a fit of morality. This is nonsense."

If George Washington could suddenly appear, we believe he would tell us that many of our problems can eventually be solved if we have four qualities. These are: military and economic strength, mature leadership, responsible citizenship, and faith in our government. Of course Christ will one day rule on earth, but until that time we must solve our problems. We believe "One Blood,"<sup>1</sup> is the only way toward progress and peace until Jesus comes. The Bible teaches brotherhood but points out the difference between sons of God by creation and by adoption. All peoples are in the classification of sons of God by creation, and this is the first step toward resolving our problems. Later, we would like to see all mankind accept Christ and become sons of God by adoption.

Race bias has caused rancor and mistrust among men since antiquity. Even Aristotle, the first biologist to attempt any serious classification of the animal and plant world, be-

lieved that some people are free by nature and others are slaves. Cicero, more in tune with the thinking of today's geneticists, proclaimed: "Men differ in knowledge but all are equal in ability to learn; there is no race which, guided by reason, cannot gain virtue."

As we move toward the concept of "One Blood" and reduce race bias, let us focus the minds of young and old alike on the sovereignty of God and the Lordship of Jesus Christ. Let us work for equal educational opportunity for all through quality education.<sup>2</sup> Finally, we must practice the dignity of concern for all by example.

In the long run of events, we must realize that God will not fail the poor and the needy. He will destroy those who have oppressed their fellowmen through the centuries. The psalmist, as he was led to write the prophecy in Psalm 72, probably thought of Babylon, Egypt, Assyria, and the other great nations of antiquity. Today the world's greatest oppressor is the nation whose avowed purpose is to dominate the entire world and impose its godless philosophy on all people.

Each voter must choose his human leader in 1968. We believe Vice President Humphrey is the logical statesman. With his experience, he should lead the country toward "One Blood."

### The Post-Dispatch's James Deakin Writes Excellent, Objective Summary of House-Senate Differences on Truth-in-Lending

#### HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1968

Mrs. SULLIVAN. Mr. Speaker, when the House of Representatives on February 1 passed H.R. 11601, the Consumer Credit Protection Act, containing strong provisions assuring the disclosure of the full truth to consumers in the use of consumer credit, most people thought the battle was over, and won. But this battle, which has raged on Capitol Hill for 8 years—since former Senator Paul H. Douglas, of Illinois, first proposed truth in lending—has merely moved to a new arena; that is, to a joint House-Senate conference committee.

The Senate passed a truth-in-lending bill on July 11, 1967. It contained many good features—all of which were incorporated into H.R. 11601 as it passed the House this February. But the Senate bill left out some of the basic requirements of truth in lending which the House, in contested but overwhelming votes, insisted on restoring to the measure. The House also went much further to cover essential aspects of consumer protection in the use of credit which had never been considered in the Senate, such as the regulation of credit advertising, administrative enforcement of the disclosure requirements, restriction of the use by the predatory fringe in the credit industry of the cruelly abused legal weapon of garnishment, curbing of the so-called second mortgage rackets

involving the surreptitious placing of liens on residential property without the customer's knowledge, the erection of Federal protections against loan sharking by organized crime, and the creation of a National Commission on Consumer Finance to investigate the need for further legislation.

There are a great many differences, therefore, between H.R. 11601 as passed by the House and S. 5 as passed by the Senate. The conferees have held several sessions so far without reaching any basic agreements on the major differences in the two bills, and further sessions are scheduled this week beginning tomorrow afternoon.

#### CAREFUL AND ACCURATE ARTICLE

In a characteristically careful and accurate in-depth article in Sunday's St. Louis Post-Dispatch, James Deakin of the Post-Dispatch Washington staff, an outstanding newspaperman who has covered consumer issues in Washington over many years, has written an excellent summary of some of the main points of disagreement between the House and Senate bills on consumer credit. I know that many of the Members have been receiving letters from constituents on this issue, inquiring about the status of the legislation and urging support for the strong provisions of the House bill. There have also been letters, of course, particularly from the collection industry, in opposition to some features of the bill, particularly the title on garnishment.

I therefore commend Mr. Deakin's article to the Members for the information it provides on the basic issues—not all of the many technical differences between the two bills but those which have been attracting the most interest and attention.

The article referred to is as follows:

TRUTH-IN-LENDING BILL STRUGGLE IS CONTINUING—MEASURE'S PROponents IN HOUSE SAY SENATE VERSION HAS LOOPHOLES

(By James Deakin)

WASHINGTON, April 20.—Like the easy credit abuses that it seeks to curb, the truth-in-lending bill seems to have an inexhaustible supply of installments.

Although truth-in-lending bills have been approved by both houses of Congress, the fight to enact a law informing consumers about credit charges and protecting them against sharp practices is far from over. Another chapter is about to be written by a Senate-House conference committee, and the lobbying pressures are as intense as ever.

On Feb. 1, when the House approved the bill by a thumping vote of 382 to 4, it seemed to many persons that the eight-year fight over truth in lending, one of the hardest in recent legislative history, had come to an end. Six months before, the Senate had passed its version of the bill by a vote of 92 to 0.

Almost overlooked after the House vote was the fact that the Senate version differed substantially from the House measure. Consumer groups and labor unions now are seriously concerned that the bill that finally emerges may contain so many loopholes that it will fall far short of effective protection for installment buyers.

The effort to reconcile the two versions will be resumed when Congress returns from its Easter recess. With House backers of the bill insisting that the Senate version has serious loopholes and omissions, talk of a deadlock is being heard on Capitol Hill.

<sup>1</sup> George S. Reuter, Jr., August M. Hintz, and Helen H. Reuter, *One Blood* (Exposition Press: New York, 1964).

<sup>2</sup> George S. Reuter, Jr. and Helen H. Reuter, *Democracy and Quality Education* (Educational Research Association of the U.S.A.: Cambridge, 1965).

The principle of the truth-in-lending bill originally introduced in 1960 by former Senator Paul H. Douglas (Dem.), Illinois, was disclosure of the true annual interest rate in all consumer transactions involving credit. This would enable buyers to shop for credit by comparing interest rates offered by stores, dealers, banks, credit unions and savings and loan institutions.

The credit industry fought Douglas to a standstill, arguing that it would be impossible in many instances to express the annual interest rate in a simple percentage. Douglas later changed his bill to require disclosure of the total annual finance charge, which would include such things as carrying or service charges and the cost of credit investigations and credit life insurance as well as the annual interest rate.

Lobbying pressure from bankers, retailers, automobile dealers and the credit industry continued to block the bill. But when Senator William Proxmire (Dem.), Wisconsin, succeeded Douglas as chairman of the subcommittee handling the legislation, a compromise was worked out.

As approved, the Senate version would require sellers to disclose the total finance charge on installment purchases in terms of an annual percentage rate and in terms of the dollar amount. The Senate thus accepted Douglas's basic proposal, but it added some exemptions that have been criticized by House sponsors of the bill.

Under an amendment known on Capitol Hill as "The J. C. Penney Amendment," the Senate exempted some department store revolving credit plans from the requirement that the finance charge be disclosed in terms of an annual percentage rate. Generally, on credit plans involving small purchases, department stores could continue to state the service charge in monthly terms, usually 1.5 per cent each month on the unpaid balance.

On revolving credit plans involving large purchases, service charges generally would have to be stated on an annual basis. This would mean that the store would have to inform buyers that they were paying 18 per cent interest a year on the unpaid balance in their credit accounts. Some large chain stores argue that this would be inaccurate and that the annual interest would not be that high.

The compromise on revolving credit plans was based on a Connecticut law cited by officers of the J. C. Penney Co. when Proxmire asked them to suggest alternatives. Robert F. Bennett, Washington representative of the Penney chain, was instrumental in working out the Senate amendment. Bennett is the son of Senator Wallace F. Bennett of Utah, senior Republican member of the subcommittee that handled the truth-in-lending bill. The elder Bennett was one of the chief opponents of the bill.

Another Senate-approved amendment deleted the requirement that finance charges be disclosed as an annual percentage rate if the charges amounted to less than \$10. This was an exemption for small retailers comparable to the exemption for department store revolving credit plans involving small purchases. In both cases, the dollars-and-cents total of the finance charge would have to be disclosed.

In another amendment, the Senate exempted all first mortgages from all disclosure requirements. House backers of the bill contend that this would remove shady home improvement salesmen from truth-in-lending coverage. Some home improvement loans take the form of first mortgages, especially in the case of an elderly person who has paid off the mortgage on his home and then falls prey to a fast-talking salesman who persuades him to put in a new furnace or aluminum siding. The paper the victim signs turns out to be a new first mortgage.

Representative Leonor R. Sullivan (Dem.), St. Louis, and other House backers of the

truth-in-lending measure, believe that the Senate amendments would exempt a large part of the nation's installment buying from the requirement for disclosure of the total finance charges in terms of a percentage rate.

This, they contend, would defeat the basic intention of the original Douglas bill by denying buyers a percentage rate that they could compare with rates available from other sources of credit. In the case of the \$10 exemption, the Senate bill would mean that installment purchases of articles costing less than about \$110 would not have to show the percentage rate of finance charges.

When the bill was brought up in the House earlier this year, Mrs. Sullivan was successful in striking all of the Senate exemptions from the House version. The next step will be a Senate-House conference committee that will reconvene after the Easter recess. The committee held two meetings before the recess without settling any of the major disagreements.

In the House, Mrs. Sullivan and other members succeeded also in adding several consumer protection features to the bill, changing its character from a purely information law to an information and protection measure. The Senate version is known as the Truth-in-Lending Act, the House version as the Consumer Credit Protection Act.

A key protection feature added in the House would substantially limit the practice of wage garnishment to satisfy debts. It would exempt the first \$30 of weekly wages and limit garnishment to no more than 10 per cent of the remainder. A person earning \$130 a week could have no more than \$10 a week taken from his pay to satisfy garnishment judgments.

Garnishment has come under increasing attack in recent years. The Consumer Federation of America has termed it "a barbarous relic of a bygone age . . . like the debtors' jail of medieval days." The federation pointed to the severe laws of some states. Among them were Tennessee, which permits all but \$17 of a person's weekly wage to be garnisheed for debt; New Hampshire, all but \$20, and California and Minnesota, up to 50 per cent. Only three states—Pennsylvania, Florida and Texas—prohibit garnishment.

The National Advisory Commission on Civil Disorders, headed by Gov. Otto Kerner of Illinois, found that garnishment was a significant grievance in the Negro ghettos. Secretary of Labor W. Willard Wirtz has estimated that between 100,000 and 300,000 workers are fired each year because their employers do not want to incur the administrative expense of wage garnishments.

In the slums of 10 large cities, Wirtz has said, a 1966 study found garnishment a significant factor in unemployment. "More people explain their unemployment on the basis of garnishment than their police records," Wirtz said.

If enacted, the House version of the truth-in-lending bill would limit garnishment on a national basis for the first time. The fate of this provision and the Senate exemptions now rests with the Senate-House conference committee.

### A View From the Cockpit

HON. MASTON O'NEAL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 23, 1968

Mr. O'NEAL of Georgia. Mr. Speaker, a recent national convention of the Air Force Association in Atlanta, Ga., was marked by a number of interesting and inspiring addresses by our combat pilots. They know whereof they speak.

One of the very fine speakers was Maj. Hugo E. Marek, of the Tactical Air Command, who is qualified to report the "View From the Cockpit."

Surely, our colleagues and, indeed, the entire country will find it as enlightening and moving as I did.

"A View From the Cockpit" follows:

#### A VIEW FROM THE COCKPIT

Much has been said and much has been written about the air operations being conducted over North Vietnam. In fact, there have been quite a number of conflicting and contradictory "big picture" type analyses and evaluations put forth over radio and television, in the newspapers and magazines, so I would like to spend the next few minutes with you in a more narrow perspective of what we are trying to do—what we are doing—against North Vietnam. I like to call it a view from the cockpit as these are basically my personal observations and interpretations of the feelings and outlooks of those who fly the bombing missions into Ho Chi Minh's backyard—you might call it a combat pilot's look at—what is the job—how is it done—and, how do the pilots feel about it.

What is the pilot flying bombing missions into North Vietnam trying to accomplish? What do we think our job is? One doesn't have to plan too many air strikes or fly too many missions before three basic objectives become clear.

First—we are limiting the sanctuary area available to the North Vietnamese. We are cutting down on the number and size of the places where he can openly and freely marshal his resources, concentrate his war materiel, ready his troops and arms. It ought to be patently obvious to anyone who gives it a moment's serious consideration that—free from air attack—North Vietnam would become one huge military warehouse—and—an open funnel of men and materiel for aggression against, not only South Vietnam, but, as recent events prove, Laos, Cambodia and Thailand as well. To the pilot, flying over North Vietnam, who can look down and see the "lay of the land," this is not an assumption—it is a certainty. And he, the pilot, knows he is there to preclude just exactly that.

The second job the pilot recognizes is that of exacting a penalty from North Vietnam for promoting and directing an aggressive war—and believe me folks—that is just exactly what it is and what it has been. Every day we are collecting a payment in terms of manpower resources diverted from normal economic productivity and rebuilding air-terdicted roads, bridges, railroad yards—manpower diverted to carrying or cycling supplies—and to dispersing and hiding materiel. We are making them pay a price in terms of lost industrial facilities and production. To the pilot, he is exacting that cost from the Thai Ngyen steel mill, the Bac Giang rail and road bridge, the Viet Tri thermal power plant. The pilot knows that—if they have got it—he can hit it.

The third objective the pilot is tasked to do—and does do—is to limit the flow—or increase the cost of sending men and supplies into South Vietnam. And I think you really have to participate in missions over North Vietnam—you have to see what this air interdiction effort causes—to get a feel for the effectiveness of the bombing; particularly since Ho Chi Minh has been rather reluctant to tell us how much he has to send South to get what he does down there. Daily the pilot may see smoke from petroleum supplies billowing to several thousand feet—he may see military storage areas burning and exploding, or he may see destroyed trucks littering the roadways from Hanoi to Mu Gia Pass. This is the job and I can assure you there is no doubt in the mind of