State or as a judge of a court established under section 1 of article III, except that no person whose appointment to a court established under section 1 of article III is not reconfirmed by the Senate as prescribed in section 1 of this article, may be appointed to any other court established under section 1 of article III.

"SEC. 3. The Congress shall have the power to enforce this article with appropriate legislation."

THE CIVIL RIGHTS AND LABOR MOVEMENTS JOIN FORCES FOR PROGRESS

HON. CHARLES H. WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1969

Mr. CHARLES H. WILSON. Mr. Speaker, having spoken out last week in support of the Southern Christian Leadership Conference and the workers in Charleston, S.C., I am gratified to note that the New York Times has come out in support of this movement and lauded the cooperation between labor leaders and black workers. The editorial appears below:

THE CHARLESTON COALITION

George Meany and Walter P. Reuther have parted company in organized labor, but they are standing together in support of striking Negro hospital workers in Charleston, S.C. A similar unity has been established by all the country's major civil rights groups, which rarely agree on tactics these days. They have put aside their differences to help a wretchedly underpaid work force win union recognition and a measure of human dignity.

The coalition that has been forged between the labor movement and the civil rights organizations in the Charleston struggle is as firm as the one that existed on Capitol Hill through the long fight to put across the Civil Rights Act of 1964. That coalition was reformed during the Memphis sanitation strike before the assassination of the Rev. Dr. Martin Luther King Jr. Its emergence now suggests that the coalition is no one-time thing and that, in easing the plight of the exploited black worker, both unions and civil rights groups have a role to play. Each can draw strength from the other in a period when both have seemed to flounder in many of their recent efforts.

Unions have been lagging in membership. Civil rights groups such as Dr. King's Southern Christian Leadership Conference, now headed by the Rev. Ralph David Abernathy, need fresh victories. They have a mutual interest in the 500 striking Charleston hospital workers who are mostly women, mostly blacks, employed as non-professional nurses' aides, orderlies, cooks, at wages as little as $1.30 an hour or thirty cents below the Federal minimum wage which establishes a floor for most jobs. Unions calculate that there are 2.5 million non-union black, Puerto Rican and Mexican hospital workers across the country suffering similar wage injustices.

The best hope for ending the Charleston strike without a racial explosion or a tragedy of the type that struck down Dr. King lies in intervention by the Federal Government—precisely the kind of intervention that brought labor peace after tragedy struck in Memphis a year ago. At a meeting in the White House yesterday, Dr. King's successor, Mr. Abernathy, urged President Nixon "to use his great and powerful office" to speed a settlement. "He said nothing," was Mr. Abernathy's report after the session. That is not a good enough answer; it cannot be the final one.

SENATE—*Friday, May 16, 1969*

The Senate met at 12 o'clock noon, and was called to order by the Vice President.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Blessed are they who hunger and thirst after righteousness; for they shall be filled.—Matthew 5: 6

O Father of mercies, have compassion upon all who need Thy forgiveness. Pardon the sins which are an offense against Thy love and Thy law. And forgive all the little evils which lay waste life and disfigure the divine image in man. Help all who would follow Thee in spirit and in truth to jettison the debris of the spirit which soils the soul, the character or the institution. May the tide of Thy righteous spirit flow over the Nation to cleanse and redeem, to heal and unite the people, that we may walk steadfastly according to Thy statutes, with clean hands and pure hearts. God bless this Nation and make it a blessing.

In the name of the Lord and Saviour. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, May 14, 1969, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 1011) to authorize appropriations for the saline water conversion program for fiscal year 1970, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 4152. An act to authorize appropriations for certain maritime programs of the Department of Commerce;

H.R. 5833. An act to continue until the close of June 30, 1972, the existing suspension of duty on certain copying shoe lathes;

H.R. 7311. An act to amend item 709.10 of the Tariff Schedules of the United States to provide that the rate of duty on parts of stethoscopes shall be the same as the rate on stethoscopes; and

H.R. 9951. An act to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal year 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President.

H.R. 33. An act to provide for increased participation by the United States in the International Development Association, and for other purposes; and

H.R. 8794. An act to amend the Marine Resources and Engineering Development Act of 1966 to continue the National Council on Marine Resources and Engineering Development, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 4152. An act to authorize appropriations for certain maritime programs of the Department of Commerce; to the Committee on Commerce.

H.R. 5833. An act to continue until the close of June 30, 1972, the existing suspension of duty on certain copying shoe lathes;

H.R. 7311. An act to amend item 709.10 of the Tariff Schedules of the United States to provide that the rate of duty on parts of stethoscopes shall be the same as the rate on stethoscopes; and

H.R. 9951. An act to provide for the collection of the Federal unemployment tax in quarterly installments during each taxable year; to make status of employer depend on employment during preceding as well as current taxable year; to exclude from the computation of the excess the balance in the employment security administration account as of the close of fiscal year 1970 through 1972; to raise the limitation on the amount authorized to be made available for expenditure out of the employment security administration account by the amounts so excluded; and for other purposes; to the Committee on Finance.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go

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into executive session to consider a nomination on the Executive Calendar under "New Reports."

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nomination on the Executive Calendar will be stated, as requested by the Senator from Montana.

DEPARTMENT OF JUSTICE

The bill clerk read the nomination of Ira De Ment, of Alabama, to be U.S. attorney for the middle district of Alabama.

The VICE PRESIDENT. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of this nomination.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 159 and 160.

The VICE PRESIDENT. Without objection, it is so ordered.

THE 150TH ANNIVERSARY OF THE FOUNDING OF ALABAMA

The bill (S. 1995) to provide for the striking of medals in commemoration of the 150th anniversary of the founding of the State of Alabama was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1995

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in commemoration of the one hundred and fiftieth anniversary of the founding of the State of Alabama, the Secretary of the Treasury is authorized and directed to strike and furnish to the Alabama Sesquicentennial Commission five thousand silver and fifty thousand bronze medals with suitable emblems, devices, and inscriptions to be determined by such Commission subject to the approval of the Secretary of the Treasury. The medals shall be made and delivered at such times as may be required by such Commission, but no medals shall be made after January 1, 1970. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes (31 U.S.C. 368).

SEC. 2. The Secretary of the Treasury shall cause such medals to be struck and furnished at not less than the estimated cost of manufacture, including labor, materials, dies, use of machinery, and overhead expenses; and security satisfactory to the Director of the Mint shall be furnished to indemnify the United States for full payment of such costs.

SEC. 3. The medals authorized to be issued pursuant to this Act shall be of such size or sizes as shall be determined by the Secretary of the Treasury in consultation with the Alabama Sesquicentennial Commission.

THE 300TH ANNIVERSARY OF THE FOUNDING OF SOUTH CAROLINA

The bill (H.R. 6269) to provide for the striking of medals in commemoration of the 300th anniversary of the founding of South Carolina was considered, ordered to a third reading, read the third time, and passed.

PRESIDENT NIXON'S ADDRESS ON VIETNAM

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the text of the speech on Vietnam, delivered by the President of the United States at 10 o'clock on the evening of May 14, 1969, be printed at this point in the RECORD.

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

I have asked for this television time tonight to report to you on our most difficult and urgent problem—the war in Vietnam.

Since I took office four months ago nothing has commanded so much of my time and energy as the search for a way to bring lasting peace in Vietnam. I know that some believe I should have ended the war immediately after my inauguration by simply withdrawing our forces from Vietnam.

This would have been the easy thing to do and it might have been a popular move.

But I would have betrayed my solemn responsibility as President of the United States had I done so.

I want to end this war. The American people want to end this war. The South Vietnamese people want to end this war. But we want to end it permanently so that the younger brothers of our soldiers in Vietnam will not have to fight in the future in another Vietnam some place in the world.

The fact that there is no easy way to end the war does not mean that we have no choice but to let the war drag on with no end in sight.

For more than four years American boys have been fighting and dying in Vietnam. For twelve months our negotiators have been talking with the other side in Paris. Yet the fighting goes on. The destruction continues. Brave men still die.

The time has come for some new initiatives. Repeating the old formulas and the tired rhetoric of the past is not enough. When Americans are risking their lives in war, it is the responsibility of their leaders to take some risks for peace.

I would like to report to you tonight on some of the things we have been doing in the past four months to bring true peace, and then I would like to make some concrete proposals to speed that day.

REVIEW AND REASSESSMENT

Our first step began before inauguration. This was to launch an intensive review of every aspect of the Nation's Vietnam policy. We accepted nothing on faith, we challenged every assumption and every statistic. We made a systematic, serious examination of all the alternatives open to us. We carefully considered recommendations offered both by critics and by supporters of past policies.

From the review, it became clear at once that the new Administration faced a set of immediate operational problems.

The other side was preparing for a new offensive.

There was a wide gulf of distrust between Washington and Saigon, which hindered cooperation.

In eight months of talks in Paris, there had been no negotiations directly concerned with a final settlement.

We therefore moved on several fronts at once.

We frustrated the attack which was launched in late February. As a result, the North Vietnamese and the Viet Cong failed to achieve their military objectives.

We restored a close working relationship with Saigon. In the resulting atmosphere of mutual confidence, President Thieu and his Government have taken important initiatives in the search for a settlement.

We speeded up the strengthening of the South Vietnamese forces. As a result, General Abrams reported to me on Monday that progress in this training program has been excellent, and that apart from what will develop from the negotiations, the time is approaching when South Vietnamese forces will be able to take over some of the fighting fronts now being manned by Americans.

Our deepest concern has been the development of a coherent peace policy, so that our various moves would reinforce each other. As a result, we have been able to move the Paris talks toward the substantive issues essential to an agreement.

In weighing alternative courses, we have had to recognize that the situation as it exists today is far different from what it was two years ago, or four years ago, or ten years ago.

One difference is that we no longer have the choice of not intervening. We have crossed that bridge. There are now more than half a million American troops in Vietnam and 35,000 Americans have lost their lives there.

We can have honest debate about whether we should have entered the war. We can have honest debate about the past conduct of the war. But the urgent question today is what to do now that we are there, not whether we should have entered on this course, but what is required of us today.

Against that background, let me discuss first what we have rejected, and second, what we are prepared to accept.

ESSENTIAL PRINCIPLES

We have ruled out attempting to impose a purely military solution on the battlefield.

We have also ruled out either a one-sided withdrawal from Vietnam, or the acceptance in Paris of terms that would amount to a disguised defeat.

When we assumed the burden of helping defend South Vietnam, millions of South Vietnamese men, women and children placed their trust in us. To abandon them now would risk a massacre that would shock and dismay everyone in the world who values human life.

Abandoning the South Vietnamese people, however, would jeopardize more than lives in South Vietnam. It would threaten our longer term hopes for peace in the world. A great nation cannot renege on its pledges. A great nation must be worthy of trust.

When it comes to maintaining peace, "prestige" is not an empty word. I am not speaking of false pride or bravado—they should have no place in our policies. I speak rather of the respect that one nation has for another's integrity in defending its principles and meeting its obligations.

If we simply abandoned our effort in Vietnam, the cause of peace might not survive the damage that would be done to other nations' confidence in our reliability.

Another reason stems from debates within the Communist world between those who argue for a policy of confrontation with the United States and those who argue against it. If Hanoi were to succeed in taking over South Vietnam by force—even after the power of the United States had been engaged—it would greatly strenthen those leaders who scorn negotiation, who advocate aggression, who minimize the risks of confrontation. It would bring peace now, but it would enormously increase the danger of a bigger war later.

If we are to move successfully from an era of confrontation to an era of negotiation, then we have to demonstrate—at the point at which confrontation is being tested—that confrontation with the United States is costly and unrewarding.

Almost without exception, the leaders of non-Communist Asia have told me that they would consider a one-sided American withdrawal from Vietnam to be a threat to the security of their own nations.

In determining what choices would be acceptable, we have to understand our essential objective: We seek the opportunity for the South Vietnamese people to determine their own political future without outside interference.

Let me put it plainly: What the United States wants for South Vietnam is not the important thing. What North Vietnam wants for South Vietnam is not the important thing. What is important is what the people of South Vietnam want for themselves.

The United States has suffered over one million casualties in four wars in this century. Whatever faults we may have as a nation, we have asked nothing for ourselves in return for these sacrifices. We have been generous toward those whom we have fought, helping former foes as well as friends in the task of reconstruction. We are proud of this record, and we bring the same attitude to our search for a settlement in Vietnam.

In this spirit, let me be explicit about several points:

We seek no bases in Vietnam.

We insist on no military ties.

We are willing to agree to neutrality if that is what the South Vietnamese people freely choose.

We believe there should be an opportunity for full participation in the political life of South Vietnam by all political elements that are prepared to do so without the use of force or intimidation.

We are prepared to accept any government in South Vietnam that results from the free choice of the South Vietnamese people themselves.

We have no intention of imposing any form of government upon the people of South Vietnam, nor will we be a party to such coercion.

We have no objection to reunification, if that turns out to be what the people of South Vietnam and the people of North Vietnam want; we ask only that the decision reflect the free choice of the people concerned.

At this point, I would like to add a personal word based on many visits to South Vietnam over the past five years. This is the most difficult war in America's history, fought against a ruthless enemy. I am proud of our men who have carried the terrible burden of this war with dignity and courage, despite the division and opposition to the war in the United States. History will record that never have America's fighting men fought more bravely for more unselfish goals than our men in Vietnam. It is our responsibility to see that they will not have fought in vain.

In pursuing our limited objective, we insist on no rigid diplomatic formula. Peace could be achieved by a formal negotiated settlement. Peace could be achieved by an informal understanding, provided that the understanding is clear, and that there were adequate assurances that it would be observed. Peace on paper is not as important as peace in fact.

THE NEGOTIATIONS

This brings us, then, to the matter of negotiations.

We must recognize that peace in Vietnam cannot be achieved overnight. A war which has raged for so many years will require detailed negotiations and cannot be settled at a single stroke.

What kind of a settlement will permit the South Vietnamese people to determine freely their own political future? Such a settlement will require the withdrawal of all non-South Vietnamese forces from South Vietnam and procedures for political choice that give each significant group in South Vietnam a real opportunity to participate in the political life of the nation.

To implement these principles, I reaffirm now our willingness to withdraw our forces on a specified timetable. We ask only that North Vietnam withdraw its forces from South Vietnam, Cambodia and Laos into North Vietnam, also in accordance with a timetable.

We include Cambodia and Laos to ensure that these countries would not be used as bases for a renewed war. The Cambodian border is only 35 miles from Saigon; the Laotian border is only 25 miles from Hue.

Our offer provides for a simultaneous start on withdrawal by both sides; agreement on a mutually acceptable timetable; and for the withdrawal to be accomplished quickly.

If North Vietnam wants to insist that it has no forces in South Vietnam, we will no longer debate the point—provided that its forces cease to be there, and that we have reliable assurances that they will not return.

The North Vietnamese delegates have been saying in Paris that political issues should be discussed along with military issues, and that there must be a political settlement in the South. We do not dispute this, but the military withdrawal involves outside forces, and can therefore be properly negotiated by North Vietnam and the United States, with the concurrence of its allies. The political settlement is an internal matter, which ought to be decided among the South Vietnamese themselves and not imposed by outside powers. However, if our presence at these political negotiations would be helpful, and if the South Vietnamese concerned agreed, we would be willing to participate, along with the representatives of Hanoi if that were also desired.

Recent statements by President Thieu have gone far toward opening the way to a political settlement. He has publicly declared his government's willingness to discuss a political solution with the National Liberation Front and has offered free elections. His was a dramatic step forward, a reasonable offer that could lead to a settlement. The South Vietnamese Government has offered to talk without preconditions. I believe that the other side should also be willing to talk without preconditions.

The South Vietnamese Government recognizes, as we do, that a settlement must permit all persons and groups that are prepared to renounce the use of force to participate freely in the political life of South Vietnam. To be effective, such a settlement would require two things: First, a process that would allow the South Vietnamese people to express their choice; and second, a guarantee that this process would be a fair one.

We do not insist on a particular form of guarantee. The important thing is that the guarantees should have the confidence of the South Vietnamese people, and that they should be broad enough and strong enough to protect the interests of all major South Vietnamese groups.

This, then, is the outline of the settlement that we seek to negotiate in Paris. Its basic terms are very simple: Mutual withdrawal of non-South Vietnamese forces from South Vietnam, and free choice for the people of South Vietnam. I believe that the long-term interests of peace require that we insist on no less, and that the realities of the situation require that we seek no more.

PROGRAMS AND ALTERNATIVES

To make very concrete what I have said, I propose the following measures, which seem to me consistent with the principles of all parties. These proposals are made on the basis of full consultation with President Thieu.

As soon as agreement can be reached, all non-South Vietnamese forces would begin withdrawals from South Vietnam.

Over a period of twelve months, by agreed-upon stages, the major portions of all U.S., Allied, and other non-South Vietnamese forces would be withdrawn. At the end of this twelve month period, the remaining U.S., Allied and other non-South Vietnamese forces would move into designated base areas and would not engage in combat operations.

The remaining U.S. and Allied forces would move to complete their withdrawals as the remaining North Vietnamese forces were withdrawn and returned to North Vietnam.

An international supervisory body, acceptable to both sides, would be created for the purpose of verifying withdrawals, and for any other purposes agreed upon between the two sides.

This international body would begin operating in accordance with an agreed timetable, and would participate in arranging supervised ceasefires.

As soon as possible after the international body was functioning, elections would be held under agreed procedures and under the supervision of the international body.

Arrangements would be made for the earliest possible release of prisoners of war on both sides.

All parties would agree to observe the Geneva Accords of 1954 regarding Vietnam and Cambodia, and the Laos Accords of 1962.

I believe this proposal for peace is realistic, and takes account of the legitimate interests of all concerned. It is consistent with President Thieu's six points. It can accommodate the various programs put forth by the other side. We and the Government of South Vietnam are prepared to discuss its details with the other side. Secretary Rogers is now in Saigon and will be discussing with President Thieu how, together, we may put forward these proposed measures most usefully in Paris. He will, as well, be consulting with our other Asian allies on these measures while on his Asian trip. However, I would stress that these proposals are not offered on a take-it-or-leave-it basis. We are quite willing to consider other approaches consistent with our principles.

We are willing to talk about anybody's program—Hanoi's four points, and NLF's 10 points—provided it can be made consistent with the few basic principles I have set forth here.

Despite our disagreement with several of its points, we welcome the fact that the NLF has put forward its first comprehensive program. We are continuing to study it carefully. However, we cannot ignore the fact that immediately after the offer, the scale of enemy attacks stepped up and American casualties increased.

Let me make one point very clear. If the enemy wants peace with the United States, that is not the way to get it.

I have set forth a peace program tonight which is generous in its terms. I have indicated our willingness to consider other proposals. No greater mistake could be made than to confuse flexibility with weakness or being reasonable with lack of resolution. I must make clear, in all candor, that if the needless suffering continues, this will affect other decisions. Nobody has anything to gain by delay.

Reports from Hanoi indicate that the enemy has given up hope for a military victory in South Vietnam but is counting on a collapse of American will in the United States. They could make no greater error in judgment.

Let me be quite blunt. Our fighting men are not going to be worn down; our negotiators are not going to be talked down; our allies are not going to be let down.

I have seen the ugly face of war in Vietnam. I have visited the wounded in field hospitals—American boys, South Vietnamese boys, North Vietnamese boys. They were different in many ways—the color of their skins, their religions, their race. Some were enemies, some were friends.

But the differences were small compared with how they were alike. They were brave men and they were so young. Their lives—their dreams for the future had been shattered by a war over which they had no control.

With all of the moral authority of the office which I hold, I say that America could have no greater and prouder role than to help to end this war in a way which will bring nearer that day in which we can have a world order in which young men can grow up in peace and friendship.

I do not criticize those that disagree with me on the conduct of our peace negotiations. I do not ask unlimited patience from a people whose hopes for peace have too often been raised and cruelly dashed over the past four years.

I have tried to present the facts about Vietnam with complete honesty and I shall continue to do so in my reports to the American people.

Tonight, all I ask is that you consider these facts and, whatever our differences, that you support a program which can lead to a peace we can live with and a peace we can be proud of. Nothing could have a greater effect in convincing the enemy that he should negotiate in good faith than to see the American people united behind a generous and reasonable peace offer.

In my campaign for the Presidency, I pledged to end this war in a way that would increase our chances to win true and lasting peace in Vietnam, in the Pacific and in the world. I am determined to keep that pledge. If I fail to do so, I expect the American people to hold me accountable for that failure.

But while I will never raise false expectations, my deepest hope, as I speak to you tonight, is that we shall be able to look back on this day as that critical turning point when American initiative moved us off dead center and forward to the time when this war would be brought to an end and we could devote the unlimited energies and dedication of the American people to the challenges of peace.

THE 65TH BIRTHDAY ANNIVERSARY OF SENATOR JOHN J. WILLIAMS, OF DELAWARE

Mr. DIRKSEN. Mr. President, I think I should legislatively and judicially take note of the fact that tomorrow is the 65th birthday anniversary of the distinguished Senator from Delaware (Mr. WILLIAMS). He is serving his fourth term in this body, and I believe the entire country and all the people are thoroughly familiar with his good work and what he has accomplished in the public cause and for the good of this Republic.

It is a little unfortunate, I think, that he has indicated that at the appropriate time he will retire from the public service, and that means at the end of his instant term, which is his fourth term.

Certainly, the country will miss him, and we shall miss him, also. But so long as he is here, I salute him, because he is the ranking Republican on the Committee on Finance, and therefore my leader.

In addition, I should observe that he has faithfully done his homework in a field which is abstruse at times and which others do not freely like to tackle, and that is the question of ceilings on expenditures, ceilings on employment, fair and equitable tax systems, and all the other things to which a person can give a lifetime of attention without also being encumbered with any other public responsibility.

So I salute the distinguished Senator from Delaware as he comes up to the threshold of his 65th birthday anniversary.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Mr. President, I wish to join the distinguished minority leader in his tribute to the distinguished senior Senator from Delaware (Mr. WILLIAMS).

I must say, speaking nonpartisanly, that I am not happy that the Senator has seen fit not to run for reelection. During the period he has been a Member of this body, he has performed a distinct and much needed service down through the years, and I know from firsthand knowledge that sometimes it was under the most difficult circumstances.

I could not let this occasion pass without expressing publicly my respect and my affection for the distinguished Senator from Delaware and to acknowledge openly the many contributions he has made to the welfare of this body, Congress as a whole, and the Nation, as well. He has been a giant, and his departure from the Senate will leave a void which will be almost impossible to fill.

I express my high regard, my affection, and my respect for the "bulldog" of the Senate, who has performed so valuably and so adequately throughout the years of his service.

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SCOTT. Mr. President, representing so ably the First State of the Union, Delaware, and the only State which managed, by its promptitude and loyalty and adherence to the principles of union, to keep my State from having had that honor—from the First State comes one who is in many ways the first Senator, surely the first Senator in his services as a watchdog of the other branches under our system and of this legislative branch—a watchdog with teeth, I may add.

He has effectively, throughout all his service, managed to leave his imprint, or perhaps his teeth marks, upon legislative loopholes; and has, by the very pressure of his personality and of his integrity, succeeded in closing some of those loopholes, even against the best efforts of the otherwise disposed among us who sometimes did not see as clearly as he did the importance of these efforts.

I congratulate him on the threshold of his birthday I am sorry that he will not be a candidate again to succeed himself, because such a succession in the First State would be a foregone conclusion.

My congratulations to our distinguished Senator and best wishes to him always.

Mr. DIRKSEN. Mr. President, I yield to the distinguished Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I cannot resist adding my voice to those of other friends of the Senator from Delaware. I have done this before, but he is such an outstanding Senator that I am most happy to be able to do so again.

I feel he is the one Member of this body who is its most able sentinel. I hope once again that this remarkable man will reconsider his decision to retire. I say that because none of the rest of us has had his persistence, grasp of the subject, willingness, and strong integrity to stand up again and again and make fights for a more ethical U.S. Senate and Congress. He is the one man who has been able to do this over the years, and he has done it with great effect.

I add my strong endorsement to the statement of the distinguished minority leader that the Senator from Delaware has a remarkable grasp of our complex tax structure. He has made a valuable contribution in that area.

Mr. LONG. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished chairman of the Committee on Finance.

Mr. LONG. Mr. President, I wish to endorse the statements by Senators on both sides of the aisle about the ranking minority member of the Committee on Finance, the distinguished senior Senator from Delaware. To those statements I wish to add something that perhaps does not appear so clearly in the RECORD as it might. He is perhaps the most diligent as well as the most consistent Member of this body.

I say that because some years ago, when I first became the chairman of the Committee on Finance, I thought it might help to boost good attendance if a record were kept as to who showed up at each meeting and how long they were there. That record has been kept over a long period of time. It could be that some Senators would not like to have that record made public, but I know the Senator from Delaware would have no objection because frequently he is at the top of the list, notwithstanding his many other responsibilities. As chairman of the committee, I have frequently found it difficult to keep up with his attendance at committee meetings.

While he is a very convincing debater, he has never convinced me, as he has failed to convince a great number of other Senators, that he is doing the Nation a favor by insisting on retiring at the end of this term.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the distinguished Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I wish to join my colleagues and extend congratulations and best wishes to the distinguished Senator from Delaware. It has been my pleasure to serve with him for a number of years. I share the regret and disappointment of all Members of this body in his decision to retire and not to seek reelection.

I know of no Senator with whom I have ever served who has set a higer example of steadfast integrity, diligence, dedication, and devotion to duty than has the senior Senator from Delaware, an example that each of us, and all who will become Members of this body in the future, may well emulate with great satisfaction and the assurance that in doing so we would distinguish ourselves as Members of this body.

Mr. DIRKSEN. Mr. President, I yield to the Senator from Tennessee.

Mr. GORE. Mr. President, it is my pleasure and also my opportunity—a rewarding opportunity—to serve on two distinguished committees with the able senior Senator from Delaware. His diligence and the degree of probity with which he approaches public questions, the easy equation of friendship, and the pleasant relationship he has extended to me have made of this joint service a very satisfying experience.

I hope he will reconsider his decision—and I say that across the aisle—for the senior Senator from Delaware performs a duty in the Senate and in this country which is widely recognized and which is important. He has carved for himself a role and a niche. His service here cannot be easily replaced. It would take the most diligent of Senators a long while to develop the technique, the knowledge, and the public confidence in this particular sphere which is enjoyed by the senior Senator from Delaware.

I join in extending congratulations upon his distinguished service, but I wish to voice the deepest of personal regret to see its end in prospect.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. FANNIN. Mr. President, I wish to join Senators in congratulating the distinguished senior Senator from Delaware.

Shortly after I came to the Senate, the distinguished majority leader was talking to me about our dear friend. He said, "I want you to know he does his homework, and that is why he is so effective, and his accomplishments are so marked."

I consider the distinguished Senator from Delaware to be one of the most respected men in America today. He is always consulted about pending legislation and has tremendous influence on all his colleagues. Not only is he highly regarded by all of us in this Chamber but he is so knowledgeable that over the years he has gained the respect of the Nation.

I wish him well. I am sorry he is going to leave us, but I know he will be back to visit us often. We shall look forward to his visits. In the meantime, we shall have him with us for a few more months.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. SPARKMAN. Mr. President, I join Senators in their statements about the distinguished senior Senator from Delaware. I would like to use the term "memorialize him," but it has too doleful a connotation.

I have had the pleasure of serving for a long time with JOHN WILLIAMS on the Committee on Foreign Relations. I have had many connections with him. I have supported him in various things he has done here more often than most people would think. I pay tribute to him, especially for his active interest in trying to get a good financing system for home mortgages. No Senator has worked more diligently than he has. He knows that from time to time we have adopted programs that he has proposed or amendments he has offered.

JOHN WILLIAMS is an unusual man. I do not know whether I should say "unusual" or not. One knows pretty well what his stand is going to be. It is always going to be one that is what he considers to be right, regardless of where the chips may fall.

I spoke in his State recently, and I saw a good many of his friends. When I came back, I said, "A good many of your friends up there are expressing the hope that you will reconsider."

JOHN told me that he was not going to reconsider—but I just wonder. It seems to me it is going to be a great loss to the Senate if JOHN WILLIAMS does leave us. It would bring cheer to a great many if he would reconsider his decision and just stay here.

Mr. HANSEN. Mr. President, I wish to add my congratulations and best wishes to the distinguished senior Senator from Delaware (Mr. WILLIAMS).

As a relative newcomer to this august body, it has been my pleasure and privilege to listen closely to his counsel and to observe his actions, his industry, and his diligence in searching for the truth. He always tries to hear all sides of an argument before he makes up his mind.

I believe that the distinguished Senator from Delaware has been an effective and articulate spokesman for the quiet, self-supporting, hard-working, and typical taxpaying American. This, of course, includes the overwhelming majority of our people. He has been diligent in his search for economy in government.

It would be difficult for anyone to attempt to put a dollar sign on the contributions JOHN WILLIAMS has made through his never-ending search for an end to wastefulness and graft and for economy, or to assess how much he has contributed to this country. A great many things will be said about him. I know that all of us will be of one accord, though, in expressing our regret that he has chosen voluntarily, in the prime of life, to leave this body.

I have tried unsuccessfully to persuade him that he should not take this step, a step which all his colleagues view with real consternation and dismay. Nevertheless, I know that he is determined to practice what he has been preaching. He has said he believes that no man should serve after reaching the age of 70.

If he adds another 6 years of service to this body, he reaches the conclusion that he cannot carry on and keep faith with the utterances he has been making.

I just say, and say it sadly, that he will be missed more than he knows as a most distinguished and highly articulate spokesman for America.

Mr. ALLEN. Mr. President, perhaps it is presumptuous of the junior Senator from Alabama to pay tribute to the distinguished senior Senator from Delaware, but I could not let pass this opportunity to speak in tribute to him without availing myself of it.

Perhaps it is like the fable of the lion and the mouse. Possibly I can be of no service to the distinguished Senator from Delaware, but I believe that a man is judged not only by his acts, by the company he keeps, the books he reads, or the music to which he listens, but I believe he is also judged by the heroes that he has.

Observing the distinguished senior Senator from Delaware from afar, as I have, for the past decade or more, I must say that he is my idea of a real statesman.

Since I came to the Senate, he has continued to be one of my heroes. I admire him for being a watchdog of the Treasury. I admire him for the never-ending battle he has waged for economy and for honesty in Government.

Thus, I avail myself of this opportunity to pay tribute to him as an example for the entire country.

Today, our people are frustrated. They are disillusioned. For good reason, they lack confidence in some of our public figures; but the senior Senator from Delaware helps restore that confidence. Not only does he set an example for all of his Senate colleagues to emulate, but for the entire country he sets an example of high-minded public service, which serves this body in good stead.

Mr. President, I believe that I am the only new Senator of the "class" of the 91st Congress in the Chamber at this moment, so certainly, speaking for all the new Senators, as well as myself, and speaking also for the people of Alabama who admire this great man, I pay tribute to him as an outstanding public servant.

When the roll is called on a vote, I find that the senior Senator from Vermont (Mr. AIKEN) is the only Senator ahead of me on the list of Senators. I always enjoy listening to how he votes, possibly in order to help to guide me in my voting. Sometimes he is not here. I am sorry that the senior Senator from Delaware (Mr. WILLIAMS) comes as far down on the roll-

call list as he does. I believe that if he voted up in the AIKENS, the ALLENS, and the ALLOTTS, possibly his vote might influence other Members of the Senate in casting their votes, and on many occasions they might cast a better and a sounder vote in the Senate.

Thus, I hope that the distinguished senior Senator from Delaware (Mr. WILLIAMS) will reconsider the decision he has made. Although it has been my observation that he does not often change his mind, I hope that this time will be an exception. If he does not, he will leave some mighty big shoes to fill. He is going to leave an example of dedicated public service that it would be well for all of us to emulate as an example of the kind of dedicated public service which the people of the country admire and appreciate.

I am very happy to pay this tribute to my good friend, the senior Senator from Delaware (Mr. WILLIAMS).

Mr. BENNETT. Mr. President, I have a special reason for rising at this point because I have enjoyed a special privilege. Over the past 16 years, I have sat with the Senator from Delaware on the Committee on Finance. I started out, literally not figuratively, to the left of him, and I have slowly moved up until I now sit just to his left on the committee.

He has been an inspiration to me, both in his knowledge of the legislation we have worked on and his steadfastness in adhering to the principles which he supports.

As one of those who have ignored his suggestion that a man who passes the age of 70 should give up his seat in the Senate, I can still agree with his decision because I know that he has a delightful wife, and the lack of opportunity to spend the rest of his life in the more pleasant sibilities which have kept them separated over much of his period of service to his country has been a trial to him. Of course, he and Mrs. Williams suffer from the fact that Delaware is too close to Washington. We who represent States at a greater distance can keep our wives at our sides, but it is too much of a temptation to keep Mrs. Williams home to take care of the home problems; and JOHN and she have therefore been deprived of that association for so long that I agree that he is entitled to spend the rest of his life in the more pleasant company that she can provide.

I have appreciated everything he has done for me, and I certainly wish him every possible success and enjoyment in the increased number of years he is saving for himself than would be the case if he ran again. But in the years ahead, assuming that I can continue to serve out my term, I hope he will come back every once in awhile so that I can have the further advantage of his advice as I take his place in the Committee on Finance.

Mr. AIKEN. Mr. President, I have just run into another conflict of interest situation. I do not know whether to congratulate the Senator from Delaware for being born, because, after all, he had nothing to do about that, anyway, or whether to condemn him for voluntarily leaving the Senate. He could have done something about that, but he chose not to. So I have mixed feelings about him at this point.

But I will say that if he had not been born, the country would not have been so well off as it is today; and I am afraid the country will not be so well off after he leaves the Senate. But my colleagues understand why my praise of him could not be as lavish as it would be if he were going to stay with us another 24 years. However, I confess here and now that he has been my guide as far as the finances of our country are concerned, and I do not want him to leave the Senate next year.

Mr. COOPER. Mr. President, it is difficult for anyone to speak about Senator JOHN WILLIAMS of Delaware. All that he has done in the Senate and in his own life speaks better than anyone could speak of him.

In 1947, when I was elected for a 2-year term in the Senate and came here, the first Senator I met was the newly elected Senator from Delaware, JOHN WILLIAMS. Of the 50 Republicans, as I recall, in the Senate at that time, only three are here now—Senator AIKEN, Senator MILTON YOUNG, and Senator JOHN WILLIAMS.

One of the great privileges of my stay here at various times has been my association with Senator WILLIAMS. In the last 3 years it has been deepened by the fact that I sit next to him, and we have had opportunity to talk not only about legislation, but about many other matters which concern our country and our experience in life.

Someone said when JOHN WILLIAMS announced that he would not be a candidate again that no one could calculate the value of JOHN WILLIAMS to this country. If we attempted to place it in terms of dollars, no one could calculate the savings he has brought to our Government and people from his initiatives toward economy. But there are other values which cannot be estimated such as the value of his integrity and the value of his fight for honesty and integrity in areas of our Government. He always maintained his sense of justice, fairness, and simplicity.

I know that every Senator is, and I believe the people of his country are, sad because JOHN WILLIAMS has made up his mind that he will not come back to the Senate; but his work and his life will not be forgotten. His values will continue, and the country will not forget him.

Mr. BYRD of Virginia. Mr. President, I salute the distinguished senior Senator from Delaware. I join my colleagues this morning in again urging him to seek reelection to the Senate. I end by saying that in his decision to leave the Senate the losers are the American people, because, in my judgment, he is one of the most dedicated officials in the Halls of the Congress.

Mr. CURTIS. Mr. President, I join with many other Senators in wishing a happy birthday to our colleague, the Senator from Delaware (Mr. WILLIAMS). I understand that tomorrow is his 65th birthday.

In my opinion, Senator WILLIAMS is one of our greatest public servants on the American scene today. His courage, his integrity, his diligence, his stick-to-itiveness, and his willingness to do hard work have made him an invaluable Member of the U.S. Senate. His very presence in the Senate has been a force for good. He has been a protector, not only of the economic interests of the U.S. Government, but of our Government as an institution and our country as a country of virtue, integrity, and obedience to the law.

On another occassion, I expressed my great regret that Senator WILLIAMS had decided to retire at the end of this term. I shall not repeat that regret, because it appears that such urgings are futile. I do hope that he and his lovely family will have a very happy day tomorrow, and that he will enjoy many more birthdays of health and happiness. It is my hope that 40 years from tomorrow, he can get out the CONGRESSIONAL RECORD for this, the 16th day of May 1969, and read what his friends and colleagues said about him.

We wish him happiness and the very best.

Mr. BOGGS. Mr. President, I wish to congratulate my colleague, the senior Senator from Delaware, on his birthday anniversary tomorrow.

For more than 22 years JOHN WILLIAMS has served in the Senate, bringing great distinction to Delaware and the Nation. It has been a privilege for me personally to serve with him; and I want now to extend to him my heartiest best wishes for many more happy birthdays.

Mr. KENNEDY. Mr. President, I want to join with my colleagues in paying tribute to the Senator from Delaware on the occasion of his 65th birthday tomorrow and also to express regret that the next Congress will, by the voluntary action of Senator WILLIAMS, be deprived of his strong leadership in the area of fiscal responsibility.

Other Senators, not present this afternoon in the Chamber, will say, as I do, that, although they have not always agreed with the Senator from Delaware on matters pending before the Senate, or perhaps with his basic political philosophy, they have admired his knowledge of the Senate rules and his insight into their use in Senate debate. His preparation is scholarly when he speaks and the Senate is always better informed when he finishes. The knowledge that Senator WILLIAMS might raise questions has made Senators more diligent in their preparation, when fiscal matters have come before this body.

I just want to say, Mr. President, that, in my opinion, Senator WILLIAMS has brought credit to this Chamber by his service here and his presence will be greatly missed.

Mr. WILLIAMS of Delaware. Mr. President, seldom does the Senate find one of its Members without adequate words to express himself, but I must say that the mere expression of thanks for the many kind statements made this morning does not seem adequate. I can only say to my fine colleagues that in making my deci-

sion there were many problems to be considered.

As Senators know, for years I have advocated an age limit for service in the judiciary and in the legislative branch. I am a firm believer that a man should live by the rules he lays down for others. At the same time I wish to assure Senators that while I have announced that I will not be a candidate for reelection—and that decision is final—this does not in any sense mean that I am retiring from an active interest in public affairs. I expect to be an active citizen for many years and to take part in community and government affairs, and I hope I shall be able to make some contribution to the State and to the country to which I owe so much.

Before I came to the Senate I was with my brothers in business. We had an active career together for 24 years. Then I was elected to the U.S. Senate in 1946. When I complete this term I shall have completed 24 years as a public servant in the Senate. I am leaving the Senate, and I am going to start one more career. I shall not go into details now, but I plan on one more career of 24 years of active duty, following which, and only then, will I retire and take life easy.

Again I thank all Senators for their kind remarks. I hope I can live up to the tributes.

ADDRESS BY GEN. JOHN P. McCONNELL, CHIEF OF STAFF, U.S. AIR FORCE

Mr. McCLELLAN. Mr. President, on Wednesday evening of this week—May 14th—I had the pleasure of attending the 51st annual dinner meeting of the American Ordnance Association which was held at the Washington Hilton Hotel here in the Nation's Capital.

On this occasion, the association presented to Gen. John P. McConnell, Chief of Staff, U.S. Air Force, its Gen. Henry H. Arnold Gold Medal Award "in appreciation of outstanding service to the national defense of the United States." I ask unanimous consent that a copy of the citation be inserted in the RECORD at this point as a part of my remarks.

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

CITATION TO GEN. JOHN P. McCONNELL

The American Ordnance Association, in appreciation of outstanding service to the national defense of the United States, awards its General of the Air Force Henry H. Arnold Gold Medal to General J. P. McConnell, Chief of Staff, United States Air Force.

Staunch patriot and inspired leader, General McConnell has distinguished himself by exceptional capability in the office of Air Force Chief of Staff, his latest in a long and illustrious career of service in defense of the United States. His outstanding leadership and management abilities have been preeminently displayed under the trying conditions of the Vietnamese conflict.

His personal involvement with our forces in Vietnam has demonstrated his deep commitment to the men he leads. During his visitations to that beleaguered country he has clearly manifested the dedication to the human element which is so vital to the outcome of any conflict.

Through General McConnell's management of Air Force personnel and materiel, the living and working conditions of individual Air Force members have been improved, greatly increasing the defensive capabilities of the Nation.

The singularly distinctive accomplishments of General McConnell have significantly strengthened our over-all defense posture. His achievements reflect the highest standards of service in defense of our country.

———— ————,
President.
———— ————,
Executive Vice President.
WASHINGTON, D.C., *May 14, 1969.*

Mr. McCLELLAN. Mr. President, General McConnell is a native of Arkansas and a long-time personal friend, and I was indeed proud to see him receive this distinguished recognition. In accepting the award, General McConnell gave an excellent address in which he discussed some of the critical problems of our day, particularly as they relate to our military strength, national defense, and security. I was greatly impressed with the logic and wisdom of his views. I think what he said is very instructive and persuasive, especially as related to some current vital and controversial issues now being debated and considered in national affairs.

I think that every Member of Congress and all interested citizens should have an opportunity to read his remarks. Accordingly, I ask unanimous consent that his address be printed at this point in the RECORD.

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

ADDRESS BY GEN. JOHN P. McCONNELL, CHIEF OF STAFF, U.S. AIR FORCE, AT THE 51ST ANNUAL DINNER MEETING, AMERICAN ORDNANCE ASSOCIATION

I am greatly honored to receive the General Henry H. Arnold Award of your Association. This medal holds special significance for me because it is a symbol of the vital contributions to the development of airpower made by the man for whom it is named.

In addition, this award is a reminder of General Arnold's conviction that military airpower is dependent upon what he called "the air potential provided by industry." In fact, in his final report to the Secretary of War in 1945, he was quite specific in advocating close and harmonious contact between the Air Force and industry. I share that conviction, and if my acceptance of the Arnold Award further identifies me with the many productive efforts of the so-called "military-industrial complex," I am proud of that association as well as grateful for the honor you have bestowed on me.

I am especially pleased to join you tonight at your anniversary which marks a half century of achievement in the interest of national security. This record is compelling proof of your dedication to the Association's objective of "scientific and industrial preparedness for the common defense." I want to assure you that we in the Air Force value our participation in the defense activities Association.

As you proceed with your work, the prevailing attitude toward defense-oriented industries will doubtless continue to be somewhat critical, at least for the foreseeable future. In my opinion, this attitude does not fully reflect a realistic appraisal of either the threat to our country or the proven performance of the military-industrial team in helping to meet that threat.

The critics of that team like to take one sentence from the late General Eisenhower's farewell address to the American people to support their allegations. And this is the quotation: "In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex." Unfortunately, it is not often realized that this quotation is taken out of context. In the paragraph preceding that statement, General Eisenhower talked about the growth of the military establishment and a large arms industry as something new in the American experience. But he emphasized, "We recognize the imperative need for this development." And, preceding that, he stated, "A vital element in keeping the peace is our military establishment. Our arms must be mighty, ready for instant action, so that no potential aggressor may be tempted to risk his own destruction." In fact, General Eisenhower realized better than almost anyone else that the military strength of this country, as an instrument of political influence, must be attributed primarily to the efforts and contributions of the military-industrial partnership.

At any rate—and thanks in large part, I am sure, to the ladies present—you are to be commended for bearing up so cheerfully under criticisms that seem to be the natural lot of the management echelons in the defense industry and in the military as well. On this score, I think we can all agree that constructive criticism should always be welcomed when concerned with a problem as important and complex as defense preparedness. We have a greater need for suggestions that can help us than for unqualified praise that could make us complacent.

Much of the criticism directed toward both the military and the defense industry is being aimed at what are claimed to be unrealistic predictions regarding the time and cost involved in developing and deploying new weapon systems. Without doubt, some of our forecasting difficulties can be traced to errors that are bound to occur whenever human judgment is involved. I am confident that we are continually improving our means for avoiding or detecting such errors and for correcting them to the best of our ability. By all odds, however, the most frequent and major causes of forecasting error have stemmed from our mutual problem of trying to anticipate future events and developments.

It seems to me that many of the arguments now being raised over defense issues tend to ignore the unique environment of uncertainty and risk in which both the defense industry and the military must operate. I am certain that most of the participants in the current debates are fully aware that it takes some period of time to bring a modern weapon system from the drawing board to operational readiness. But there are two points that are frequently obscured in the heat and smoke of debate. One is the fact that our success in keeping leadtimes and costs within predictions is largely dependent on the accuracy of our forecasts of the future. The other is the need to adapt to change during the intervening years of the leadtime period.

As I have stated repeatedly in discussing our planning for the future, there is one factor which we cannot plan, and that is the future itself. We are forced, therefore, to make certain assumptions which are based primarily on past experiences and present trends. On that basis we try to project our requirements, to devise systems to satisfy those requirements, and to produce and deploy such systems within predicted leadtimes and costs.

For a number of reasons, this is a very

frustrating process. The fact that we have witnessed so many dramatic and unpredictable events in recent years is proof that it is virtually impossible to anticipate precisely the world environment and military requirements some five to ten years from now. Still, we must attempt to do so in order to allow for the leadtime required to develop and deploy a modern aerospace weapon system. Our main problem here is that our planning for the future is subject to a variety of unknown and variable factors over which we have little or no control.

Several years ago at an AOA Defense Preparedness Meeting in Los Angeles, I discussed some unpredictable political, military and technological developments that have a profound impact on our planning. The same factors obtain today and are perhaps even more influential in compounding the complexity of defining future military requirements and predicting leadtimes and costs. For this reason, it may be well to reiterate briefly some of the most significant factors that contribute to forecasting errors.

In the first place, political developments continue to bring about major changes in the international power balance and the alignment of nations. We have seen this repeatedly in recent years as nations gain added independence and adopt political attitudes and alliances which do not conform to the typical patterns of the post-war bipolar world.

Wherever we look there are potential trouble spots, brewing with discontent and violence. We must also recognize a growing trend in some developing nations toward the use of subversion, insurgency and even military force to gain political power. What is important to us in trying to predict the future is the obvious fact that there is no reliable way of forecasting the actions of other nations and their leaders in a global atmosphere of constant change. At the same time, many if not most of these potential developments will have a direct bearing on our national interests. They are, therefore, likely to compel us to take some action, either for our own protection or that of a friendly nation to which we have committed our assistance.

Closely related is a second area of unknowns. I am referring to the continuing prospect of military incidents and unprovoked acts of armed aggression that are likely to involve us in one way or another. As in the past, it is virtually impossible to predict when and where they will occur and to plan specific forces and systems to meet all future contingencies.

Nor are unpredictable military threats to the security of the Free World limited to acts of local aggression and conventional wars. The present controversy over the growth in nuclear capability of two or our potential adversaries is evidence of our current concern about expanding nuclear threats. Looking still further ahead, we must be prepared to deal with the problems that may result from increasing membership in the so-called nuclear club. In spite of our best diplomatic efforts, it is possible that the Nuclear Nonproliferation Treaty will not be universally accepted.

There is a third area of unknown and unpredictable factors, namely, major technological developments. Such developments have already made a significant impact on our own society and, indeed, on the whole pattern of international relations. And I am convinced that technology will continue to revolutionize both the means and techniques of warfare.

As far as our own efforts are concerned, we can make fairly good forecasts of the advances we expect to achieve in the next few years, but there is no reliable way of predicting the type of discoveries or new phenomena that may lead to dramatic technological breakthroughs.

On a related point, our scientific-military-industrial team is experiencing a mounting problem in its attempts to incorporate new technology into systems already in the development cycle. Although this problem is one of the prime reasons for increased costs and production delays, we have no choice but to make every effort to prevent our weapon systems from being obsolete by the time they become operational.

Even more difficult to anticipate are the technological developments of potential adversaries, because their efforts normally are not open for international review. A major breakthrough on their part could seriously threaten the present balance of military power. For example, if the Soviets—through the application of some new discovery—should succeed in developing a highly effective defense against our ballistic missiles, they could easily gain an advantage comparable to our own atomic monopoly after Word War II. Since the bulk of our own deterrent force is comprised of missiles, and will continue to be so for the foreseeable future, a Soviet breakthrough in missile defense could seriously impair the credibility of our strategic deterrent.

We know that the Soviets have maintained an intensive research and development effort in the field of anti-ballistic missile defense for many years. We also know that they have deployed a limited ABM system in the Moscow area. Even though their present system may be less than perfect, I have no doubt that the Soviets are accumulating a wealth of experience in missile-defense technology and will continue to focus major attention on ABM developments.

For this reason alone, I consider it imperative that we waste no time in advancing our own experience in missile-defense technology. The most effective and, in the end, the most economical way of doing so is to proceed with an ABM system of our own. But this is only one reason why I strongly support the Safeguard program proposed by President Nixon. The primary reason is the crucial need to preserve the credibility of our deterrent by protecting a vital component of our strategic force against a surprise attack from any quarter.

There is another area of unknowns that affects the system acquisition process, although it may be argued that it is not wholly unpredictable. I am referring to economic developments and, in particular, to spiralling inflation and the increasing demands for government funds to satisfy urgent domestic needs. Of course, the problem of inflation is generally well known—certainly at the household level and in the marketplace of trade in consumer goods and services. I think it is unfortunate that the same degree of understanding about inflation has not been applied to the weapons acquisition process. As the members of this Association know very well, inflation has become an almost daily fact of life, not only in estimating the costs of producing a weapon system, but also in completing a contractual obligation.

To illustrate the effect of inflation, I want to point out that the Air Force budget for Fiscal Year 1964 was under 20 billion dollars. Our budget request for Fiscal Year 1970 is nearly 25.5 billion dollars. On the surface, that 5.5 billion dollar rise may appear to indicate that the Air Force next year is seeking to increase its purchase of goods and services by nearly 30 percent above the 1964 level. But if we take into account the decrease in purchasing power of the dollar since 1964 we find that our 1970 budget is about the same as it was six years ago. In addition, the Air Force is carrying about 6.5 billion dollars in Vietnam expenditures on its back. That 6.5 billion in 1964 dollars would be about 5.2 billion. So if it were not for the Vietnam costs, our incremental budget for 1970 as measured in 1964 dollars would be reduced to less than 15 billion.

The problem of allocating available national resources to satisfy both military and domestic requirements is too complex for me to discuss in detail. There is a related point, however, that should be brought out. Any substantial reduction of funds for military needs would require an extensive reorientation of defense programs. This would undoubtedly mean additional changes in predicted weapon system costs and delivery schedules. Such a decision, moreover, could have serious implications for our future national security.

So much for those factors in our forecasting problem over which we have little or no control. The question now is: What can we do about the controllable portion of the problem?

Perhaps at the outset we should spell out the tasks that must be achieved through our combined efforts. In my opinion, our most important joint tasks are: first, to insure the prompt military application of those scientific and technological developments that are essential to our national security; and second, to produce what we need efficiently and at the lowest reasonable cost. A conditioning factor in performing these tasks is the continuing need to assure a high degree of flexibility in system development. We must be able to adapt our weapon systems to changing military requirements and to introduce new technology without incurring excessive delays and cost increases.

From a military standpoint, we must recognize that there is still much room for additional refinement of our analytic and planning techniques. In particular, we must do a better job of deciding precisely what we need, how complex it has to be, and how soon we have to have it. The validity of these decisions in a climate of limited and closely controlled resources is a critical factor, not only in minimizing costs but also in achieving the essential increases in the combat effectiveness of our forces.

With regard to our joint efforts in developing and producing weapon systems and their components, I believe that our success will largely depend on the quality of management throughout the scientific-industrial-military community. We can rightfully claim substantial progress in improving that quality, but there is some evidence that we are not improving fast enough. I have been told, for example, that the total fund of knowledge in the natural sciences and engineering is being doubled every three to five years. By contrast, in the field of management science—which governs the effective application of our assets—it is taking us some 50 years to double our knowledge. If this is true, it underscores the requirement for placing increased emphasis on the study and improvement of management techniques that apply to weapons development.

As for analyzing past progress, we should examine closely the experience we have gained from the number of new management approaches that have been applied and evaluated over the past several years. And as for the future, I fully support the fresh approaches outlined by Secretary of the Air Force Robert C. Seamans in his remarks to your St. Louis chapter a few weeks ago.

Yet with all the innovative improvements that we have made and will continue to make, I believe we must recognize that these devices are merely tools of management, not substitutes for management. Unless we use them wisely and modify them expeditiously, we can expect to fall behind the pace in defense activity. The old rule that you "adapt or perish" is not alone the law of the jungle. It also applies to all the critical aspects

of management that are aimed at fulfilling our national security requirements.

But regardless of our progress in this direction, we—and hopefully, our critics—should acknowledge that there are practical limitations to the level of management efficiency that we can expect to achieve. To be 100 percent efficient, we would always have to be able to demonstrate that we are using our last resource to satisfy our final requirements. With the very survival of our country at stake, we must do all we can to retain support for at least a reasonable margin of overplanning. The real aim is not 100 percent efficiency, but 100 percent effectiveness.

I am confident that I share with all of you the conviction that our joint efforts can be developed and applied most effectively within the highly creative environment of our free society. Knowing as I do the qualities of integrity, talent and dedication that are represented in AOA and other defense-oriented organizations, I am convinced that our national survival and continued progress are in good hands.

It has been a pleasure to meet with you tonight, and I hope that my comments will contribute to a better understanding of our mutual efforts. Again, I wish to express my deepest appreciation for the honor accorded me by the award of the General Henry H. Arnold Medal. My best wishes to all of you for continued success in your activities throughout your next half century of progress.

THE FINANCIAL PROBLEMS OF TAX-SUPPORTED COLLEGES AND UNIVERSITIES

Mr. McCLELLAN. Mr. President, one of the plaguing problems of colleges and universities requiring attention is their financial plight. Rising costs of operation must be met if the colleges are to function properly and the high quality of education maintained.

An editorial in the Fort Smith, Ark., Times Record, discussing this expense, made the point that while there are increasing demands by colleges for money, taxpayers also are faced with increasing financial burdens.

The editorial mentions several ways for tax-supported colleges to provide some self-help in the solution of their financial problems so the taxpayer may be relieved of part of the heavier burden that he is called on to bear.

I ask unanimous consent that the editorial entitled " 'Crisis' at the Colleges? It's a 'Crisis' for the Taxpayer, Too," published in the Fort Smith Times Record of May 2, 1969, be printed in the RECORD.

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

"CRISIS" AT THE COLLEGES? IT'S A CRISIS FOR THE TAXPAYERS, TOO

While talk of a "financial crisis" at the state colleges and universities continues, as an urge for increasing the sales tax by one-third, it seems to stress a need for a look over the entire situation.

Nobody, of course, wants to reduce the quality of higher education in the state. But there are several angles to a fund need (which exists everywhere) and "more tax money" isn't the only one.

It would seem a good time for the institutions to look carefully over their programs to see if there are courses or other costs which add little to the quality of education but do mean a considerable boost in expenditures. And if so, cut them out.

It's possible a good look at administrative costs would be in order, as to whether there are considerable expenditures which mean little to education itself and which could be eliminated.

And it's possible a new look is needed at the tuition issue—whether tuition should be increased at the state-supported institutions.

It's fairly low at all the Arkansas schools, Granted that it's desirable that it should stay within reason—but it could be that the increases which have been made in tuition do not match those in costs or in other expenses and that some raises there are advisable—for students from Arkansas, possibly, and certainly for students from outside the state (whose families have contributed no tax support to the institutions).

Any proposal about tuition at once raises remarks about "the poor" and "closing the door of opportunity"—which don't seem very valid in the light of the numerous grants, loans, and other aids available to make higher education available for just about any qualified student.

For the others, perhaps it is advisable for somewhat higher payments to be made by those using the educational facilities, at the same time greater and greater support is being provided by the taxpayers at large.

We suppose everyone understands the pressing and increasing demands which have been made in recent years on the colleges and universities. The need for more money each year is evident.

But the taxpayers also face heavily increasing demands. A tremendous share of their incomes is going into tax payment now. And their individual costs each year are rapidly going up, too. A one-third boost in the sales tax would add an additional heavy load.

There ought to be a happy medium to the problem. And the finding of the happy medium is partly the job of the institutions.

A general look over the whole situation—and the possible source of economies and tuition revenue—would seem to be well in order. The taxpayer is hard hit, already.

Mr. GORE. Mr. President, I ask unanimous consent to proceed for 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE FORTAS RESIGNATION

Mr. GORE. Mr. President, our Republic is having troubled days. Indeed, these are vexacious times for the American people. The last few days have been particularly trying for the senior Senator from Tennessee. For he has seen one of his trusted friends fall upon ill fortune and be forced by either pressure or by his own conscience to take the unprecedented action in our history of resigning as a Justice of the U.S. Supreme Court.

The resignation of Justice Fortas was, under the circumstances, a source of relief for the senior Senator from Tennessee. It also removed the degree of restraint necessarily incumbent upon a Senator, it would appear, for so long as there appeared a distinct possibility of an impeachment procedure. Now that the resignation has been made and Mr. Fortas has written a letter of explanation, the senior Senator from Tennessee is free to express some views and feels the duty so to do.

On the basis of his own explanation, serious improprieties in conduct for a Justice of our highest court are clear. It is difficult to understand how Mr. Fortas, possessed as he is of such keen perception and of such an awareness of the strict code of conduct imposed by both principle and practice upon a judge, could have failed to see a digression from propriety, or, if seen, could have yielded even temporarily to the temptation. The canons of the American Bar Association, which holds that a judge must not only be innocent of wrongdoing but must hold himself above reproach, were, we may be sure, clear to this man of eminent legal attainment and keen powers of discernment. However severe the standard of conduct for a judge, particularly a Justice of our highest court, such standards are necessary for the maintenance of confidence in our system of justice.

There is deep sadness that one possessed of such brilliant talent and at the same time one whose life is filled with public good will and many, many private charities and one who has stood many times without pay as a champion of the lowly and unpossessed, should now be fallen from grace. Compassion would indicate that the matter should now be quieted.

But, Mr. President, the public interest must be paramount. Public confidence in institutions of government is necessary for the efficacy, if not the very survival, of our system of self-government. And public confidence in the U.S. Supreme Court, in the opinion of the senior Senator from Tennessee, has been severely shaken by the Fortas affair. Some have expressed the view that the resignation of Mr. Fortas will now repair that damage. This would surely be a welcomed conclusion, and perhaps it is partially true; let us hope to a large degree. But the resignation, praiseworthy as it may be under the circumstances, does not suffice.

We have seen the U.S. Attorney General and the Department of Justice giving and inspiring reports about "other information" widely described in the public media as "more serious" than has been divulged. No information other than the improprieties which have been made public are known to the senior Senator from Tennessee. It is his hope that no more serious information exists. But, Mr. President, the cloud that has partially been lifted from the Supreme Court by the resignation of Mr. Fortas cannot be lifted entirely from the Court or lifted from Mr. Fortas himself unless the rumors, the whispers, the leaks, the contradictory accounts of this unfortunate affair are fully disclosed. If for no other reason, justice to Mr. Fortas would require no less.

But, Mr. President, there are other reasons. A cloud needs to be lifted from the Department of Justice, too. For this Capitol is rife with rumors of the practice of intimidation—some even say blackmail. The senior Senator from Tennessee, let it be repeated, does not know the contents of the files on Mr. Fortas, nor does he know the extent to which Attorney General John N. Mitchell or others may have engaged in activities

which may or may not have transgressed the separation of powers, or which may or may not have amounted to intimidation and threats, on the one hand, or concealment of information to which the public is entitled, on the other. Suspicion in all these regards is rife in this Capitol.

Though such information has not been made available to the senior Senator from Tennessee, other Senators have privately asserted their knowledge of the contents of the files. Certain publications appear to have had access to them.

The senior Senator from Tennessee calls upon President Nixon and Attorney General John N. Mitchell to open the files. Painful as this may be, the public interest requires it because public confidence in both the Court and the Department of Justice has been shaken. This cloud can be cleared only with disclosure.

Full disclosure should be forthcoming immediately by the Justice Department both with respect to any other untoward acts or conduct of Justice Fortas, if any, and with respect to the acts of the Department of Justice and the President in this affair. An investigation by the Senate should not be necessary to produce such disclosure. But unless such a public disclosure is soon forthcoming, I call upon the Judiciary Committee of the U.S. Senate to conduct a searching public inquiry to clear the air of doubts, rumors, and suspicions. Justice to the Justice Department, justice to Justice Fortas, and, most important of all, confidence in our Government require it.

I should like to read, Mr. President, a portion of an editorial entitled "The Fortas Tragedy," published in today's Washington Post. It begins as follows:

Even on the basis of his own explanation, there were grave improprieties in the conduct of Mr. Justice Fortas which made his resignation from the Supreme Court imperative. Whether there was worse than impropriety, as the Justice Department has hinted, is not yet determinable with any certainty. His resignation lifts a shadow from the Court. That shadow is not yet lifted from Justice Fortas himself, and whether it will be, and to what extent, is something we cannot judge while there are so many contradictory accounts of this affair and so few hard facts. Ultimately, the contradictions will have to be resolved—by the Justice Department making public what it has been privately whispering around town, by Congress if Justice is not forthcoming, perhaps by Mr. Fortas himself. For today, it is enough to say that the outcome is tragic in the true dramatic sense of the term for it entails the destruction of a man of great stature and great promise. What we see now is the Abe Fortas of the Wolfson affair. But the political obituaries will have to take note of another Abe Fortas and of aspects of this man's past worth remembering and weighing in the balance against the disgrace of his downfall. If cupidity and imprudence led him to take some clients and cases he should not have taken, it is nevertheless true that idealism, courage and magnanimity led him to take some cases which self-interest might have led him to reject.

Mr. President, the public interest requires disclosures such as I have mentioned.

Mr. McCARTHY. Mr. President, I commend the distinguished senior Senator from Tennessee for having raised a most important question.

A case involving the Supreme Court Justices is not one which under the Constitution is one for the Justice Department alone to settle.

One of the most important and special constitutional responsibilities of the Senate, in addition to that of foreign policy, is to pass on men who are appointed to the U.S. courts, and most importantly on appointments to the Supreme Court itself.

I agree with the Senator from Tennessee when he states that it is not enough simply to say that the resignation takes care of the current case. The Senate must be concerned about the operations of the Court itself. It must be concerned about the operation of the Department of Justice in its relation to the Court.

About 8 months ago the Senate was asked to approve the appointment of Mr. Fortas as Chief Justice of the Supreme Court. The information now public was not given to us then. We must be concerned about the process by which nominees for the Court are presented to us.

Mr. COOPER. Mr. President, I listened to the remarks of the Senator from Tennessee concerning the case of former Justice Fortas with interest.

While I do not associate myself with all the remarks and conclusions which the Senator from Tennessee makes, or the emphasis he placed in certain parts of his speech, I do agree with the main thrust of his speech, and that is that in order to do justice to the people of the United States and not to former Justice Fortas himself, all the facts should be made public.

BIAFRA

Mr. McCARTHY. Mr. President, during the past year, the horrors of the Nigerian-Biafran war have become clearer. Widespread starvation has resulted from the compression of millions of refugees into an area one-quarter of the original homeland, from disrupted planting, and from the cutting off of trade routes by the Nigerian forces. It is reported that over a million Biafran civilians have perished from starvation and a million more deaths may occur within the next few months. Not since World War II has a civilian population been so affected by war.

The American people have responded compassionately by contributing to relief efforts, which operate under the most difficult conditions, to airlift food and medicine to Biafra. The U.S. Government also has donated food and equipment to relief organizations on both sides of the fighting line.

Unfortunately, this relief effort can alleviate only a fraction of the suffering, for as long as the fighting continues only a small part of the desperately needed supplies can be brought in. As long as official U.S. policy awaits a "military solution," present relief efforts will remain superficial and inadequate, if not contradictory to official policy.

It is time to reexamine our policy of "one Nigeria," which has resulted in our accepting the deaths of a million people as the price for preserving a nation that never existed.

The pattern of American diplomacy in this area is a familiar one, not very different from that in Vietnam. It began with misconception, was followed by self-justification, and is ending in tragedy. Political preconceptions have kept us from realistic examination. They have kept us from recognizing that the boundaries of Nigeria imposed artificially by a colonial power are not so sacred as to justify the deaths of several million people. The price of unity is too high.

When independence was attained in 1960, Nigeria was a colonial amalgamation of several hundred relatively autonomous peoples, who had by no means developed a national consciousness. It was the Easterners who were the best educated and who had left their crowded homeland in large numbers to occupy middle-level skilled jobs throughout the country, who most looked forward to "one Nigeria." It was the people of the northern region, where indirect rule had strengthened the conservative and authoritarian structure of the society, who were most regionally oriented and who threatened frequently to secede from the Federation of Nigeria unless they dominated it.

The first 6 years of the Nigerian Republic were characterized by shifting political coalitions, ethnic conflict, regional jealousies, and governmental corruption. A coup by nationalist officers, mostly easterners, in January 1966 was welcomed throughout Nigeria as the beginning of a new order. Although the new national leader, General Ironsi, was an Ibo, his policy was more nationalistic and unitary in outlook than that of his predecessor, and his largely inherited cabinet contained few Ibos. Ironsi's attempts at reform, however, threatened entrenched leaders who backed a countercoup in July 1966. This second coup was a tribal matter, with 200 Ibo Army officers killed.

In the fall of 1966, 30,000 Ibos and other easterners residing in the north were killed. The easterners living outside their homeland lost trust in the federal government and 2 million of them returned to the east, suffering loss of jobs and property and in many cases physical injury. They understandably moved away from the commitment to the federal government which had not restored mutual trust among the regions and tribes.

At a conference at Aburi, Ghana, in January 1967, a confederated union with equality among the regions was agreed upon. However, the Aburi agreement was soon abrogated unilaterally by the government in Lagos with the promulgation, without consultation with the east, of a 12-state system particularly designed to confine the Ibos to a small area and to break their influence. The easterners felt excluded from the government and seceded in May 1967, declaring the independent Republic of Biafra. Spokesmen for the Government of Tanzania stated when that country gave diplomatic recognition to Biafra that "When the state ceases to stand for the honor, protection, and the well-being of all its citizens, then it is no longer the

instrument of those it has rejected. In such a case the people have the right to create another instrument for their protection—in other words, to create another state."

Secession was followed quickly by war in July 1967. The "quick, surgical police operation" of ending secession, expected to take several weeks, has been followed by five "final offensives" and a war which is now almost 2 years old. Armed with British tanks and bullets and with Russian Mig's piloted by Egyptians, the Nigerians have surrounded the Biafrans and cut them off from traditional sources of food and outlets to the sea. A strategy of siege, designed to produce military victory, has produced massive starvation unparalleled in modern warfare. Refugees make up more than 50 percent of the population of Biafra, yet the Biafrans continue to struggle for their right to exist. Though the Nigerians occupy many deserted towns, the Biafrans control the countryside and the villages. Their will and determination have discredited the advocates of "quick kill" and the prophets of imminent collapse. Biafra continues to maintain a stable administrative structure. The Biafran army remains intact and effective.

The Nigerians claimed originally that the Biafran leaders represented a small, elitist clique who acted in their own self-interest without popular support, and this claim was accepted by the British and American Governments. It was thought that the secession would end soon. Now, although their capital has been moved three times, although they are surrounded and completely cut off from normal sources of food and trade, although they are bombed daily by jet fighters, although their young and old have died of starvation, the Biafrans have survived. They make their own oil for transport and their own crude weapons to fight with. They desert their towns to the enemy rather than collaborate. They fight on despite the human misery. This is not an elitist struggle.

From the beginning of the civil war, the British have supported the federal military government of Nigeria, partly for economic reasons and partly because of an emotional or intellectual stake in a unified Nigeria, which is represented as a triumph of the British colonial technique of indirect rule and of the successful transition from colonial rule to independence. The U.S. Assistant Secretary of State for African Affairs, Joseph Palmer, who was our first Ambassador to Nigeria, personally shared this commitment to "one Nigeria." He accepted the analogy of the secession of Biafra to the secession of the American Confederacy, entirely overlooking the fact that Nigeria, unlike the United States, was not unified by a common language, culture, and historical tradition, and had no background of stable, capable government.

Furthermore, 30,000 South Carolinians had not been massacred in 1861, and the inhabitants of the Southern States were neither pushed out of the Union nor were they living in fear for their physical security as is the case with the Biafrans in Nigeria. The U.S. State Department accepted a historical analogy without taking into account the complicated background to the secession. By putting its diplomatic and political weight behind the Nigerian position, the United States has committed itself to a purely military solution. In the summer of 1967, the Economist pointed out that the time for mediation was before war and destruction rigidified the positions of Nigeria and Biafra. Had the United States recognized this, perhaps we could have persuaded our British ally to put pressure on both sides for renegotiation of an Aburi-type agreement. However, we concurred in the hard line of Lagos, which inevitably resulted in complete rigidity and hostility.

We were and are, in fact, not neutral. The United States has been neutral only in refraining from shipping arms. Whereas Great Britain and the U.S.S.R. continue to send in arms, we have officially accepted the Nigerian explanation of the situation and have used our influence to gain acceptance for this viewpoint among other African nations.

Any review of past events clearly demonstrates the bankruptcy of American policy of "one Nigeria—at any cost." The "one Nigeria," which, upon the most optimistic projections, might survive from the war would have little resemblance to the carefully balanced federation of regions which many people had envisaged as essential to independence. The "one Nigeria" of the future would have to be postulated upon the inequality of different tribes. The Ibos and other eastern tribes who cooperated in forming Biafra would be stigmatized and penalized in many ways. The Ibos would—according to the new proposed division of the country into states—be confined to a crowded, infertile region smaller than their ancestral homeland, with no access to the sea. They would be deprived of all but token participation in the reconstituted unitary state.

At a recent planning conference in Nigeria, it was declared that it will be 25 years before Ibos can be given positions in Nigeria. Whereas the Nigeria of 1960 was ruled by civilians, one can anticipate that the Nigeria of the future will be ruled primarily by a military clique which has been greatly strengthened during the war by the increase in armaments and by enhanced military discipline. The "one Nigeria" which might arise, if the wishes of the present Federal Government of Nigeria are fulfilled, is undesirable even if it could be brought about at no cost whatever. And to accept it at the cost of millions of further casualties, in my judgment, is indefensible, and time has run out.

The United States should immediately call for an arms embargo. We should actively seek a truce. We should use our good offices to promote negotiations for resolving the differences. We should press for a deescalation of great power involvement. We should seek to form a multinational effort to provide the logistic support required for an adequate relief effort. We should accept Biafra's right to a separate national existence and look to possible early recognition of Biafra by the United States and other nations.

The reaction to these proposals by those who have shaped American policy in West Africa heretofore can be anticipated.

They will say that Biafran independence will be a first step toward the Balkanization of Africa.

They will say that the Rivers tribes and other minority tribes of the east will suffer if Biafra gains its independence.

They will say that these proposals will undermine the position of our British ally in Africa.

They will claim that U.S. diplomatic recognition of Biafra will constitute intervention into a purely African problem.

Let us look at each of these objections.

The prediction that Biafran independence would lead to the Balkanization of Africa is obviously the discredited domino theory transferred to a new locale. There is no more reason to think that it is correct or that it is an adequate basis for present policy in West Africa any more than it is in Asia. Local grievances, local animosities, and local injustices are more important than outside influences in accounting for revolutionary developments within a country. It is significant that four African countries—Tanzania, Zambia, Ivory Coast, and Gabon—have recognized Biafra. Each of them has large minority groups, but none of them seemed to fear that its recognition of a secessionist regime elsewhere would encourage secession within its own boundaries.

As regards the question of economic stagnation and retrogression, it should be recognized that eliminating the hostility generated by an artificial political union could release energy for economic development. Certainly, the technical ingenuity of the Easterners will be stimulated by the independence of Biafra. Furthermore, independence does not preclude economic association. The Biafrans have already indicated their willingness to cooperate with Nigeria on vital problems of transportation and communication, particularly the use of the Niger River. Almost any advantage that can accrue from "one Nigeria" can also be achieved by regional economic arrangements such as a common market and a regional development board for redistributing revenues. Even without such arrangements it is clear that Nigeria is viable without the eastern region, since it has great resources, including vast amounts of oil in the midwestern region; it has been able to forgo the eastern oil revenues for 2 years while fighting a costly war, and it would evidently be in far better economic condition without the expense of the war.

It is hard to credit the claims of the Federal Government of Nigeria that Biafra is governed solely by and for Ibos, who subjugate the minority tribes. In any case, the national preference of the minority tribes is a question which can be settled through plebiscites supervised by the United Nations or the Organization of African Unity. Even without some minority tribes, Biafra would be a populous country by African standards, larger than three-fourths of the African countries. Only 10 of some 40 African countries would be larger.

The argument that American recognition of Biafra would undermine the position of our British ally depends upon two premises, both doubtful. The first is that essential British oil interests would be threatened by Biafran independence. However, as pointed out before, much of the oil is in the Midwest, nor have the Biafrans expressed any intention of expropriating British oil. In any case, this should hardly be a major consideration of American foreign policy in this case.

The second premise is that the British support the Federal Government of Nigeria has diminished Soviet influence upon that government. However, all that can be said with assurance is that the Federal Government of Nigeria has shrewdly played off the Soviet Union against Great Britain in order to receive as many arms as possible from both. Who will come out ahead in this game of influence is uncertain.

In my opinion, the interests of the United States and of Great Britain may best be served by disentangling the Nigerian-Biafran war from the cold war and by reducing great power intervention in the area. It would be better to use this area as a testing ground for reducing tensions among the great powers—since their interests are less serious here than elsewhere—than to perpetuate cold war maneuvers out of habit. In addition, many African countries are already resentful of the involvements of the great powers in their lands and might welcome a reduction of great power competition in the Nigerian conflict.

To argue that diplomatic recognition of Biafra would constitute intervention into purely African affairs is irrelevant; nonrecognition is also intervention. There are faults of omission as well as of commission. The United States has already intervened repeatedly in the area: first by propping up General Gowan when he assumed power; later by backing him when Nigeria abrogated the Aburi agreements; and also by exerting pressure on a number of African nations not to recognize Biafra.

The steps I propose are diplomatic, not military. Our goal should be the recognition of Biafra which has demonstrated that it represents the interest of its people. We should begin by seeking an arms embargo. Our goal should be a truce with a view to reasonable negotiation. We should seek to deescalate great power involvement. We should provide massive relief. The alternative—to continue to give passive military support and active diplomatic support in the name of unity—is no longer defensible.

PRESIDENT NIXON'S TELEVISION ADDRESS TO THE NATION

Mr. PERCY. Mr. President, Wednesday night President Nixon spoke wisely as he discussed the status of the Vietnam war and made proposals to end that war. His remarks were honest. They were constructive. They indicated a flexibility of approach which gives promise of breaking the impasse at Paris.

Speaking as one who has been critical of the handling of the Vietnam war over a period of 3 years, I can now say that I have confidence that President Nixon is doing his utmost to bring the war to an end and to do it responsibly.

I was especially pleased to hear the President say that "the time is approaching when South Vietnamese forces will be able to take over some of the fighting fronts now being manned by Americans." And I was pleased to hear the President say that he has ruled out attempting to impose a purely military solution. These are important points with which I agree completely.

The President's report to the Nation was certainly the most comprehensive Presidential statement on the war so far. It was a contribution toward a peaceful solution of the conflict. And it was a contribution toward public understanding of the complex issues involved.

Mr. President, I am very pleased to offer every possible degree of support that I can to the President of the United States.

STATEMENT BY SENATOR PEARSON

Mr. PERCY. Mr. President, the senior Senator from Kansas (Mr. PEARSON) is in his home State today. He has asked that I have printed in the RECORD a statement he made on Wednesday evening, May 14, following the President's statement to the Nation.

His statement reads:

The American people tonight heard an honest, forthright, and fair statement by that person who bears the greatest responsibility of us all in regard to war and peace in Vietnam. And I think as we heard his message tonight we need to remind ourselves that the options of 1963 are not the options we have available in 1969. It was a policy statement that represents a major shift, a flexible and new proposal regarding two old principles: the first was that we seek no military relationship with South Vietnam in the future, and the second was a reaffirmation of the concept of self-determination for the people of South Vietnam. I think we can expect Hanoi, the NLF, and indeed Moscow itself, to issue immediate negative responses. But negotiations will continue in public and private and it seems that what the President needs most tonight is the support of the American people.

WASHINGTON: THE AFFLUENT CITY

Mr. PROXMIRE. Mr. President, some recently released statistics about this Capital City have just been called to my attention which should help us place the Washington problem in a sharper and clearer perspective.

Washington is viewed by many as a city that has a very serious poverty problem, and of course it does. Many persons have the impression that as the only big city in the Nation with a majority of its population black and many of its people relatively newly arrived from a depressed rural background, the poverty problem must be worse than in the other big cities of the Nation.

Mr. President, the conclusion is wrong. The fact is that of all the 16 cities in this country with a population between 500,000 and 1 million, Washington is the richest, and by far the richest.

The affluence of this city is not a statistical mirage produced by averaging a few very high incomes with many very low ones.

The fact is that the average estimated income per household in 1969 in Washington is the highest of all of the 16 cities in the half million to 1 million population classification.

It is this year a whopping $14,222, and that is a big $1,370—or more than 10 percent—higher than Pittsburgh, which is second. Those figures are for this year, 1969.

For 1967—the latest year in which we have statistics on cash income—Washington ranked first in the number of families with incomes over $10,000, with 31.3 percent.

One of the remarkable features of this prosperity is that the city of Washington has been moving ahead more rapidly than its sister cities in the past 10 years.

Ten years ago, this city, which now ranks first in family income, ranked fifth out of 16 comparable cities in median income and third in the percentage of families with income above $10,000 per year.

But not only does Washington have more of the affluent than any other city of similar size. What is more impressive in view of the general impression, is that Washington has fewer poor persons in proportion to its population than any other comparable city except Milwaukee.

In both Washington and Milwaukee, only 15.2 percent of the families fall into the less than $3,000 per year category.

This means, Mr. President, that Washington has almost twice as many affluent families—that is, those who earn $10,000 and above—as poor families which make less than $3,000.

Furthermore, this city has enjoyed even greater progress in the reduction of poverty as compared with other cities than it has enjoyed in the increasing proportion of its families having incomes in excess of $10,000.

In 1959, seven of the 16 comparable cities had a lower proportion of their families with income of less than $3,000 per year than Washington. By 1967, there were none of the 16 comparable cities with a lower proportion of its families in this poverty classification than Washington.

So not only is Washington better off, it also appears to be improving more rapidly than any comparable city in the Nation.

Again, Mr. President, this does not mean that this city does not have a poverty problem. Of course it does, and it is serious. But it also suggests that Washington is in a financial position to do more about that poverty problem itself—I repeat, itself—than comparable cities.

The irony is that this city, which has the financial potentiality to do more about solving its poverty problems and its other problems than other cities, has far, far less political power to do this than any other city in the country.

The city does have discretion to raise or lower its property tax. This authority should be used by the city much more aggressively than it has been. But, in all

fairness, the property tax is a limited and highly regressive tax. In other revenue areas the District of Columbia has only the humiliating right to come to Congress on bended knee and ask for the right to raise more revenues to meet its problems.

And on that same bended knee it must come before the Appropriations Committees of House and Senate to ask the right to use the funds Congress will permit it to use to meet its own problems.

Mr. President, when one considers that even the Washington government that comes before Congress is an appointed agent of the Federal Government—not elected by the people of the District—one can realize how thin the thread of power to act on its own problems is for this, the richest comparable city in America.

It is also interesting, in view of the common association of poverty with the Negro, that Washington has a far, far higher proportion of black citizens than any other city in America. In fact, it is the one major city in America which has a majority of its population black.

So it is not only the blackest city in this sense. It is also the richest comparable city. And this black city has the smallest proportion of its families suffering poverty incomes of any comparable city.

The serious poverty problem of Washington looks good as compared with that of comparable cities. But to those who know how tragic poverty is here in Washington, this simply reinforces the gravity of the nationwide poverty problem.

If Washington is the best this Nation can do in reducing poverty after nearly 10 years of uninterrupted prosperity, what a long way this Nation has to go to meet the tragedy of its poor.

The real lesson of all these statistics is that Washington unleashed with full self-rule could unquestionably do much to solve its serious crime and poverty problems. It has the financial muscle to do it. It is time it received the congressional go-ahead for home rule.

I ask unanimous consent to have printed in the RECORD a table that provides family and household income statistics for the Nation's cities with population between 500,000 and 1,000,000.

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

SELECTED INCOME DATA FOR CITIES WITH 1960 POPULATIONS OF 500,000 TO 1,000,000 IN 1959, AND 1969

City	Population			Households [1]				1959 Family income [2]					
				1960		Estimated number		Median income		Percent with incomes— Under $3,000		$10,000 and over	
	1960	Dec. 31, 1967, estimate (in thousands)	1969 estimate	Number	Population per household	Dec. 31, 1967 (in thousands)	1969	Amount	Rank	Percent	Rank	Percent	Rank
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Baltimore	939,024	923.4	944,658	275,597	3.33	275.8	277,251	$5,659	12	18.6	6	15.0	9
Houston	938,219	1,159.8	1,297,557	282,626	3.28	355.4	390,872	5,902	8	18.8	5	17.5	6
Cleveland	876,050	812.9	800,710	269,891	3.17	254.6	246,680	5,935	7	17.2	11	13.0	13
Washington, D.C	763,946	810.3	832,712	252,066	2.87	272.1	274,752	5,993	5	17.3	9	21.7	3
St. Louis	750,026	691.9	643,522	248,651	2.94	133.3	213,343	5,355	14	21.7	3	10.8	15
San Francisco	740,316	726.6	814,348	291,975	2.44	290.6	321,173	6,717	2	13.5	14	22.6	2
Milwaukee	741,324	751.8	788,769	230,987	3.13	238.2	245,770	6,664	3	11.4	16	16.7	7
Boston	697,197	607.4	603,075	224,432	2.93	199.0	194,134	5,747	9	16.7	12	13.6	11
Dallas	679,684	840.9	893,105	213,020	3.16	268.1	279,908	5,976	6	18.4	7	18.9	5
New Orleans	627,525	665.0	689,023	189,801	3.22	204.6	208,402	4,807	15	27.8	2	12.9	14
Pittsburgh	604,332	548.4	539,669	188,336	3.11	173.7	168,184	5,605	13	18.4	7	14.3	10
San Antonio	587,718	710.0	775,200	160,637	3.59	197.4	211,880	4,691	16	27.9	1	9.6	16
San Diego	573,224	682.4	719,396	175,355	2.95	212.4	220,071	6,614	4	14.4	13	20.9	4
Seattle	557,087	574.8	592,184	200,577	2.70	210.5	213,213	6,942	1	11.8	15	22.9	1
Buffalo	532,759	477.0	453,378	169,086	3.06	154.0	143,892	5,713	10	17.3	9	13.1	12
Cincinnati	502,550	498.4	499,032	161,827	3.00	163.2	160,694	5,701	11	19.6	4	15.8	8

City	1967 Effective buying income [3] per household		1967 Cash income [4] Percent with cash incomes— Under $3,000		$10,000 and over		1969 Estimated income per household [5]	
	Dollars	Rank	Percent	Rank	Percent	Rank	Dollars	Rank
	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Baltimore	8,174	11	21.1	8	19.9	12	11,910	9
Houston	9,295	4	19.4	13	25.7	4	12,079	8
Cleveland	8,043	13	19.9	11	20.2	10	10,841	12
Washington, D.C	10,729	1	15.2	15	31.3	1	14,222	1
St. Louis	7,608	15	24.3	3	17.8	14	10,427	15
San Francisco	8,925	7	21.3	7	24.2	6	11,442	11
Milwaukee	8,983	5	15.2	15	25.2	5	12,272	6
Boston	7,752	14	23.1	5	17.6	15	11,653	10
Dallas	9,355	3	19.2	14	25.9	3	12,162	7
New Orleans	8,251	10	25.8	2	20.4	8	10,557	14
Pittsburgh	8,472	8	21.9	6	20.1	11	12,852	2
San Antonio	7,010	16	26.0	1	14.7	16	8,636	16
San Diego	8,952	6	20.2	10	21.7	7	12,477	4
Seattle	9,897	2	19.6	12	30.8	2	12,838	3
Buffalo	8,171	12	20.5	9	19.4	13	10,657	13
Cincinnati	8,373	9	24.0	4	20.3	9	12,318	5

[1] A household consists of all the persons who occupy a housing unit. The average population per household is obtained by dividing the population in households by the number of households.

[2] Family income consists of combined money incomes of all members of each family treated as a single amount.

[3] The "effective buying income" of Sales Management is comparable to disposable personal income, or personal income after direct taxes. It includes cash income and where pertinent imputed rentals of owner-occupied homes.

[4] Cash income excludes imputed rentals of owner-occupied homes which are included in effective buying income. It is comparable to money income used for basis of family income by the Census Bureau.

[5] Income per household is the total average income earned or received by each household without all direct and indirect taxes deducted. Income is equivalent to cash income before deduction of direct taxes. It represents projections made in 1968.

Sources: 1959 and 1960: U.S. Bureau of the Census. 1967: Sales Management, "Survey of Buying Power," June 10, 1968. 1969: 1969 Editor and Publisher Market Guide.

Explanatory note.—The cities listed are all those which in 1960 had a population between 500,000 and 1,000,000. Data are for the cities only and do not include parts of standard metropolitan areas outside city boundaries. Unofficial estimates of the population of these cities are given: for 1967 from Sales Management and for 1969 from Editor and Publisher Market Guide, in cols. 2 and 3. Cols. 4–7 give comparable data for number of households. The table gives 3 related estimates of family and household income. The first (cols. 8–13) is the only official one. This one gives the U.S. Census Bureau figure for median family income for 1959 and percent with incomes under $3,000 and over $10,000 for 1959. The median family income is obtained by dividing for each city the number of families into two equal groups, one having incomes above the median, and the other having incomes below the median. Cols. 14 through 19 give comparable data for 1967 with the following exceptions. Data are for households rather than families; 1967 effective buying income includes imputed rentals of owner-occupied homes, whereas 1959 family income does not, but is after deduction of all direct taxes, included in 1959 family income and 1969 estimated income. It is estimated by comparing 1967 Editor and Publisher (before tax income) and 1967 Sales Management (after tax income) data that inclusion of taxes would raise the 1967 figures (col. 14) by about 25 percent. Finally the most recent figure is the estimate by the 1969 Editor and Publisher Market Guide for estimated income per household in 1969. This is a figure of average income before deduction of direct and indirect taxes and is a projection that was made during 1968.

THE C–5A—HOW TO CONCEAL AN OVERRUN

Mr. PROXMIRE. Mr. President, the facts surrounding the C–5A cost overruns continue to provide a source of shock and profound dismay. Recently I obtained a copy of an Air Force briefing document which illustrates how the Pentagon plans to obscure the magnitude of the overrun and "avoid the appearance of excess profit."

The document illustrates with charts and tables the details of the C–5A program cost status, the extent of the cost overrun on each of two production runs—call run A and run B—a way to spread the costs around so that they do not look so bad, the cost of the spare parts, and the total estimated program cost to the Government.

KEY PASSAGE

The key passage in the Air Force plan to cover up the overrun is by way of explanation of a table containing the pertinent figures. The passage reads as follows:

> This chart reflects how the theoretical prices and ceilings for RDT&E plus Run A and Run B compare with Lockheed's actual cost. The differences between the *unadjusted price* and *adjusted price* columns reflect how we plan to allocate costs. This allocation provides for spreading costs incurred through the repricing formula against Run A aircraft.

Then, the explanation of the Air Force plan to juggle the figures is given in these cryptic words which I now quote from the Air Force briefing document:

> This technique is used to avoid the appearance of excess profit for Run B aircraft.

BALLOONING COSTS

The reason it was necessary to reallocate the costs and to avoid the appearance of excess profit is that the contract's highly favorable repricing formula allowed a ballooning of costs on the second production run. It went up from an original estimate of $490 million to $1.4 billion. In other words, it nearly tripled, nearly increased threefold.

A NEW FACE NEEDED

The Air Force plan to cover this up and to put a new face on it represents one of the most outrageous attempts I have ever witnessed to mislead Congress and mislead the public about the way tax dollars are being spent. It is proof, in my opinion, that the Air Force is determined to hide as much of the C–5A overrun as possible. This desperate effort will not succeed, in my opinion. Too many facts have already been brought out into the open for the Pentagon to be able to push them out of view.

The charts, tables, and statements bear no overall title, but they might be called "The C–5A: How To Conceal an Overrun."

THE BASIC FACTS

To fully understand the new Air Force plan to hide the C–5A overrun, five basic facts should be kept in mind:

First, the original 1965 estimated cost for 120 C–5A's was $3.4 billion. This estimate included the cost of R.D.T. & E.—which stands for research, development, testing, and engineering—and the cost of spare parts. The estimate for the same 120 planes given in the briefing document is $5.2 billion. The difference amounts to an overrun of just under $2 billion. Information I have indicates that the total program costs will go even higher than $5.2 billion.

Second, Lockheed is the prime contractor for the airframe and was given the principal responsibility for the entire program. General Electric is the prime contractor for the engines. Most of the overrun appears to have occurred in Lockheed's portion.

Third, the contract divides the program into two portions. The first portion, called production run A, consists of the R.D.T. & E. plus 58 C–5A planes. The second portion, called run B, consists of 62 planes.

Fourth, and this is crucial to an understanding of the controversy, the contract contains an option agreement and a repricing formula. Initially, the Government agreed to purchase the first 58 planes, or what is called run A. The option gave the Government the authority to order the second batch of 62 planes, run B. However, if the option for run B is exercised, the Government is also obligated to negotiate a new price for the run B portion in accordance with the repricing formula.

That option was exercised last January.

THE REPRICING FORMULA—KEY TO THE CONTROVERSY

A fifth or final fact needs to be known if the controversy over the C–5A is to be understood. It concerns the repricing formula.

Under the repricing formula, if there are big overruns and huge increases in costs for the first 58 planes—that is, if the costs greatly exceed initial estimates, as they do—a formula is applied to the estimates of costs for the second run. This formula has the effect of greatly increasing them. The higher the costs on run A, the higher the increase for run B.

That is the essential effect of the repricing formula.

Now, given these basic facts and this information, let us see what has happened.

EXCESSIVE COSTS FOR FIRST RUN

Lockheed's first production run of 58 C–5A planes is resulting in mammoth excessive costs. According to the documents for Lockheed's part of the contract, they will go up from a target cost of $1.38 billion to a present estimated cost of $2.436 billion. In other words, there alone is a $5 billion increase. Under the contract, such large losses would be borne by Lockheed Aircraft unless there was a second production run at a much higher price than originally estimated.

Last January, as I have said, the Air Force authorized such a second production or run B. Because of that fact, the "repricing" formula went into effect. The effect of this was to increase the price of the second production run. With this unjustified and unearned price increase, Lockheed could recoup most, if not all, of its losses from run A.

DECISION FOR SECOND RUN PREMATURE

In view of the fact that only a few planes from run A had been delivered and that a competing company appears to have a comparable plane at a much lower cost, the decision to authorize run B was premature and highly questionable. It gives the appearance that a principal object of the decision in January was to bail out Lockheed.

But even worse, not only can this action save Lockheed hundreds of millions, it removed the incentive for either Lockheed or the Air Force to buckle down and cut costs on run A—of which only a few planes have been built.

BALLOONING PRICES

What now happens to the price of the second group of planes? When the repricing formula is applied, the effect is to balloon the price of the second run of 62 planes. The total price to the Government of the second batch will go up from $490 million to a huge $1.4 billion, or almost three times the cost. This was obviously unreasonable and ridiculous.

This snowball or avalanche result of the repricing formula is so outlandish that apparently even the Air Force wants to keep it from being revealed. The Air Force plan, as outlined in the briefing documents, is designed to accomplish this by obscuring the true nature of the overrun and the effects of the repricing formula place in the contract by the Air Force.

To avoid such an obviously untenable situation, namely how the price could go up from $490 million to $1.4 billion on the second run, the Air Force then, for the sake of appearances, plans to reallocate the costs from the second batch to the first batch of planes.

ACTION TO AVOID APPEARANCES

It plans to do this according to the Air Force's own briefing documents, "to avoid the appearance of excess profits for Run B. aircraft."

It is clear that the Air Force could not justify paying $1.4 billion for 62 aircraft which it originally estimated would cost only $490 million or one-third the amount.

The Air Force, according to its own documents plans to juggle the figures in order to try to hide as much of the effect of huge cost overrun on the C–5A's first run as is possible.

The Air Force plan represents the most outrageous attempt I have witnessed to mislead Congress and to mislead the public.

And what are the consequences? How much of the price of the second batch of planes represents legitimate costs and how much represents padding under the repricing formula?

Estimates of losses to Lockheed on run A have been as high as $600 to $700 million. But, one has to look very hard to find any case where a big defense contractor lost money on a major contract. Last January I asked Secretary of the Air Force Charles to give me a single instance. He had been in that position for a long time and has just recently

left it. He could not cite one contractor who lost a single nickel ever on a defense contract.

CONGRESS AND PUBLIC HAVE RIGHT TO FACTS

Mr. President, I believe Congress is entitled to know all the facts about the cost overruns on the C–5A cargo planes. Funds are now needed by the Pentagon to begin paying for the second large order of planes, known as run B. The original estimated price of run B is about to skyrocket from $490 million to $1.4 billion. The Air Force is planning to hide this enormous price increase which it is negotiating with the contractor. One conclusion which seems inescapable is that it is afraid full disclosure of the real magnitude of the cost overrun on run A, and the escalation of run B, will adversely affect the funds needed to finance the C–5A.

FINANCIAL FIASCO

We are witnessing perhaps the greatest financial fiasco, in terms of the dollar amounts involved, in the history of Air Force procurement. The record is already filled with inconsistencies, concealment, failure to disclose, and attempts to manipulate the true facts. Now, the Air Force is planning a new tactic: to obscure the nature of the cost overrun by "spreading" its effects throughout the contract.

It is high time, in my opinion, for the Congress to take action on this matter.

Mr. President, I ask unanimous consent that a series of tables and texts be printed in the RECORD.

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

BRIEFING DOCUMENTS: DOCUMENT 1.—AIR FORCE EXPLANATION OF CHART 1

(NOTE.—Charts not reproduced in the RECORD.)

HISTORY OF LGC/C–5A PROGRAM ESTIMATES—R.D.T. & E. PLUS RUN A

This chart shows that in every case the Lockheed R.D.T. & E. plus run A estimates lagged below the SPO estimates by approximately $200M through February 1968. The year-end cost actuals in March 1968, with only one airplane rolled out, provided us the necessary visability to predict a significant over ceiling condition subject to the effects of the repricing formula. An ASD cost team effort in April 1968 confirmed the SPO cost estimates and provided the basis for a program change request. During September–October 1968, an analysis of additional accumulated costs was initiated and further run A cost increases impacting on the run B repricing formula, were identified. Today we believe that R.D.T. & E. plus run A cost will be $2436M, about $100M higher than Lockheed's estimate.

DOCUMENT 2: AIR FORCE EXPLANATION OF CHART 2

PROGRAM COST STATUS LOCKHEED GEORGIA CO.—PROBABLE TARGET COST/PRICE/CEILING

The estimate shown on the previous chart included costs for R.D.T. & E. and run A only. The original target cost for R.D.T. & E. plus run A was $1381. Although the target price and ceiling were $1509 and $1764 respectively, we estimate the actual cost will be $2436. Because the estimated costs are greater than ceiling, we are required to apply the repricing formula with the resulting run B adjustments. The formula adjusts the original run B target cost of $490M to $1100M. Application of the 130% ceiling to the adjusted target cost and addition of the original $49M target profit increases the ceiling price to $1404M compared to the run B actual cost estimate of $1018M. Because R.D.T. & E. plus run A and run B is covered by a single contract, all these numbers are combined in the right-hand column. We anticipate that Lockheed's net deficit at the end of production run B will be approximately $285M. This deficit will be offset to some degree by additional work (e.g., spares, depot age, etc.) yet to be placed on contract.

DOCUMENT 3: AIR FORCE TABLE 1 AND EXPLANATION

TABLE 1.—PROGRAM COST ESTIMATE, LOCKHEED PROBABLE COST/PRICE/CEILING. R.D.T. & E.+A+B

[In millions]

	Total cost	Unadjusted price	Adjusted price	Lockheed deficit
R.D.T. & E.+A	$2,436	$1,764	$2,151	−$285
Run B	1,018	1,404	1,018	0
Total	3,454	3,169	3,169	−285

PROGRAM COST ESTIMATE: LOCKHEED PROBABLE COST/PRICE/CEILING—R.D.T. & E. PLUS A PLUS B (DOLLARS IN MILLIONS)

This chart reflects how the theoretical prices and ceilings for RDT&E plus run A and run B compare with Lockheed's actual cost. The differences between the *unadjusted price* and *adjusted price* columns reflect how we plan to allocate cost. This allocation provides for spreading cost incurred through the repricing formula against run A aircraft. This technique is used to avoid the appearance of excess profit for run B aircraft.

DOCUMENT 4: AIR FORCE TABLE 2 AND EXPLANATION

TABLE 2.—PROGRAM COST ESTIMATE, GE PROBABLE COST PRICE/CEILING, R.D.T. & E.+A+B

[In millions]

	Probable cost	Probable price	Probable ceiling	GE deficit
R.D.T. & E+A	$558	$534	$541	−$17
Run B	184	220	213	+29
Total	742	754	754	+12

PROGRAM COST ESTIMATE: GENERAL ELECTRIC PROBABLE COST/PRICE/CEILING—R.D.T. & E.+A+B (DOLLARS IN MILLIONS)

As far as General Electric is concerned, their condition is not as serious as Lockheed's. We are forecasting probable costs of $742M opposed to a $754M ceiling which provides about $12M in profit. This is, of course, significantly less profit than a company would normally realize on a program of this magnitude.

DOCUMENT 5: AIR FORCE TABLE 3 AND EXPLANATION

TABLE 3.—AFSC R.D.T. & E. AND INVESTMENT SUMMARY

[In millions]

	R.D.T. & E.	Run A	Run B	Total
Lockheed contract	$607	$1,544	$1,018	$3,169
GE contract	285	256	213	754
USAF additions	110	104	211	425
Total	1,002	1,904	1,442	4,348

AFSC R.D.T. & E. AND INVESTMENT SUMMARY—(DOLLARS IN MILLIONS)

This chart summarizes AFSC RDT&E and investment cost. "USAF adds" include the cost of additional requirements not covered in the Lockheed and G.E. contracts; e.g., 5 run C aircraft, anticipated modifications, test support, depot age, etc.

DOCUMENT 6: AIR FORCE TABLE 4 AND EXPLANATION

TABLE 4.—C–5A AFLC INVESTMENT SUPPORT COSTS FISCAL YEAR 1967 TO FISCAL YEAR 1974; TOTAL PROGRAM COST SUMMARY

	AFLC requirement	Approved program	Variance
Investment spares:			
Engines and auxiliary power units	$173.3	$163.4	+$9.9
Weapon system initial spares	311.8	313.9	−2.1
Replenishment spares	257.1	188.5	+68.6
Common age and modification spares	3.7	10.0	−6.3
1st destination transportation	2.5	5.3	−2.8
Total spares	748.4	681.1	+67.3
Investment equipment:			
Common age	36.9	20.6	+16.3
Modifications	54.6	75.5	−20.9
Total equipment	91.5	96.1	−4.6
Total, AFLC investment cost	839.9	777.2	+62.7

C–5A AFLC INVESTMENT SUPPORT COSTS: FISCAL YEARS 1967 TO 1974—TOTAL PROGRAM COST SUMMARY

This chart compares AFLC investment requirements with the currently approved program (December 68 F&FP) for the fiscal years 1967–1974. An overall deficiency of $62.7M exists.

Within the investment spares area, AFLC requires 179 TF–39 engines and 121 auxiliary power units, compared to the approved program of 154 and 91, respectively.

The weapon system initial spares requirement for the first two year (FY 1967/1968) is based on C–141 experience. Reduction of the third year factor from 21.8% to 10.9% is predicated on anticipated improved management techniques, reduction of administrative and shipping time, etc. Spares costs resulting from the applied factors are based on currently available C–5A pricing information.

The replenishment spares requirement is computed in a manner comparable to that used to compute the weapon system initial spares. This requirement includes the cost of providing those spares which are necessary for the C–5A to fly a continuous eight hour/day program subsequent to an emergency rate of ten hour/day for 45 days. A deficit of $68.6M exists.

Within the investment equipment area, costs are again derived by applying an experience factor to the C–5A flyaway cost. The common age requirement includes funds for two sets of general purpose automatic test equipment. Modification requirements are class IV class (mission essential) changes only. Within the investment equipment area, there is a net overage of $4.6M based on the approved program.

DOCUMENT 7: AIR FORCE TABLE 5 AND EXPLANATION

TABLE 5.—*System cost estimate summary (dollars in millions)*

R.D.T. & E	$1,002.0
AFSC investment	3,346.0
AFLC investment	839.9
MCP	14.5
Total program cost	5,202.4

SYSTEM COST ESTIMATE SUMMARY—(DOLLARS IN MILLIONS)

This chart summarizes total program cost. The $14.5M military construction program estimate covers costs for construction items peculiar to the C–5A such as special paint facilities, engine test cells, special maintenance docks and hangars which are charged to our system program element number. Other military construction items which are beneficial but not peculiar to the C–5A, such as taxiway extensions and strengthened runways, are charged to the base operating support program element.

DOCUMENT 8: AIR FORCE SUMMARY

Original contract schedule is unattainable.

Contract schedule is realistic, will provide operational aircraft capable of performing MAC mission.

Satisfactory logistic support posture will be achieved concurrently with operational aircraft deliveries.

Management visibility will be provided to support decisions on additional aircraft buys.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. SPONG in the chair). The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may proceed for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REAFFIRMATION TO THE CONCEPT OF HUMAN RIGHTS BY AMERICA

Mr. PROXMIRE. Mr. President, the United States has long been concerned with the attainment of human rights for all. The major American historical documents which we cherish as declarations of human rights for all peoples of this great Nation affirm the principles set forth in the United Nations conventions on human rights.

Last year was the 20th anniversary of the Universal Declaration of Human Rights. President Johnson marked this anniversary by establishing a President's Commission for the Observance of Human Rights Year. The following is a quotation from the recently published report of the President's Commission:

Mr. Nixon's major task will be, as he himself has said, to bring the nation together. His problems are many. They are heavy. They cannot be resolved or ameliorated save by the assistance of all those interested in the common causes of our country and of humanity. A thread common to most of these problems, domestic and international involve, in varying degree, human rights—the human condition.

The United Nations asked last year that in 1968 all peoples around the world attempt in some way to point out, observe, commemorate, and advance human rights—the dignity of the individual, the human being.

This turbulent year of progress, tragedy, violence, and decision has, like a careful copy reader, underscored with a heavy hand the need for a rededication to human rights.

The Commission earnestly bespeaks your assistance. Will you, as broadcasters, commentator, publisher, editor, columnist, or one who in any manner addresses the public—call attention to civilization's need for insistence on human rights at local, national, and international levels? Will you make use of the Universal Declaration of Human Rights as a guide for our aspirations? The price of failure to establish human rights is one that none likes to contemplate.

The United States is one of the few nations that has yet to ratify the United Nations Conventions on Forced Labor, Political Rights for Women, and Genocide.

Mr. President, all Presidents have warmly and enthusiastically advocated that the Senate move ahead in these matters, but the Senate has refused. These treaties have been in the Committee on Foreign Relations for 6 to 20 years. It is absolutely urgent that the U.S. Senate move now to ratify these human rights conventions so that America can again assume her traditional place as the haven of human rights.

THE PRESIDENT'S REPORT ON VIETNAM

Mr. COOPER. Mr. President, the President's report to the Nation on Vietnam was welcome and necessary. It was a summation of the effort he has made during the 4 months of his administration to bring the United States closer to peace in Vietnam.

It was a clear statement of the President's purpose to secure a settlement through negotiation, rather than the use of military force which has only deepened the tragedy of Vietnam, and which could go on for many years.

In my view the decisive statement, and one which marked an advance over past positions, was his unambiguous affirmation that the administration was prepared and willing to consider, in negotiation, in addition to the concrete proposals he made, "Hanoi's four points, the NLF's 10 points, provided it can be made consistent with the few basic principles I have set forth here." For while the President's proposals are certainly reasonable, and consonant with the principle of self-determination which is a basic one for our country, we may not be dealing with a reasonable Government or people in terms of our own values and we must consider carefully their proposals.

I liked particularly that part of his speech in which he affirmed that the United States and "all parties should agree to observe the Geneva Accords of 1954 regarding Vietnam and Cambodia, and the Laos Accords of 1962." It has been my view, as I have expressed in a number of speeches in the Senate, that the accords provide the best basis for a settlement of the issue of Vietnam, and of Cambodia and Laos, and would have influence in all of Southeast Asia.

In 1965, I opposed the commencement of the bombing of North Vietnam. In the following years, I urged on numerous occasions that the United States cease the bombing as a means of testing North Vietnam's often declared statement that such a cessation would bring about negotiations. I recognized that the cessation of bombing would not necessarily mean that negotiations would be fruitful or satisfactory to the United States, but I considered that it was the only means of opening negotiations. Unfortunately, negotiations thus far have not been very productive, but a start has been made. It is my hope that the President's address has opened the way for active and innovative negotiations, that will be successful in bringing about a settlement and peace in Vietnam. I hope also that his concrete proposals will immediately bring about a reduction in the fighting and violence in South Vietnam on both sides.

If North Vietnam and the NLF want peace, the President has opened the way toward a negotiated settlement and peace. I believe the Congress and the people should support the President in his initiative to achieve peace through negotiations and peaceful means.

A NEW LOOK FOR DEVELOPMENT FINANCE

Mr. COOPER. Mr. President, on Wednesday of this week the Senate took favorable action on H.R. 33 which authorizes a second replenishment of the International Development Association and provides for a U.S. contribution of $480 million over a 3-year period.

In connection with this bill, in particular, and with development financing, in general, I would like to bring to the attention of the Senate an article appearing in the May issue of the Monthly Economic Letter of the First National City Bank of New York entitled "A New Look for Development Finance." This article comments on recent developments in this field and proposals to make this form of financial assistance more effective as we approach the 1970's, and I find it to be both timely and informative.

Mr. President, I ask unanimous consent to have printed in the RECORD the article entitled, "A New Look for Development Finance," which was published in the Monthly Economic Letter of the First National City Bank of New York.

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

A NEW LOOK FOR DEVELOPMENT FINANCE

The Administration is examining all U.S. foreign assistance to review what has been done and to determine its future course. In his first statement on U.S.-Latin American relations, President Nixon noted that existing policies are being reviewed with "open eyes, open ears, open mind, open heart." This examination brings foreign aid once again into the limelight.

MISTAKE TO TALK OF A "DECLINE"

At the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development reported in its *1968 Review*, "it is a great mistake to talk of a 'decline' in the flow of resources" from

industrial countries to the less-developed parts of the world. The total official and private flows of funds to finance development reached, at about $11.5 billion, a record high in 1967—80 per cent above the level of a dozen years ago. Judging from preliminary data, there was a further increase in 1968, which will "probably" continue into 1969.

The United States accounts for somewhat over one half of the official and two fifths of the private flows. The resources of international agencies like the World Bank Group and regional development banks—capital, contributions or funds raised in the market—also come largely from the United States.

Yet, much has been heard over the past year about the "failure" of the First Development Decade, usually in the context of expressions of hope that the Second Decade—the Seventies—will show better results. In this judgment, much depends on the target against which accomplishments are measured. The only internationally agreed target is a United Nations Resolution, passed in 1961, that called for an average 5 per cent annual growth rate in the gross national products of less-developed countries by the end of the decade; this goal was just about reached in the period 1960–67.

The developed countries as a group have set for themselves a target of an average net flow of official and private financial resources equal to at least one per cent of each country's national income. The amounts made available for foreign assistance have, in fact, fallen short of this target. In 1967, only a few countries provided one per cent of their national income or more: Portugal, France, Germany, the Netherlands, the United Kingdom and Belgium, in descending order. The United States supplied 0.85 per cent of its national income. Russia and other Eastern European countries supplied—according to DAC—only about 0.1 per cent of their national incomes.

Even though the industrial world's target has not been reached, the less-developed nations have, as already noted, attained their own 5 per cent GNP growth target—a commendable achievement, which, in the words of DAC, is "a tribute" to their own efforts. It also reflects, as DAC further points out, factors such as the rise in export earnings of less-developed countries by an average of 5.6 per cent a year during 1960–67, as against the 4 per cent assumed in projections for the decade made by U.N. economists early in the Sixties.

Nevertheless, many needs of less-developed nations remain unsatisfied. Their hunger for capital has been stimulated not only by quickening political and social changes and eagerness to raise living standards but also by rapid increases in population. The annual growth of per capita income is only about ½ of 1 per cent in South Asia, 1 per cent in Africa and less than 2 per cent in Latin America. At these rates, it would take about 40 years to double per capita income in Latin America, 70 years in Africa and nearly a century and a half in South Asia.

ACCENT ON EFFICIENT UTILIZATION OF AID

Against this background, a strong accent on the efficient utilization of aid is quite understandable. Most encouraging are the efforts to deal, however belatedly, with the Cinderella of economic development—agriculture. Ironically, it has taken twenty years to rediscover that farmers are willing to raise output if shown what can be done and if prices are right. This rediscovery calls for new approaches to U.S. food aid programs which have, all too often, driven down agricultural prices in the recipient countries.

Equally striking is the realization that the flow of resources, whether from domestic sources or from abroad, cannot be large enough to meet development needs in the face of the present rapid growth of population. Support for family planning has become increasingly recognized as a proper accompaniment of economic development.

Efforts are also being made to remedy shortfalls in aid performance. There is a better grasp of the noneconomic aspects of development, including an awareness of the impossibility of transplanting American and Western European ways of living and doing things to the quite different political and cultural environments of Asia, Africa and much of Latin America. There is less enthusiasm for such panaceas as centralized economic planning. There is increased emphasis on "self help." The need for the recipient countries to allocate more of their own resources to development and to follow policies more conductive to economic growth has long been recognized. More recent is the realization that, as noted by the National Planning Association (NPA) in March, "the initiatives and decisions countries take about how to use their resources for development must be in the deepest sense their own, not those of Americans."

RENEWED STRESS ON PRIVATE ENTERPRISE DEVELOPMENT

Deemphasizing what the NPA calls "excessive U.S. activism" leads to new thoughts about U.S. aid. Among these are the needs for broader technical assistance programs and further efforts to stimulate private investment.

It is, of course, because of disappointments over official aid that private capital is being invited to increase its part in the development process. Private capital and private export credits—net of repayments by less-developed countries—came to some $4.3 billion in 1967, out of a net total from official and private resources of about $11.5 billion. As the chart shows, however, private capital had, by the early Sixties, already accounted for more than one third of the total flow of development resources; therefore, relatively speaking, its contribution has remained unchanged over the past decade. Of the total private flow, two fifths has come from the United States.

While official aid can help finance basic economic and social infrastructure, it is—essentially—private direct investment that can best open up natural resources, provide know-how and create broadly based manufacturing. Private capital cannot, of course, be driven. It must be attracted. It will understandably go where it can make a profit. Furthermore, in view of the uncertainties, risks and special problems inherent in private investment, investors are naturally guided not only by relative profit opportunities but also by the security offered for their investments. Less-developed countries that fail to re-establish the conditions needed to attract foreign private capital cannot, at the same time, claim more government grants and loans to make up for the lack of private investment.

Nations not only need more capital but they need it on terms that do not burden the balance of payments. When private investment takes the form of equity capital, dividends are not remitted to the investing country until profits are made; and, even when operations become profitable, large amounts of the earnings are ploughed back and those that are remitted will in large part finance themselves out of export earnings of foreign subsidiaries.

HOW MUCH, BY WHOM AND ON WHAT TERMS

Over the past twenty years, the U.S. Government has extended aid to less-developed countries under a long sequence of programs. At first, the programs were geared at supplying technical assistance and loans on commercial terms, with the Export-Import Bank as the principal lending agency up to 1957. With the passage of time, however, the programs have been enlarged and redirected to provide assistance increasingly in the form of grants and of loans repayable—in dollars or, sometimes, in the borrowers' own currencies—without interest or with very low interest, over several decades and after a long grace period. Other governments have a panopoly of lending agencies and programs.

The structure of official aid programs has, over the past few years, undergone three symptomatic changes. First, aid by the large 'soft" donors (the United States, France and the United Kingdom) has remained steady or declined while aid by major donors with relatively "hard" terms (Germany, Italy and Japan) has increased. The United States, which for years provided the softest development loan terms, has hardened its terms somewhat at the insistence of Congress. Second, grants, though still growing in absolute amounts, have been reduced relative to loans. And, third, government export credits on commercial terms have become increasingly important. At the same time, the tying of aid to purchases in the donor's country has become increasingly prevalent.

The dollar-repayable, long-term loans at little or no interest were originally devised for the International Development Association (IDA), a World Bank affiliate which began operations in 1960. Thereafter, several regional banks—such as the Inter-American, African and Asian Development Banks—were established to extend loans through two or three windows. At one, loans are made on commercial terms; at the second, at lower rates and longer maturities, with repayments in the currencies loaned or, sometimes, in the borrowers' own currencies; and at the third, at still lower rates and longer maturities, with repayment in the borrowers' currencies.

Meanwhile, the World Bank itself has continued financing development projects on a businesslike basis. The interest rate it charges is currently 6.5 per cent. To finance its expanding activities—loans are to double in the five years ahead—the World Bank Group increasingly relies on borrowings in capital markets. About two fifths of its $4 billion debt is held by investors in the United States. IDA is to have its resources replenished by $1.2 billion for three years under an agreement reached last year; the agreement does not become binding until the United States contributes its share of $480 million. The Nixon Administration has reaffirmed its intent to participate in this replenishment and hopes to obtain the necessary legislative authorization. Other countries contribute three dollars for every two the United States provides to IDA. The World Bank transferred to IDA $75 million out of its earnings in the year ended June 1968; $10 million was so transferred in the previous year.

Since there are now so many government and international agencies and programs working in the area of development assistance, the problem has arisen how to minimize overlapping and waste. Serious efforts have been made to coordinate aid to India, Pakistan, Turkey and other countries. But there is also the broader problem of coordinating the whole effort of developed nations to assist the less-developed lands.

An increasingly popular prescription is to

multilateralize the provision of foreign aid by transferring to international agencies the responsibility for allocating and dispensing all, or a substantial part, of the resources which the United States is willing to supply for development assistance. The alleged advantage is that, at least initially, recommendations for sound policy and adequate performance may be less resented if they come from an international agency. Among the drawbacks is that the United States already supplies somewhat over one half—and in individual cases even more—of the official resources available for development assistance. As a result, "multilateralizing" aid without corresponding increases in the contributions of other governments would weaken the international character of international development agencies—contrary to the very object being sought.

GRAND ASSIZE ON DEVELOPMENT

A Second Development Decade is now being planned by the United Nations. Given the magnitude, the complexity and the difficulty of the task, nations should indeed think—as the new president of the World Bank, Mr. Robert McNamara, remarked—in terms of a "whole generation of development that will carry us to the end of this century."

One of the first decisions of the World Bank's new president was to take up the suggestion of his predecessor, Mr. George Woods, for a Grand Assize on Development. Mr. Lester Pearson, the former Prime Minister of Canada, was appointed Chairman of the Commission to undertake the inquiry. The report is to be published later this year.

The need of the moment is for a wholly new, independent and balanced look at the problems of development. Such a re-examination would take into account, from the vantage point of the recipient countries, the great diversity of political, cultural, social as well as economic prerequisites for development, and, from the vantage point of the donor countries, the growing demands on their own economic resources as a result of immediate and dramatic needs at home.

The capacity to repay loans depends vitally on the policies a country pursues, including efficient use of capital to help expand output and strengthen the balance of payments more than enough to cover the debt service. Export earnings of the less-developed nations will also depend on rising economic activity and farsighted trade policies of the industrial world. There will be—it must be hoped—fresh opportunity to analyze and reappraise the errors committed in the past and remove the contradictions and bottlenecks that have impeded the development process. This fundamental re-examination will provide the challenge as well as the new strategy and new initiatives for development in the Seventies.

THE TAXES OIL COMPANIES PAY

Mr. LONG. Mr. President, before my dear friend, the Senator from Wisconsin (Mr. PROXMIRE), could come into the Chamber, I told him that I was going to respond to some figures he has used respecting the industry, which I think are in error and which we have debated for some time.

This will be a continuation of our friendly debate.

I am sure that when all the facts are in, it will be shown that this industry is not a favored taxpayer but is actually an unfavored taxpayer; that the oil industry is taxed more heavily than almost any other single industry and possibly more heavily than any industry generally and certainly is taxed much more than the average for all manufacturing industries.

On April 14, the distinguished Senator from Wisconsin (Mr. PROXMIRE) and I debated the question of whether the oil industry was fairly taxed. During the debate, I made the statement that the oil industry pays more taxes than the average for all manufacturing industries. My colleague disputed my statement saying it was predicated on the inclusion of user taxes which are actually paid by the consumer. The Senator was in error—I did not include user taxes in my consideration and I attempted to correct the Senator's error for the RECORD.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. LONG. Mr. President, I ask unanimous consent to proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, despite my efforts to correct the Senator's error on the 14th, on April 15, my delightful colleague was back in this Chamber repeating the same untenable theme. He placed into the RECORD a so-called tax table of 24 of the largest oil refiners published in U.S. Oil Week. Using the table, he stated that these companies paid only 21.9 percent of their income in Federal, foreign, and most State taxes—including severance taxes.

Even without having had a chance to examine the Senator's table, I did attempt to clarify my position that oil companies pay more taxes than other industries. I noted that for the 12-year average, 1955 through 1966, all manufacturing industries had a rate of return on invested capital of 10.9 percent, while the petroleum industry had a rate of return of 9.7 percent. In 1964, oil's taxes were 4.82 cents for each dollar of total revenue, as compared to 4.32 cents for all businesses. In 1965, oil's taxes amounted to 5.43 cents per dollar of gross revenue, while other corporations pay only 4.62 cents per dollar.

These figures were based on actual gross revenues applicable to all businesses.

Well, this did not satisfy my colleague either. He admitted that the oil industry does pay high taxes in relation to its overall gross revenue, but stated that net income rather than gross income should be used. When I tried to explain to the Senator that even on a net income basis, the oil industry pays more taxes than other industries, when we consider local and State taxes together with Federal income tax, he rejected the argument by referring to the table from Oil Week.

Well, even though I believed the ratio between the tax burden and gross revenue is the most valid criteria we can use, because it avoids problems of comparability normally encountered when comparing the one industry with another—and because it allows us to ignore interindustrial differences in the treatment of inventories and depreciation—I decided to take a look at the net income approach my colleague would have us use.

First of all, using the Treasury's "Preliminary Statistics of Income for 1966," which are the latest figures available, I took the net income figures and added back the amounts deducted as depletion allowances to avoid any distortions between industries and to view my colleagues argument in the manner most favorable to him. Then, I compared this figure with the income tax figure in each year to arrive at the comparative Federal income tax burden.

They worked out as follows:

[Percent of net income]

All industries	40
Manufacturing	42
Crude oil	32
Refining	23

If we combine the last two—crude oil and refining—their taxes amount to 24 percent of net income.

Mr. President, I ask unanimous consent that these calculations, worked out from the "Statistics of Income for Corporations, 1966," published by the Internal Revenue Service of the Treasury Department, together with the table from which they were made be printed in the RECORD.

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

COMPARISON OF RATIO OF TAX LIABILITY TO NET INCOME IN U.S. INDUSTRIES FOR THE YEAR 1966 [1]

	All industries	Manufacturing	Crude oil	Refining	Combined crude oil and refining
Net income [2]	$86,433,934	$47,829,135	$1,568,115	$6,139,994	$7,708,109
Income tax [3]	$34,836,995	$20,233,929	$496,799	$1,384,183	$1,880,982
Percentage	40	42	32	23	24

[1] Source data was obtained from "Preliminary Statistics of Income, 1966, Corporation Income Tax Returns, U.S. Treasury Department, Internal Revenue Service," pp. 17 and 18.

[2] The net income figures are the sums of line 21 "Net income (less deficit)" and line 15 "Depletion" of "Preliminary Statistics of Income, 1966." Although the depletion figure probably includes some cost depletion, the entire amount has been added back since the amount of cost depletion included was not available.

[3] Line 26 of "Preliminary Statistics of Income, 1966."

TABLE 1.—SELECTED BALANCE SHEET AND INCOME STATEMENT ITEMS, BY MAJOR INDUSTRY

[Amounts in thousands of dollars]

Item		Major industry												
			Mining						Manufacturing					
	All industries	Agriculture, forestry, and fisheries	Total mining	Metal mining	Coal mining	Crude petroleum and natural gas	Non-metallic minerals (except fuels) mining	Contract construction	Total manufacturing	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and other fabricated textile products	Lumber and wood products except furniture
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
1 Number of returns, total	1,475,859	28,098	15,039	901	2,367	8,034	3,737	112,470	188,863	18,941	105	5,851	17,579	8,811
2 With net income	945,775	16,677	7,363	277	1,063	3,663	2,360	70,470	134,683	13,069	101	4,260	12,970	5,874
3 Without net income	530,084	11,421	7,676	624	1,304	4,371	1,377	42,000	54,180	5,872	----------	1,591	4,609	2,937
4 Total receipts	1,332,442,658	8,962,642	15,095,315	3,143,124	3,436,928	5,751,433	2,763,830	64,749,496	578,680,223	86,267,396	6,978,370	19,430,331	20,243,388	10,563,351
5 Business receipts	1,249,067,218	8,543,543	14,344,848	2,981,876	3,281,289	5,433,774	2,647,909	63,551,388	565,116,210	85,252,853	6,941,191	19,154,371	20,065,441	10,104,820
6 Net long-term capital gain reduced by net short-term capital loss	6,100,504	105,037	152,928	32,442	41,480	58,402	20,604	123,650	2,027,303	123,126	421	24,523	9,934	272,950
7 Net gain, noncapital assets	3,141,660	15,878	30,696	544	6,332	17,533	6,287	61,792	258,635	29,660	1,691	7,201	3,562	18,402
8 Dividends, domestic corporations	4,520,874	17,064	89,758	39,657	23,018	22,607	4,476	24,193	1,189,292	46,714	2,451	12,335	10,328	5,091
9 Dividends, foreign corporations	1,702,331	599	29,932	27,430	55	1,439	1,008	13,387	1,428,297	79,389	5,409	7,429	1,543	2,016
10 Receipts not specified above	67,910,071	280,521	447,153	61,175	84,754	217,678	83,546	975,086	8,660,486	735,654	27,207	224,472	152,580	160,072
11 Total deductions	1,250,538,318	8,657,674	13,385,693	2,592,812	3,334,352	4,835,138	2,623,391	63,299,721	535,232,102	83,023,497	6,175,853	18,372,401	19,527,866	10,130,651
12 Cost of sales and operations	885,178,916	6,159,526	8,488,619	1,788,428	2,421,181	2,685,179	1,593,831	53,363,454	396,578,368	65,660,030	3,635,890	15,103,615	15,474,252	7,778,165
13 Amortization	215,997	717	11,172	8,118	1,038	484	1,532	6,214	83,057	6,224	444	715	1,277	350
14 Depreciation	37,918,333	327,985	953,737	157,196	217,735	362,459	216,347	1,154,306	16,401,277	1,574,591	71,653	501,249	160,392	335,590
15 Depletion	5,215,912	13,083	1,056,800	219,098	82,756	643,274	111,672	15,369	3,302,372	11,494	----------	13,283	343	276,814
16 Pension, profit sharing, stock bonus, annuity plans	8,324,771	18,365	66,375	16,056	10,195	23,965	16,159	205,598	4,833,308	312,018	54,681	101,226	68,225	38,262
17 Other employee benefit plans	4,593,177	11,569	105,794	7,031	83,187	6,453	9,123	217,379	3,028,212	244,246	14,587	44,424	101,255	15,157
18 Net loss, noncapital assets	1,129,322	9,462	26,239	5,374	1,242	17,775	1,848	15,959	166,438	41,432	7	8,720	13,512	3,110
19 Deductions not specified above	307,961,890	2,116,967	2,676,957	391,511	517,018	1,095,549	672,879	8,321,442	110,839,070	15,173,462	2,398,591	2,599,169	3,708,610	1,683,203
20 Total receipts less total deductions	81,904,340	304,968	1,709,622	550,312	102,576	916,295	140,439	1,449,775	43,448,121	3,243,899	802,517	1,057,930	715,522	432,700
21 Net income (less deficit)	81,218,022	306,856	1,723,534	557,525	101,532	924,841	139,636	1,467,844	44,526,763	3,346,047	806,917	1,058,849	714,975	441,834
22 Net income	88,764,164	486,569	2,113,572	633,433	158,512	1,126,820	194,807	2,043,126	46,402,490	3,626,234	809,730	1,144,746	808,997	551,275
23 Deficit	7,546,142	179,713	390,038	75,908	56,980	201,979	55,171	575,282	1,875,727	280,187	----------	85,897	94,022	109,441
24 Income subject to tax	77,992,067	335,800	1,819,512	497,863	121,784	1,063,475	136,390	1,657,565	43,845,695	3,452,797	806,944	1,098,214	701,960	519,090
Income tax:														
25 Number of returns	719,878	10,533	5,164	135	844	2,494	1,691	50,482	107,840	10,216	100	3,662	9,788	4,760
26 Amount	34,836,995	124,423	845,123	232,568	57,965	496,799	57,791	638,192	20,233,929	1,596,427	387,114	509,262	305,203	176,235
27 Investment credit	2,018,757	8,837	32,979	9,468	7,343	8,096	8,072	44,038	1,153,239	94,312	5,123	43,965	9,020	19,621
28 Foreign tax credit	2,830,242	12,590	564,998	130,232	227	429,495	5,044	17,334	1,959,450	123,102	5,714	5,012	3,532	5,416
29 Net income (less deficit) after tax (21 minus 26 plus 27)	48,399,784	191,270	911,390	334,425	50,910	436,138	89,917	873,690	25,446,073	1,843,932	424,926	593,552	418,792	285,220
30 Net income after tax	55,949,650	371,147	1,301,547	410,333	107,902	638,222	145,090	1,449,286	27,322,837	1,124,272	427,739	679,518	512,817	394,768
Distributions to stockholders:														
31 Cash and property except own stock	27,882,546	94,825	1,099,647	255,578	59,985	707,180	76,904	199,534	12,875,585	934,420	281,569	205,894	134,685	123,950
32 Corporation's own stock	2,741,574	11,998	79,371	44,137	4,625	26,207	4,402	46,472	1,196,572	49,255	96	35,701	15,193	31,260
33 Total assets	1,877,003,506	7,647,343	18,434,235	4,668,488	2,748,372	7,688,902	3,328,473	29,568,889	410,721,409	35,985,565	5,383,772	12,318,811	8,694,464	7,672,520
34 Inventories	144,569,526	1,013,595	928,589	377,899	82,045	236,965	231,680	3,788,637	88,002,515	8,177,684	3,267,889	3,419,917	3,246,460	1,567,979

TABLE 1.—SELECTED BALANCE SHEET AND INCOME ITEMS, BY MAJOR INDUSTRY—Continued

[Amounts in thousands of dollars]

Item	Major industry: Manufacturing													
	Furniture and fixtures (15)	Paper and allied products (16)	Printing, publishing, and allied industries (17)	Chemicals and allied products (18)	Petroleum refining and related industries (19)	Rubber and miscellaneous plastics products (20)	Leather and leather products (21)	Stone, clay, and glass products (22)	Primary metal industries (23)	Fabricated metal products, except machinery and transportation equipment (24)	Machinery, except electrical (25)	Electrica machinery, equipment, and supplies (26)	Motor vehicles and motor vehicle equipment (27)	Transportation equipment, except motor vehicles (28)
1 Number of returns, total	6,838	3,379	23 319	10,569	1,121	4,869	2,963	8,530	5,422	21,295	20,878	8,847	2,174	2,849
2 With net income	4,626	2,637	15,823	7,040	782	3,151	2,310	5,521	4,404	16,654	16,381	5,659	1,632	1,772
3 Without net income	2,212	742	7,496	3,529	339	1,718	653	3,009	1,018	4,641	4,497	3,188	542	1,077
4 Total receipts	7,699,073	16,943,667	21,398,995	44,524,072	55,908,569	11,542,533	5,668,631	13,712,696	42,456,230	32,595,654	46,517,121	41,094,737	50,848,200	25,389,232
5 Business receipts	7,607,805	16,557,252	20,672,622	43,436,350	52,120,124	11,339,317	5,612,256	13,388,514	41,774,221	32,143,762	44,870,791	40,489,491	49,985,158	25,100,056
6 Net long-term capital gain reduced by net short-term capital loss	14,122	170,980	60,099	84,355	446,024	14,481	4,212	28,072	60,947	58,482	508,170	44,532	39,828	23,503
7 Net gain, noncapital assets	1,399	5,457	14,207	21,038	46,652	5,724	2,969	10,074	6,253	15,402	26,323	9,235	12,965	6,292
8 Dividends, domestic corporations	2,521	24,621	58,916	99,054	600,817	15,023	7,274	28,502	160,866	15,467	35,943	13,541	28,574	10,017
9 Dividends, foreign corporations	280	19,331	16,955	181,416	456,927	22,130	338	51,256	56,102	45,018	72,918	79,329	279,604	8,094
10 Receipts not specified above	72,946	166,026	576,196	701,859	2,238,025	145,858	41,582	206,551	397,841	317,523	1,002,976	458,609	502,071	241,270
11 Total deductions	7,274,917	15,549,122	19,480,485	39,452,210	52,299,775	10,793,167	5,417,758	12,745,437	38,972,008	30,173,130	41,466,350	37,876,990	45,503,700	24,021,919
12 Cost of sales and operations	5,539,165	11,256,473	13,262,477	25,903,967	34,878,848	6,616,058	4,289,160	8,802,236	29,930,886	22,953,115	29,222,227	28,211,348	36,361,450	19,354,851
13 Amortization	729	3,069	3,272	9,687	6,692	650	222	2,541	5,571	5,354	7,197	16,546	5,210	2,917
14 Depreciation	113,118	761,288	526,033	1,880,960	2,223,886	362,563	62,639	695,365	1,832,948	727,551	1,406,356	914,674	1,211,591	519,556
15 Depletion	33	62,928	3,011	128,707	2,410,274	1,239	1,996	85,285	282,133	3,323	3,599	442	1,630	13,500
16 Pension, profit sharing, stock bonus, annuity plans	40,056	107,984	177,578	481,203	334,289	113,747	27,288	116,047	434,827	262,700	501,962	359,318	688,015	414,449
17 Other employee benefit plans	31,552	70,106	80,700	160,022	127,383	61,550	21,391	79,842	354,481	151,951	315,481	213,533	695,162	165,425
18 Net loss, noncapital assets	1,031	5,842	5,841	5,475	5,398	2,870	380	15,995	10,317	11,761	6,266	6,082	14,963	4,935
19 Deductions not specified above	1,549,233	3,281,432	5,421,573	10,882,189	12,313,005	2,634,490	1,014,682	2,948,486	6,120,845	6,057,375	10,003,262	8,155,047	6,525,679	3,546,286
20 Total receipts less total deductions	424,156	1,394,545	1,918,510	5,071,862	3,608,749	749,366	250,873	967,532	3,484,222	2,422,524	5,050,771	3,217,747	5,344,500	1,367,313
21 Net income (less deficit)	421,673	1,411,430	1,922,446	5,282,170	3,729,720	798,745	249,091	1,006,166	3,489,027	2,452,424	5,274,062	3,278,311	5,523,168	1,369,092
22 Net income	473,055	1,454,383	2,027,573	5,374,658	3,763,110	851,928	265,677	1,126,571	3,553,399	2,578,256	5,396,263	3,466,761	5,589,421	1,441,745
23 Deficit	51,382	42,953	105,127	92,488	33,390	53,183	16,586	120,405	64,372	125,832	122,201	188,450	66,253	72,653
24 Income subject to tax	448,830	1,404,972	1,838,597	5,179,796	3,099,921	805,250	237,993	1,069,448	3,255,874	2,417,196	5,195,146	3,367,399	5,510,020	1,404,965
Income tax:														
25 Number of returns	3,540	2,190	12,134	5,867	727	2,683	1,778	4,447	3,731	13,584	13,550	4,382	1,314	1,413
26 Amount	200,182	627,346	835,991	2,452,540	1,384,183	373,945	106,840	493,515	1,535,336	1,093,699	2,324,864	1,591,354	2,632,386	665,350
27 Investment credit	7,185	57,741	37,043	155,415	131,151	28,690	3,775	39,946	143,992	54,944	79,842	67,716	99,217	42,024
28 Foreign tax credit	373	24,682	16,859	234,030	679,040	36,577	355	49,634	124,421	45,748	182,071	106,262	258,650	11,629
29 Net income (less deficit) after tax (21 minus 26 plus 27)	228,676	841,825	1,123,498	2,985,045	2,476,688	453,490	146,026	552,597	2,097,683	1,413,669	3,029,040	1,754,673	2,989,999	745,766
30 Net income after tax	280,058	884,851	1,228,631	3,077,687	2,510,138	506,686	162,664	673,119	2,162,098	1,539,568	3,151,256	1,943,155	3,056,253	818,441
Distributions to stockholders:														
31 Cash and property except own stock	55,695	412,319	394,056	1,726,739	2,382,808	199,445	51,460	345,496	932,505	423,444	948,282	739,518	1,882,642	290,200
32 Corporation's own stock	24,426	37,105	112,055	123,064	281,333	12,222	13,896	15,104	49,640	89,657	113,725	108,728	16,259	20,109
33 Total assets	3,882,828	15,016,539	14,885,980	36,997,303	59,951,235	8,256,231	2,788,174	12,812,884	37,099,433	19,248,215	34,477,714	26,711,487	38,690,513	16,156,576
34 Inventories	1,191,627	2,081,953	1,804,481	6,608,058	4,258,308	2,030,210	891,815	1,918,446	7,358,183	5,274,891	10,209,525	8,114,827	6,561,148	6,346,884

Mr. LONG. Mr. President, even without anything more, there is no 50 to 17 percent spread the Senator can point to and his statement on the 14th of April that—and I am quoting—

The fact is that they (the oil companies) pay about 17 percent as far as income taxes are concerned, as compared with close to 50 percent for others.

Well, this statement is simply incorrect.

Now, over and above all of this, it has been my contention all along that to be fair we have to look to the total tax burden on the oil industry, not just its Federal income tax. Under this analysis, when you add to the Federal taxes paid, the additional local severance, production, and property taxes that they pay—the tax burden of the oil industry is greater than that of other industries. This is so even though the analysis does not include the excise taxes paid by customers on the gasoline they purchase—although that, too, is a burden on the product; nor does it include import duties paid to the Federal Government. I know that, while oil companies paid almost $2 billion in Federal income taxes in 1966, they also paid another $2 billion in other taxes—taxes which most other companies are not required to pay. This is what led to the following colloquy between the Senator and myself—and again I am quoting from the RECORD, page 9154, April 15, 1969:

Mr. LONG. Mr. President, I repeat the statement: it is true—I agree with the Senator—that if all you are looking at is the Federal income tax, this industry pays less than the average for all manufacturing on profits.

Mr. PROXMIRE. All taxes.

Mr. LONG. But if the Senator will look at the severance tax, he will find that this is one of the very few industries that pay any severance tax, and other industries that pay it, pay very little.

In Louisiana, we hit them for 10 percent of gross before we know whether they made a profit or not.

Mr. PROXMIRE. *The severance taxes is included in the figures I have.*

Mr. LONG. That is a tax they pay that nobody else pays. When you take into account that they pay pipeline taxes—

Mr. PROXMIRE. *That is included.*

At other points in the RECORD the Senator made the following statements—and again I quote—from page 9153, April 15, 1969:

The figures I have from the U.S. Oil Week show that the oil industry paid something like 21.9 percent of its net income in virtually all its Federal, foreign, and State taxes *including property taxes.*

And he also stated:

My figures show that they are taxed far less heavily than almost any other industry. As I say, it is 21.9 percent of their net income, *and this includes virtually all of their taxes, and Federal taxes.*

Mr. President, when the Senator made these statements, I must admit that they surprised me because they just did not tally with the figures available to me or my committee. I told myself mentally that if he was right, then the figures I had were wrong. To clarify the matter, I instructed the staff of the Finance Committee to compare the Oil Week table with the 10–K financial statements filed with the SEC. They were instructed to ascertain, once and for all, whether or not the figures used in the Oil Week table included the severance, production, and property taxes the Senator says they do. What were the results of that study?

Well, I think we all can understand how easy it is to be "stampeded" into taking a position prematurely without all of the facts, and I am certain my colleague did not intend to misinform the Senate and the public. Because the truth of the matter is that the figures he gave from the Oil Week table do not include any production, severance, or property taxes—in fact, outside of some inconsequential local income taxes, they do not include any taxes except the foreign income taxes and Federal income taxes. A table prepared by the committee staff indicates that oil companies paid additional production, severance, and property taxes, increasing each year from $556,482,000 in 1962 to $868,206,000 in 1967, which represents from 11.4 to 13.8 percent of net income. All of these taxes were omitted from the Oil Week table on which the Senator from Wisconsin relied. I ask unanimous consent that the corrected table be inserted at this point in the RECORD.

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

TAXES OF SELECTED REFINERS[1]

[In thousands of dollars]

	Net income before tax	Federa tax	Percent	Foreign (some States) tax	Percent	Severance, production, and property taxes	Percent
Standard (New Jersey):							
1962	1,271,903	8,000	0.6	423,000	33.0	83,000	6.5
1963	1,584,469	69,000	4.3	496,000	31.0	89,000	5.6
1964	1,628,555	29,000	1.7	549,000	33.0	92,000	5.6
1965	1,679,675	82,000	4.9	562,000	33.0	98,000	5.8
1966	1,830,944	116,000	6.3	624,000	34.0	106,000	5.8
1967	2,098,283	166,000	7.9	700,000	33.0	119,000	5.7
Gulf:							
1962	488,351	19,389	3.9	128,871	26.0	42,368	8.7
1963	540,065	30,870	5.7	137,842	25.0	57,843	10.1
1964	607,343	52,443	8.6	159,782	26.0	61,154	10.0
1965	655,727	53,559	8.1	174,935	26.0	66,554	10.0
1966	813,868	90,008	11.0	219,098	26.9	77,003	9.5
1967	955,968	74,142	7.8	303,539	31.8	85,491	8.9
Texaco:							
1962	546,371	13,000	2.3	51,700	9.0	63,820	11.7
1963	615,768	10,250	1.6	58,850	12.0	66,551	10.8
1964	660,761	5,500	.8	77,900	11.0	73,491	11.1
1965	726,198	10,000	1.3	79,500	11.0	79,931	11.0
1966	845,466	32,500	3.8	103,100	12.0	91,819	10.9
1967	892,986	17,500	1.9	121,100	13.5	[2] 98,819	[2] 11.0
Mobil:							
1962	379,339	8,300	2.1	128,700	33.0	42,722	11.3
1963	437,352	23,000	5.2	142,500	32.0	45,714	10.5
1964	464,660	27,700	5.9	142,800	30.0	48,176	10.4
1965	508,016	33,900	6.6	154,000	30.0	50,141	9.9
1966	555,412	23,200	4.4	176,100	31.7	54,653	9.9
1967	594,593	26,900	4.5	182,300	30.7	63,872	10.8
Standard (California):							
1962	348,181	5,800	1.6	28,600	8.0	51,036	14.6
1963	356,568	2,900	.8	31,600	8.0	54,080	15.1
1964	393,188	8,300	2.1	39,600	10.0	55,965	14.2
1965	455,425	9,000	1.9	55,200	12.0	57,503	12.6
1966	515,118	29,800	5.7	61,300	11.9	63,108	12.2
1967	513,067	6,000	1.2	85,400	16.6	70,469	13.7
Standard (Indiana):							
1962	168,843	3,105	1.8	3,381	2.0	50,087	29.7
1963	208,022	22,182	10.6	2,748	1.0	52,343	25.1
1964	204,817	8,486	4.1	1,480	.7	58,365	28.5
1965	263,098	39,578	15.0	4,248	2.0	60,427	22.9
1966	300,531			49,672		63,971	21.3
1967	366,847	74,021	20.2	10,576	2.9	68,990	18.8
Shell:							
1962	173,555	7,200	4.1	8,680	5.0	50,891	29.3
1963	211,575	19,100	9.0	12,623	5.0	53,832	25.4
1964	213,575	2,800	1.3	12,585	5.0	55,954	26.2
1965	274,507	26,600	9.6	13,876	5.0	58,835	21.4
1966	313,085	46,100	14.7	11,785	3.7	64,893	20.7
1967	342,022	44,940	13.1	12,233	3.6	73,025	21.3
Phillips:							
1962	158,320	48,000	30.3	3,365	2.0	22,037	13.9
1963	160,954	52,000	26.2	3,491	2.0	22,891	14.2
1964	152,197	32,229	22.2	4,950	3.0	23,847	15.6
1965	165,876	31,745	19.1	6,415	4.0	25,358	15.3
1966	218,382	59,163	27.0	7,595	3.4	28,795	13.2
1967	227,766	52,255	22.9	11,496	5.0	35,922	15.8
Conoco:							
1962	73,477	1,065	1.4	2,335	5.0	18,381	25.0
1963	99,665	9,143	9.2	3,157	3.0	21,223	21.4
1964	112,009	8,725	7.7	3,175	2.0	21,618	20.2
1965	142,051	6,865	4.8	49,035	27.0	22,508	15.8
1966	204,632	24,670	12.0	64,330	31.4	25,325	12.3
1967	241,362	30,031	12.4	62,369	25.8	28,372	11.8
Cities Service:							
1962	84,143	20,773	24.7	3,185	3.0	21,905	26.0
1963	101,976	20,188	21.4	4,283	4.0	23,533	23.0
1964	105,299	19,819	18.9	967	.9	24,501	23.3
1965	137,068	31,973	23.3	977	.7	25,058	18.3
1966	194,456	51,760	26.7	902	.4	27,130	13.4
1967	165,289	32,347	19.6	5,105	3.1	[3] 31,318	18.9
Union:							
1962	59,421	8,000	13.5	5,500	9.0	19,475	32.8
1963	73,028	13,100	17.7	6,000	8.0	20,354	27.9
1964	87,564	13,300	15.2	7,200	8.0	20,942	23.8
1965	119,214	15,604	13.2	8,840	7.0	33,464	28.1
1966	170,782	18,398	10.7	10,144	5.9	36,695	21.5
1967	163,820	10,400	6.3	8,457	5.2	39,422	23.4
Sun:							
1962	66,395	[3] 200	0	13,400	20.0	40,251	60.7
1963	79,976	1,300	1.9	17,460	22.0	24,966	53.8
1964	88,577	2,400	2.7	17,670	20.0	46,402	52.4
1965	113,405	10,300	9.0	18,220	16.0	48,300	42.6
1966	131,544	16,600	12.6	14,370	10.9	49,008	37.3
1967	146,946	24,700	16.8	13,670	9.3	50,497	34.3

See footnotes at end of table.

TAXES OF SELECTED REFINERS [1]—Continued

[In thousands of dollars]

	Net income before tax	Federal tax	Percent	Foreign (some States) tax	Percent	Severance, production, and property taxes	Percent
Atlantic:							
1962	61,110	0	0	14,844	24.0	14,550	23.9
1963	56,747	0	0	12,734	22.0	15,158	26.8
1964	61,081	0	0	14,005	22.0	15,427	25.2
1965	105,299	0	0	15,188	14.0	27,730	26.3
1966	127,384			13,900	12.7	29,231	22.9
1967	145,259			15,254	10.5	32,991	22.6
Marathon:							
1962	36,064	[3] 2,200	0	205	.5	10,075	28.0
1963	50,058	(1)	0	933	2.0	10,763	21.5
1964	63,220	(1)	0	2,844	4.0	[4] 9,776	[4] 15.5
1965	97,416	(1)	0	37,345	38.0	[4] 9,797	[4] 10.1
1966	130,927	2,400	1.8	59,700	45.9	[4] 10,605	[4] 8.1
1967	138,520	3,700	2.7	60,962	44.0	[4] 11,990	[4] 8.9
Getty: 1967	132,762	3,687	2.8	10,909	8.2	28,703	21.6
Standard (Ohio):							
1962	37,235	9,275	25.0	3,738	10.0	6,151	16.7
1963	54,008	15,225	28.1	4,896	9.0	6,421	11.9
1964	70,252	21,150	30.2	5,334	7.0	6,788	9.7
1965	82,848	26,300	31.7	6,386	8.3	9,436	11.4
1966	84,481	21,200	25.0	6,345	7.5	9,765	11.8
1967	101,496	29,200	28.8	8,412	8.3	11,090	10.0
Sunray:							
1962	41,203	3,850	9.3	1,152	3.0	11,866	28.9
1963	48,223	4,321	8.9	1,374	2.9	11,148	23.
Sunray—Continued							
1964	34,716	[3] 2,407	0	1,330	3.9	11,517	33.5
1965	41,445	980	2.3	1,597	3.9	11,754	28.5
1966	57,372	10,025	14.9	1,754	3.0	12,423	23.1
1967	74,526	17,672	23.7	2,390	3.2	13,669	18.4
Ashland:							
1962	24,324	6,201	25.8	2,799	11.0	932	4.1
1963	28,769	10,556	37.7	104	.3	3,042	10.4
1964	36,385	9,672	26.8	2,977	8.0	2,861	8.0
1965	50,594	15,500	30.6	2,440	5.0	3,587	7.1
1966	69,324	20,830	30.0	5,570	8.0	3,857	5.6
1967	72,212	23,718	32.8	3,952	5.5	4,566	6.4
Skelly:							
1962	22,674	1,260	5.7	250	1.0	6,935	30.8
1963	27,479	3,025	7.7	275	4.0	7,695	28.8
1964	26,601	785	1.2	275	2.0	8,264	31.2
1965	39,995	5,625	14.0	375	.9	8,249	20.5
1966	42,762	5,300	12.3	500	1.1	8,902	21.0
Total:							
1962	4,040,909	160,718	4.0	824,425	20.0	556,482	13.8
1963	4,734,702	306,160	6.0	936,870	19.8	604,557	12.8
1964	5,009,800	239,902	4.8	1,043,874	20.8	637,046	12.6
1965	5,657,857	399,529	7.0	1,180,577	20.9	696,632	12.5
1966	6,606,470	567,954	8.6	1,430,165	21.6	763,183	11.4
1967	7,095,863	627,290	8.8	1,556,974	21.9	868,206	12.2

[1] The data for this study relating to severance, production, and property taxes were taken primarily from SEC records. The remaining data were taken from a table entitled "Federal Taxes of Largest Refiners" placed in the Congressional Record on Apr. 15, 1969, p. 9146. Since SEC records were unavailable for Sinclair, Tidewater, Pure, and Richfield, the amounts relative to these companies were eliminated from the table mentioned above to arrive at the appropriate percentages.

[2] Averaged from previous years' increases.

[3] Credit.

[4] Used an average of 70 percent of "other income" since the actual figures were not available This is slightly lower than the average shown in the years 1962 and 1963 where figures were available.

Mr. LONG. So here, if you start with the Senator's statement that the oil industry paid "something like 21.9 percent of its net income, in virtually all its Federal, foreign, and State taxes, including property taxes," the first thing to do is note that even from the Oil Week table itself this is incorrect because the percentage of net income paid in taxes is actually 30.7 percent—the 21.9 percent allocable to foreign taxes and the 8.8 percent allocable to Federal tax. Then, if you add to these percentages the severance, production, and property taxes, which the Senator says were included in his table, but really were not—and they amount to some $868,206,000 or 12.2 percent—the 1967 percentage of taxes paid by the oil companies becomes 42.9 percent of their net income. It is almost twice the 21.9 percent the Senator quoted to this Chamber.

All of this leads right back to the statement I made on April 15 indicating that the petroleum industry's tax burden per dollar of revenue exceeds the tax burden on other industries. This is true whether you use gross income or net income figures. I would think, then, that since the table used by the Senator does not include severance, production, and property taxes—despite his assertion that it does—and since it cannot accurately reflect the relative tax burden of the petroleum industry, he would admit his error and acknowledge that it is fatal to his case.

Now, while we are talking about the Oil Week table, I should like to make a comment on Atlantic Richfield. First of all, I know nothing of the inner workings of the company. My only reason for referring to it is that on several occasions the company has been singled out as an example because it did not pay any Federal taxes in 1962 through 1967. My comment is directed at those who would attempt to inflame public opinion without a complete presentation of the facts.

First of all, it is misleading to say that the company paid no taxes in 1962 through 1967 because the table from Oil Week placed in the RECORD by my colleague indicates that Atlantic-Richfield paid taxes for which it received a foreign tax credit totaling almost $86 million for the years 1962 though 1967. In addition, the corrected table shows that Atlantic paid over $135,087,000 in severance and property taxes during those years.

These taxes, coupled with the credit for foreign taxes paid over the 6-year period, averaged about 40 percent of Atlantic's net income. So it is not quite fair to state that Atlantic paid no taxes and then stop short.

Over and above all this, it was common knowledge in the oil industry that in the 1950's Atlantic was not meeting its competition. It was also common knowledge that they were dramatically increasing their research and exploration activities. This would account for large expenditures during the years 1962 through 1967 which could well explain why their Federal income tax was zero after allowance of the foreign tax credit. But, as I say, their total tax was 40 percent of their net income.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. I ask unanimous consent to have 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Incidentally, what was the result of Atlantic's activities? Well, we all know that it was Atlantic that made a major discovery of crude oil on the north slope of Alaska. There is no question that the discovery will benefit Atlantic—but more than that—it will benefit the United States. Its effect was recently discussed in an article in the April 14 edition of U.S. News & World Report entitled "The Changing Geopolitics of the World's Oil," and I do not believe anyone would discount the importance of the find. I ask the unanimous consent of the Senate that this article be placed in the RECORD at this point.

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

THE CHANGING GEOPOLITICS OF THE WORLD'S OIL

It is a new ball game in the international politics of oil. Recent discoveries in the Americas and elsewhere are altering the balance of petroleum-based power, deflating somewhat the importance of the Middle East. The Arctic is becoming a key area.

Sweeping changes under way in the world's oil picture suddenly are shifting the international power balance in the direction of the U.S.

America now is becoming self-sufficient once again in oil, the major source of energy for modern industry and for defense.

Soviet Russia, pinched by rising costs at home, may have to begin importing oil.

Oil finds in Africa, South America, North America and the Middle East are about to provide Western Europe and Japan with new sources of energy—but these nations still remain basically dependent on the U.S. for help in future political crises.

Exploration for oil is expected to shift more and more to the Arctic and to politically stable areas—away from the Middle East.

Canada and the U.S. are being pulled closer and closer together.

Biggest change since the '40s. It all adds up to the most dramatic shift in oil's impact on geopolitics since the Middle East became the world's No. 1 oil region in the 1940s.

"What is going on today will turn the power politics of the world upside down," is the way the current situation is summed up by one man who has served in high positions in both the U.S. Government and the oil industry.

For that reason alone, world oil changes shaping up are of major importance in the Nixon Administration's reassessment of American strength and commitments in the world.

And oil will play a part in U.S. strategy in big-power discussions aimed at achieving peace between Israel and the Arabs.

Talks by staff members of "U.S. News & World Report" with diplomats, economists, oil experts and other authorities in the U.S., Canada, Latin America, Europe and other parts of the world show what the changes mean.

The single most important event today, the authorities agree, is discovery of oil on Alaska's Arctic coast. Although exact size of the oil deposits still is not certain, experts now are assuming enough oil is there to keep the U.S. self-sufficient in reasonably priced fuel for the foreseeable future.

Significance of that to diplomats and military men: The U.S. no longer faces the immediate prospect of having to rely on the erratic Middle East for large supplies of petroleum.

That is a bedrock advantage for a world power. The U.S. thus can pursue a more independent policy in defense and international affairs. Russian domination of the Mideast, a growing danger, seems a less catastrophic prospect to the U.S. than formerly.

A crisis avoided. Just a few months ago, the U.S. faced the opposite prospect. Soaring consumption and lagging finds of new oil fields indicated the U.S. would have to import half its oil needs by 1980.

"The U.S. and Western Europe together constitute nearly three fourths of the free-world market for crude oil, explains John G. Winger, vice president of Chase Manhattan Bank. "And by the time the U.S. had to import half of its needs, the combined self-sufficiency of the two areas would be no more than 25 per cent."

But now the major oil strike at Prudhoe Bay on Alaska's Arctic coast appears to have changed the outlook. Production prospects are so huge—40 billion barrels, by some estimates—that the U.S. will be able to continue its present policies of importing only 12.2 per cent of its needs or less, according to oil experts.

These policies now are coming under review both by a White House task force headed by Labor Secretary George P. Shultz and by Congress. To be decided is whether the U.S. should continue to restrict imports, thus permitting a domestic price of about $3 a barrel for crude oil. On the world market, oil sells for roughly half as much.

All eyes turn north. Alaska will have other effects of advantage to the U.S., too, experts point out. One is in exploration:

"For the next several years, the center of world oil exploration will move toward the Arctic—in the U.S., Canada, Russia, possibly Spitsbergen"—the Norwegian islands high in the Arctic—says Walter J. Levy, a leading international oil consultant.

Adds an executive of Standard Oil Company (New Jersey): "As you circle the Arctic Ocean you see some of the same geological formations all the way around."

Finds in the free-world part of the Arctic, of course, would help cut down other countries' dependence on the Middle East.

New bond for old friends. Another result of Alaskan oil is the likelihood of closer economic and political ties between the U.S. and Canada, despite differences over missiles and China policy now in the headlines.

In prospect is a single North American oil policy linking the two countries. Steps in that direction are being discussed by officials after talks on the subject by President Nixon and Canadian Prime Minister Pierre Elliott Trudeau in Washington late in March.

Pipelines already carry Canadian oil to the Great Lakes region of the U.S. and the Pacific Northwest. Yet Canada still has enormous resources of oil, largely undeveloped because of a lack of markets. Informal restrictions keep this oil out of the U.S., and it is too expensive to be sold elsewhere.

What's more, odds are that Canada will find even more oil soon.

Geologists are hunting oil in the Arctic islands between the North American mainland and the North Pole. Other work is going on across the border from Alaska's big find. And the Athabaska tar sands in the Canadian Province of Alberta, holding an estimated 300 billion barrels of oil, are being developed in preparation for the time when more readily processable deposits dwindle.

There is interest in offshore drilling along the Nova Scotia coast, too.

Joint plans in the crucible. So Canadians are having to look to the U.S. for arrangements to sell oil.

Proposed in Canada is an arrangement by which Canada would help U.S. firms build a pipeline from Alaska to Chicago in exchange for the right to sell Canadian oil in the U.S.

Many oil experts think much of the Canadian petroleum eventually will be sold in Western Europe or Japan.

"But it is hard to imagine a system that doesn't let Canada sell some oil here," says a U.S. oil man, "for security and diplomatic reasons at least."

What's important is that, taken together, Canadian and U.S. oil amount to a vast pool of energy for use of North America first and its allies second in times of emergency, say international experts.

Add to this the oil output that is now rising in Latin America.

Latest development is a rich strike in Ecuador by Texaco, Inc., and the Gulf Oil Corporation. Some oil experts think this may be part of a major oil region stretching along the Andes Mountains from Colombia to Peru.

If it turns out to be that extensive, it would challenge Venezuela, now the dominant Latin-American oil country.

Boon for Europe, too. Big oil finds such as these are offering comfort to Western Europe.

Reason: Every major oil discovery in the free world outside the Middle East enables Europe and Japan to reduce their dependence on oil from Arab and Mideastern countries.

France, for example, currently buys 86 per cent of all its crude oil from Arab countries, Italy 82 per cent, West Germany 75 per cent and Great Britain 73 per cent. Japan relies on the Middle East, including non-Arab Iran, for about 90 per cent of its oil.

That's cause for concern by Western strategists. With Britain pulling its troops out of the Mideast and Russia gaining influence, no one knows how secure the area will be for U.S. and its friends.

Now new oil production is beginning to come out of Cabinda, a part of Portugal's African colony of Angola. Nigeria is expected to increase its exports to 800,000 barrels a day by the end of 1969, despite its civil war. Australia is headed toward self-sufficiency.

Japan is prodding oil firms to find more oil in such island spots as Borneo in the Pacific and even off the shores of the Japanese home islands. Deals also are being studied for Japanese purchase of Canadian crude.

Oil output is going up in Libya, an Arab nation that has avoided many of the antagonisms against the West. The same is true of small sheikdoms such as Abu Dhabi, Dubai and Oman, where output is accelerating.

What's more, supertankers that can carry more than 200,000 tons of oil on a single trip are making it possible for industrial Northern Europe to by-pass the closed Suez Canal and get oil from far away at economic prices.

Still another potential source will be created for Europe if the attempt to open up a Northwest Passage from the Atlantic to northern Alaska succeeds. A tanker fitted out as an icebreaker is to make the attempt this summer. This would permit direct shipment of Alaskan and Canadian Arctic oil to Europe.

Adding up these developments, David Barran, a managing director of the Royal Dutch/Shell Group of oil companies, said recently of the Middle East:

"The picture as I see it is on the whole a reassuring one." He figures major Middle Eastern producers such as Iran, Saudi Arabia and Kuwait want to sell even bigger amounts of oil than they already are selling. So they will avoid troublemaking that could turn Western Europe to competing countries. World oil prices, too, appear headed down.

Trouble is, say oil experts in Washington, Arab countries don't always act rationally or in their own best interests.

Effect on Moscow. And then there is Russia. It is reversing a long-standing policy of boosting oil production at an ever-increasing pace.

By 1980, oil men in Europe now believe, Russia may be in the market for as much as 375 million barrels of oil a year, if new production goals and consumption trends continue.

Moscow already has put a lid on oil exports. But Russia, it is thought, will continue to export to Western countries as a means of earning hard currencies—even if it has to import oil from the Mideast to make up the difference.

Eastern European satellites, kept dependent on Russia for most of their oil up to now, also will have to import more, British officials forecast.

What's going on? Rising costs, mainly. Although Russia has bigger oil reserves than the U.S. and an active drilling program, its transportation costs are sky high. Ninety per cent of Soviet oil is located in Siberia and Central Asia, but 80 per cent of demand is thousands of miles away in European Russia.

Russia's game. Western oil men expect Russia will now try to work out barter and aid deals in exchange for crude oil from Iraq, Algeria, Egypt and possibly Iran.

Russia isn't thought likely to try for an actual take-over of Western-owned oil facilities in the Mideast. Instead, says one diplomat in the U.S., the strategy seems to be aimed at political domination, thus removing control of Mideastern oil from free-world companies.

And that's clearly a matter of worry for Western strategists until the new sources of oil outside the Mideast are fully developed—a matter of some years.

"Middle East oil . . . is still, and long will be, the non-Communist world's main supply," says a recent report by the Center for Strategic and International Studies at Georgetown University.

The report continues: "Its tremendous proved reserves must always be considered of prime strategic importance, and denial of this supply of oil in times of emergency or war would have a strategic implication of profound consequence."

What emerges from the big changes now under way is that only the U.S. seems to be reducing its dependence on the Mideast significantly. And that is a matter of consequence today.

Mr. LONG. Mr. President, in my view, the Alaskan discoveries are a perfect example of why you need tax incentives in the oil industry. I am convinced that without these incentives the Alaskan discoveries would never have been made. Instead of the enviable position we now occupy, where we can envision a future free of dependence on Mideast oil, we would be wringing our hands anticipating the time when we would have to rely on foreign oil for 50 percent of our needs. When I hear all the talk about the cost of tax incentives for oil, I often wonder just how you go about measuring the tremendous benefits, both tangible and intangible, that accrue to all of us, because of the Alaskan find. Certainly

there is a compensating offset that should be recognized.

Finally, in the case of Atlantic it must be clear that their tax posture is a temporary one. Once the Alaskan wells start producing and the exploratory aspects of the venture are minimized, the company will begin realizing domestic taxable income and will pay large amounts of U.S. income taxes on that income without reduction by foreign tax credits.

In conclusion, I would like to make one last comment. It is unfortunate that those who oppose the oil industry will frequently attempt to make their case by relying upon factually inaccurate or slanted tables and magazine articles that are calculated to arouse public resentment—articles, for example, that cite the fact that Atlantic-Richfield has paid no Federal income tax, leaving the impression it has no tax burden at all, when in truth, it is paying over 40 percent of its net income in taxes. This type of thing is just not accurate or fair, or in the spirit of honest debate, where we should be seeking to inform the public. That sort of misinformation only serves to deceive them.

I would urge that if we are to discuss our different views on this matter, let us not do it by indiscriminately inserting into the RECORD articles or tables that mislead the Senate and the public. Rather, let us assemble our facts, note our points of difference, and state our views honestly and forthrightly, comparing one with the other, in order that we may decide what the real facts are, so that the ultimate decision made is best for this country.

AUTHORIZATION FOR SALINE WATER CONVERSION PROGRAMS

Mr. KENNEDY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1011.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1011) to authorize appropriations for the saline water conversion program for fiscal year 1970, and for other purposes, which was to strike out all after the enacting clause and insert:

That there is authorized to be appropriated to carry out the provisions of the Saline Water Conversion Act (66 Stat. 328), as amended (42 U.S.C. 1951 et seq.), during fiscal year 1970, the sum of $25,000,000 as follows:

(1) research and development operating expenses, not more than $16,223,000;

(2) design, construction, acquisition, modification, operation, and maintenance of saline water conversion test beds and test facilities, not more than $5,355,000;

(3) design, construction, acquisition, modification, operation, and maintenance of saline water conversion modules, not more than $1,450,000; and

(4) administration and coordination, not more than $1,972,000.

(b) Expenditures and obligations under any of the items in this section except item (4) may be increased by not more than 10 per centum if such increase is accompanied by an equal decrease in expenditures and obligations under one or more of the other items, including item (4).

SEC. 2. In addition to the sums authorized to be appropriated by this Act, the Secretary may utilize any funds previously appropriated for this program which are not obligated on June 30, 1969, subject to the dollar limitations applicable to the fiscal year 1969 program.

Mr. KENNEDY. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives, and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JACKSON, Mr. ANDERSON, Mr. MOSS, Mr. ALLOTT, and Mr. JORDAN of Idaho conferees on the part of the Senate.

THE SAFEGUARD SYSTEM

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks several documents which I believe to be important in connection with the Senate's consideration of the proposed Safeguard system.

First, I wish to have printed in the RECORD letters from Dr. Hans Bethe, Dr. Carl Kaysen, Dr. James Killian, Dr. George Kistiakowsky, and Dr. Herbert York. Their letters are replies to letters I wrote to all those who appeared before the Subcommittee on International Organization and Disarmament Affairs before March 14, in which I said to the addressees that, since they had testified before the Safeguard decision had been announced, they might wish to comment specifically on the proposed Safeguard system. I have received replies to date only from Drs. Bethe, Kaysen, Killian, Kistiakowsky, and York. All of them oppose the deployment of the Safeguard system at present.

Second, I wish to have printed in the RECORD a letter Chairman FULBRIGHT wrote to Deputy Secretary of Defense Packard on April 22, asking certain questions about persons outside the Defense Department who had been consulted with regard to the Safeguard decision, and Mr. Packard's reply which was dated April 25. The exchange of correspondence makes clear that the full Defense Science Board which Mr. Packard included in the "List of Scientists and Engineers Consulted by Dr. Foster on ABM," a list which appears on page 308 of the subcommittee's printed hearings, met most recently on the ABM on May 10, 1967. Mr. Packard's letter also shows that ABM issues were discussed with members of the President's Science Advisory Committee on October 22, 1968, but thereafter not until March 17, 1969, 3 days after the Safeguard decision had been announced. Finally, Mr. Packard's letter reveals that, of the three members of the Defense Science Board Task Force on ABM, one is about to become Deputy Director for Strategic and Special Systems in the Office of the Director of Defense Research and Engineering and a second occupied that position from May 1962 to April 1965.

Third, and finally, I wish to have printed in the RECORD an interview which appeared in the Washington Post on May 12 with Rear Adm. Levering Smith, Director of Navy Strategic Systems Projects. The article identified Admiral Smith as the admiral responsible for our Polaris submarine missile fleet. In the interview, Admiral Smith is quoted as saying:

The Russians have no specific new anti-submarine warfare methods the Navy knows of that would make the Polaris fleet vulnerable to attack.

I would like to recall in this connection that Secretary Laird told the Subcommittee on International Organization and Disarmament Affairs on March 21 that our Polaris fleet would not be "a sufficient and credible deterrent in the period 1972 and beyond."

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

ITHACA, N.Y.,
May 6, 1969.

Senator ALBERT GORE,
U.S. Senate, Committee on Foreign Relations, Senate Office Building, Washington, D.C.

DEAR SENATOR GORE: Thank you for your kind letter of April 28th. I am enclosing a xeroxed copy of a "Postscript" which I have just published in the Bulletin of the Atomic Scientists, May, 1969. It sets forth my opinion on the hard point defense component of the Safeguard system.

In this matter as in my general opinion on ABM I agree closely with the opinion of Dr. George Rathjens, who also testified to your Committee.

I believe we should do the following:

(1) Design a completely new radar, much harder, of lower performance and hence cheaper than the MSR.

(2) Examine and where necessary redesign other components of the Sentinel system for the specific purpose of defending hard sites.

(3) Negotiate with the Russians on arms control, with the object to prohibit further increase of offensive forces.

(4) If 3 is unsuccesful, and points 1 and 2 have been accomplished, re-examine the question whether the Russians are aiming to develop a first strike capability against Minuteman. If the answer to this is Yes, we may then wish to deploy hard site ABM defense.

Yours sincerely,

HANS A. BETHE.

POSTSCRIPT

The foregoing testimony was given a week before President Nixon's decision to deploy a modified ABM system, the Safeguard. The area defense part of Safeguard is much the same as Sentinel, although the system has been further thinned out. This is to be welcomed. But of course the main argument of my article, that any area system can only be useful for a limited period of time and can thereafter be penetrated, remains unchanged, and so does my opinion that ABM against China is unnecessary.

In the new Safeguard system, ABM defense of Minuteman plays a prominent role, and is the first component to be deployed. As discussed in my testimony, I think such deployment is sensible in principle but is very premature.

At present the Russians have about as many land-based ICBMs as we do. Our Minuteman is well enough dispersed so that even a large Russian warhead can destroy at most one of our missiles. It would be very foolish of them to waste, in case of war, their precious large SS9 missiles on an attack on our Minutemen, getting one Minuteman for one of their much larger missiles.

The only concern one might have is the possible use of MIRV by the Russians in

the future. Because of the large payload of their SS9 missiles it would be possible for each of their missiles to carry a number of re-entry vehicles, let us say five. If this were done, they could target 1000 re-entry vehicles, carried by 200 SS9 missiles, on our Minuteman silos. Assuming 80 per cent probability of "kill" (including aiming accuracy, this is an extremely high assumption!) they might destroy 80 percent of our Minuteman force. This might be quite serious, especially if at the same time they had ABM deployed around their cities. But there are the following counterarguments:

1. Even if such an attack were to occur and be successful, we would still have our Polaris and our bombers. It is more than unlikely that all of these retaliatory capabilities would be paralyzed simultaneously.

2. Because of limited reliability of any missile we would still have 200 Minutemen left which would be a formidable force in the absence of ABM. So an agreement forbidding deployment of ABM on both sides would leave us a useful land-based deterrent even after such a devastating Russian attack.

3. Presumably not all Russian reentry vehicles would arrive simultaneously. It would therefore be possible to launch the remainder of our Minuteman force after only a few of our silos had been destroyed.

4. Most important, the element of time. MIRV testing by Russia has only just begun. It takes a long time to complete testing. It will take still longer to achieve the necessary aiming accuracy, and then much longer still to deploy a large force of MIRV's.

In short, we have a "sufficiency" of strategic weapons for a long time to come, without the Minuteman ABM.

On the other hand, once we are worried about preserving our Minuteman capability I much prefer to defend the Minuteman silos rather than to increase their numbers. The latter would be an outright arms race.

THE INSTITUTE FOR ADVANCED STUDY,
Princeton, N.J., May 6, 1969.

Hon. ALBERT GORE,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GORE: Thanks for the two copies of the printed Hearings on ABM of your subcommittee. The additional statement that I submitted on March 31, which appears in the printed record on pages 158 through 161, does, I think, answer the question of my specific views on the Safeguard System, and I don't have any more to add at this time.

Let me again express my appreciation of what you and your colleagues on the committee are doing in the way of providing indispensable public information on the ABM matter and thank you once more for the opportunity to appear before the committee.

Sincerely yours,

CARL KAYSEN.

CAMBRIDGE, MASS., *May 3, 1969.*

Hon. ALBERT GORE,
U.S. Senate,
Committee on Foreign Relations,
Washington, D.C.

DEAR SENATOR GORE: I am indebted to you for sending me a copy of the printed ABM hearings of the Subcommittee on International Organization and Disarmament Affairs. The personal conclusions I expressed in my testimony at your hearings, it seems to me, are still relevant now that Safeguard has replaced Sentinel.

I greatly appreciated your kindness and courtesy at the time I came down to testify.

Yours sincerely,

J. R. KILLIAN, Jr.

HARVARD UNIVERSITY,
DEPARTMENT OF CHEMISTRY,
Cambridge, Mass., May 8, 1969.

Hon. ALBERT GORE,
U.S. Senate,
Committee on Foreign Relations,
Washington, D.C.

DEAR SENATOR GORE: Thank you very much for your letter of April 28 and the printed copy of the hearing on the ABM of your Subcommittee.

You ask me about my opinion about the Safeguard deployment. The Safeguard is to use essentially the same components, only slightly modified, as the Sentinel was to use, which were originally developed for the so-called Nike X deployment. The latter was, of course, designed primarily for population and city defense. The only real significant difference between Safeguard and Sentinel is that the purpose of the Safeguard is a more explicit defense of the Minuteman silos. In fact the two initial bases are specifically for the defense of Minuteman. It is my opinion that the Nike X components to be used by the Safeguard are ill suited for the defense of Minuteman deployment and will not greatly increase the survivability of this deployment in the event of a so-called first strike. On the other hand I do not believe that a first-strike which has a realistic chance of destroying our deterrent forces is feasible in the next five to seven years. Therefore, my opinion is as negative about the deployment of Safeguard as it was about the Sentinel deployment, as already stated by me before your Subcommittee.

If you wish I could go into considerable details to justify this opinion. However, I would like to say that my judgment is based very much on the considerations which were presented before the Senate Committee on Armed Services on April 22 by Dr. W. K. H. Panofsky and Dr. George Rathjens. I believe that in these prepared statements the case against the need for immediate deployment of Safeguard is stated extremely well and I share their conclusions.

Sincerely yours,

G. B. KISTIAKOWSKY.

UNIVERSITY OF CALIFORNIA,
La Jolla, Calif., May 1, 1969.

Senator ALBERT GORE,
U.S. Senate,
Committee on Foreign Relations,
Washington, D.C.

DEAR SENATOR GORE: Thank you for forwarding a copy of hearings on the ABM. You also noted in your letter that I had testified before the remarkable transformation of Sentinel into Safeguard had occurred, and asked for my comments on this new situation. My views on this, which are in essence the same as before only more so, are contained in the enclosed prepared statement I delivered before the Senate Armed Services Committee.

Please keep up the good work; it's eminently clear that if the Senate cannot get this thing under control, no one can. You and your colleagues are our only real hope.

Best personal good wishes.

Sincerely,

HERBERT YORK.

STATEMENT BY HERBERT F. YORK BEFORE THE SENATE ARMED SERVICES COMMITTEE, APRIL 22–23, 1969

Mr. Chairman and Members of the Committee:

I appreciate very much the opportunity to appear before your committee to discuss the proposed ABM program. I had, as you know, an opportunity to discuss this same general problem before a subcommittee of the Senate Foreign Relations Committee on March 11. Since that time, a new threat analysis has been presented, and a new ABM deployment, called Safeguard, has been proposed. Safeguard appears to be partly a response to the new threat analysis, partly a response to the objectives of many Americans to the deployment of Sentinel components in their backyards, and partly a response to technical objectives to the Sentinel system raised by scientists and engineers, both inside and outside the present defense establishment.

I do not doubt the statements of the Secretary of Defense that the Soviets are now rapidly building up their offensive forces. If we examine the charts presented to this committee by Defense officials a month ago, what is difficult to understand about this matter is why the Soviets settled for being a poor second in intercontinental nuclear arms for such a long time. Conceivably, the suggestion that the Soviets are reaching for a first strike capability may be true, but their actions can be easily understood without appealing to such a notion. In any event, I doubt the wisdom of the proposed U.S. response because (1) the Safeguard System is technically questionable and (2) the deployment of Safeguard would accelerate the arms race.

For our purposes today it is important to note that the Defense Department has in these last few weeks reintroduced the objective of providing an ABM defense capable of coping with a large and sophisticated offense. True, the defense of selected hard points now being proposed for Safeguard is theoretically somewhat easier than the defense of large soft targets such as cities, the goal of Sentinel and its predecessors. However, the designers are now again required to cope with that large variety of very difficult technical problems which defense designers tried unsuccessfully to solve in the days of Nike Zeus and Nike-X. I am referring to that group of qualifiable technical problems which includes radar blackout, penetration aids of all sorts (decoys, chaff, electronic countermeasures and multiple warheads), warhead kill mechanisms and the defenses against them, as well as offensive tactics such as "roll back" and saturation techniques. Fortunately, these matters have been much discussed in public in recent years and especially in recent months. As a result, I think it has become clear to most interested persons that while defense designers have sometimes been on the verge of solving one or two of these problems when they treat them separately and in isolation, they have never come close to coping with them in the complex combinations that even a moderately sophisticated offense can present. I see no reason to suppose that this situation will change.

I should like now to turn to two technical problems that pertain to all the forms of ABM so far proposed, but which unfortunately are not so simple to discuss nor so easy to quantify as that class of problems I have just mentioned.

Any active defense system such as the ABM, must sit in readiness for two or four or eight years and then fire at precisely the correct second following a warning time of only a few minutes. This warning time is so short that many systems designers would like to eliminate human decision-makers, even at low command levels, from the decision making system. Further, the precision needed for the fire time is so fine that machines must be used to choose the precise instant of firing no matter how the decision to fire is made. In the case of offensive missiles the situation is different in an essential way: although maintaining readiness throughout a long, indefinite period is necessary, the moment of firing is not so precisely controlled in general and hence human decision makers, including even those at high levels, may readily be permitted to play a part in the decision-making process.

Thus if we wish to be certain that the defense will respond under conditions of surprise, the trigger of the ABM, unlike the triggers of the ICBMs and Polarises, must be continuously sensitive and ready, in short a "hair" trigger for indefinitely long periods of time. On the other hand, it is obvious that we cannot afford to have an ABM fire by mistake or in response to a false alarm. Indeed the Army went to some pains to assure residents of areas near proposed Sentinel sites that it was imposing requirements to insure against the accidental launching of the missile and the subsequent detonation of the nuclear warhead it carries. Moreover Army R&D officials have assured the public that no ABM's would ever be launched without specific approval of "very high authorities." These two requirements, a "hair" trigger so that it can cope with a surprise attack and a "stiff" trigger so that it will never go off accidentally or without proper authorization are, I believe, contradictory requirements. In saying this I am not expressing doubt as to the stated intention of the present Army R&D leaders, and I strongly endorse the restrictions implied in their statements. However, I am saying that if the system cannot be fired without approval of the "highest authorities," then the probability of its being fired under conditions of surprise is less than it would be otherwise.

Furthermore, when control over the system passes from the present R&D oriented officers to operations oriented officers, it is not at all clear that these latter will approach the problem with the same degree of sensitivity. It is important to emphasize that this problem exists only in the real world and not in the test range; on the test range there need be no such concern about accidental misfires, the interceptions do not involve the use of nuclear weapons and the day, if not the second, of the mock attack is know. Another essential (but again difficult to quantify) difference between the real world and the test range lies in the fact that the deployed defensive equipment will, normally, never have been fully and realistically exercised and even the supposedly identical test range equipment will never have been tested against the precise target or targets that the deployed equipment would ultimately have to face. In the case of other defense systems which have worked after a fashion, practice using the actual deployed, equipment against real targets has been possible and has been a major element in increasing their effectiveness. Thus, the Soviet SAMs in North Vietnam work as well as they do because both the equipment designers and the operating crews have had plenty of opportunities to practice against U.S. targets equipped with real countermeasures and employing real tactics.

For all these reasons, I continue to have the gravest doubts as to the capability of any ABM system I have heard of, whether or not the problem has been defined into being "easy" and whether or not it "works" on a test range. I stress that I am not just talking about some percentage failure inherent in the mathematical distribution of miss distances, nor statistically predictable failures in system components, but rather about possible catastrophic failure in which at the moment of truth either the system doesn't fire at all, or all interceptions fail for some unforeseen reason.

Let us now move from technical to political matters concerning the relationship between the ABM and the arms race. It is frequently said that the ABM, or at least some versions of it, does not have serious arms control implications. The reasons advanced have to do with its intrinsically defensive character. In my opinion such a belief is based on an error which may be called "The Fallacy of the Last Move." It is indeed true that if the last move ever made in the arms race consisted in deploying an ABM system, then deploying the ABM would by definition not have any arms race implications. But in the real world of constant change in both the technology and the deployed numbers of all kinds of strategic weapon systems, ABMs are accelerating elements in the arms race. In support of this, let us consider a relevant bit of recent history.

At the beginning of this decade, we began to hear about a possible Soviet ABM and we became concerned about its potential effects on our ICBM and Polaris systems. It was then that we began seriously to consider various penetration aid ideas, among them that of placing more than one warhead on a single offensive missile. This idea has since grown in complexity, as these things do, and has resulted in the MIRV concept (Multiple Independently targeted Reentry Vehicles). There are now additional justifications for MIRV besides penetration, but that is how it all started. As others have pointed out, the MIRV concept is a very important element in accelerating the arms race, and potentially seriously destabilizing. In fact, the possibility of a Soviet MIRV is used as one of the main arguments in support of the idea of hard-point defense and thus we have come one full turn around the arms race spiral. No one in 1960–61 thought through the potential destabilizing effects of multiple warheads, and certainly no one predicted, or even could have predicted, that the inexorable logic of the arms race would carry us directly from Soviet talk in 1960 about defending Moscow against missiles, to a requirement for hard-point defense of offensive missile sites in the United States in 1969. Likewise, I am sure the Russians did not foresee the large increase in deployed U.S. warheads that will ultimately result from their ABM deployment. Similarly no one today can describe in detail the chain-reaction which the Safeguard deployment would lead to. The response of our defense establishment to the Soviet ABM, which I have outlined above, was not the result of our being "provoked," and I emphasize this because we hear so much discussion about what is a "provocative" move and what is not. Rather, our response was motivated by a deep seated belief that the only appropriate response to any new technical development on the other side is further technical complexity of our own. The arms race is not so much a series of political provocations followed by hot emotional relations as it is a series of technical challenges followed by cool calculated responses in the form of ever more costly, more complex, and more fully automated devices. I believe that this endless, seemingly uncontrollable process was one of the principal things President Eisenhower had in mind when he made his other, usually forgotten, warning: "we must be alert to the . . . danger that public policy could itself become the captive of a scientific-technological elite." He placed this other warning, also from the farewell address, on the same level as the much more familiar warning about the military-industrial complex.

It may be that the present Soviet offensive buildup is in part a response to one of the earlier versions of our ABM. The Soviet "Pentagonologists" may simply have concluded in the mid-sixties that the U.S. military-industrial complex eventually would succeed in foisting an ABM on the American people, and the Soviet technologists felt a need to provide a technical response to it, just as we did earlier in the reverse case. Just how correct this hypothetical analysis of our future action was, still remains to be seen.

Thus, although I cannot be sure of the mechanism, I believe that either Sentinel or Safeguard will produce further acceleration of the arms race. It is possible that the deployment of these ABMs will lead to a new round of penetration aid developments with further consequences of the magnitude of those produced by MIRV. It is indeed probable that deployment of these ABMs would lead to greater numbers of deployed offensive warheads on both sides. We may further expect deployment of these ABMs to lead to the persistent query, "but how do you know it really works?" and thus to increase the pressures against the current Partial Test Ban Treaty. Finally, it is certain that deployment of these ABMs will lead to placing greater reliance on automatic devices for making that ultimate decision about whether or not doomsday had arrived.

Perhaps the worst implication of the ABM, with regard to arms control, is that the people and the Congress may be deceived into believing that we are finally on the track of a technical solution to the dilemma of the steady decrease in our national security which has accompanied the steady increase in our military power over the last two decades. Such a false hope would be extremely dangerous if it diverted any of us from searching for a solution in the only place it may be found: in a political search for peace combined with arms control and disarmament measures.

Let me close on a more positive note by saying that I do believe there are circumstances in which an ABM could play a beneficial role. Such a circumstance would be one in which, as part of a bold and strong arms control agreement, at least one offensive missile was eliminated for each defensive missile deployed. Under such circumstances, deployment of an ABM would receive very wide support indeed. But unfortunately, that's not what we're talking about; instead, the only serious proposals before us seem to involve more of everything.

APRIL 22, 1969.

HON. DAVID PACKARD,
Deputy Secretary of Defense,
Washington, D.C.

DEAR MR. PACKARD: When you testified before the Subcommittee on International Organization and Disarmament Affairs of the Committee on Foreign Relations on March 26, you and I discussed the question of people outside the Defense Department who had been consulted regarding the Safeguard system. You subsequently provided a list of scientists and engineers consulted by Dr. Foster and a list of members of the President's Scientific Advisory Council who were present at a discussion of ABM with Dr. Foster.

I would appreciate having, if possible within two days, answers to the following questions:

1. When were the scientists and engineers, listed as members of the Defense Science Board, consulted by Dr. Foster on the ABM?

2. Was Dr. Richard L. Garwin present at the meeting at which the members of the Defense Science Board were consulted by Dr. Foster on the ABM?

3. On what date did Dr. Foster discuss the ABM with members of the President's Scientific Advisory Council?

4. Does Dr. Roland Herbst, a member of the Defense Science Board Task Force on ABM, now hold a government position, and, if so, what is that position?

5. Does Mr. Fred Payne, a member of the Defense Science Board Task Force on ABM, now hold a government position and, if not, has he held a government position in the past and, if so, when?

6. What is the present position of Dr. Donald Ling, a member of the Defense Science Board Task Force on ABM?

Sincerely yours,

J. W. FULBRIGHT,
Chairman.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., April 25, 1969.

HON. J. W. FULBRIGHT,
Chairman, Committee on Foreign Relations.

DEAR MR. CHAIRMAN: This is in response to your letter to me of April 22, 1969. My com-

ments correspond to your numbered questions.

1. Dr. Foster has discussed the ABM issue with various members of the Defense Science Board at various times, including:

a. March 11, 1969—Defense Science Board Task Force on ABM.

b. May 10, 1967—the full Defense Science Board. The entire meeting was devoted to ABM.

2. Dr. Garwin was present at the May 10, 1967 meeting, but was not present at the March 11, 1969 meeting (he was not a member of the Task Force). Dr. Foster has, however, discussed the ABM issue with Dr. Garwin informally on several occasions.

3. Dr. Foster discussed the ABM issues with members of the President's Science Advisory Committee (PSAC) on October 22, 1968, and March 17, 1969. The Strategic Military Panel of PSAC was briefed on ABM issues by the Deputy Director of the Office of Defense Research and Engineering, Dr. Lloyd Wilson, and Lt. General Alfred Starbird, the Sentinel System Manager, on October 3, 1968. During the period that the modified Sentinel program (now Safeguard) was under consideration in the Executive Branch, it was studied by the PSAC Strategic Military Panel. It is important to know that the Sentinel System contained all the options eventually incorporated into Safeguard, such as defense of Minuteman and defense against SLBM's, so that the issues covered by the Panel were essentially those covered in the Executive Branch. The results of the Panel's considerations were discussed on February 26, 1969, by Dr. Foster and me, with Dr. Dubridge, Chairman of PSAC, and with Dr. M. L. Goldberger, Chairman of the Strategic Military Panel, and Dr. S. D. Drell, member of the Panel.

4. Dr. Roland Herbst is Associate Director of the Lawrence Radiation Laboratory, University of California. He has recently indicated acceptance to an appointment as Deputy Director (Strategic and Space Systems) in the Office of the Director of Defense Research and Engineering. Papers to this effect are currently being processed through the Civil Service Commission.

5. Mr. Fred Payne does not hold a government position. He is a consultant, however, to the Director of Defense Research and Engineering. From August, 1961, to May, 1962, he was Assistant Director (Strategic Weapons), and from May, 1962, to April, 1965, he was Deputy Director (Strategic and Defensive Systems), both in the Office of the Director of Defense Research and Engineering.

6. Dr. Donald Ling is Vice President, Military Systems Engineering, Bell Telephone Laboratories, Whippany, New Jersey. He was the personal selection, as were the other Panel members, of the Chairman of the Task Force, Dr. Richard Latter, (who incidentally is a member of the Strategic Military Pact of PSAC). Dr. Ling was chosen for his expertise in the ABM system under discussion.

When considering a subject as technically complex as the ABM, it is imperative that the government obtain inputs from many qualified sources. We depend heavily on the cooperation of the universities and of industry in furnishing us experts outside of the Department of Defense for this purpose. These outside experts are sometimes of necessity affiliated with the program under discussion. However, they function in strictly an advisory capacity and decisions are made within government.

I would be pleased to furnish any other information you may wish on this matter.

Sincerely,

DAVID PACKARD.

[From the Washington Post, May 12, 1969]

A-SUB INVULNERABLE, POLARIS CHIEF SAYS

(By Jim Ottaway, Jr.)

The Navy admiral responsible for the 41-submarine missile fleet is confident the Russians cannot now and will not in the foreseeable future be able to successfully attack the United States' $13-billion underwater nuclear deterrent force.

In a rare newspaper interview, Rear Adm. Levering Smith, director of Navy strategic systems projects, gave the following reasons for his belief in the invulnerability of the nuclear missiles carried by nuclear-powered Polaris submarines:

1. "I am quite positive that Russian submarines cannot and are not following any of our Polaris submarines under water. I am also quite positive that the new generation of Russian submarines that are getting close to operational status, that are now being tested, will also not be able to follow our Polaris submarines."

2. The Russians have no specific new anti-submarine warfare methods the Navy knows of that would make the Polaris fleet vulnerable to attack, despite many reports of a superior Russian sonar system or satellite detection capability.

3. Neither the United States nor the Russians can or will likely ever be able to use satellites to detect submarines under the water.

"We have tried to use satellites to do that. The laws of physics will have to be changed to make it practical. The chances of a satellite going over the right spot aren't very good. It's possible, but not practical, to use satellites for submarine detection," Adm. Smith said.

4. Although only 50 per cent or 328, of the 656 Polaris intercontinental missiles are on station at one time and ready to fire within minutes of a presidential order, the Navy knows from actual test firings that their reliability is 85 to 95 per cent.

5. He is "skeptical" about reports that the nuclear attack submarine Scorpion, not a Polaris submarine, lost near the Azores May 21, 1968, and not found until Oct. 29 was first found by the Russians, who supposedly gave us a friendly tip on its whereabouts. Columnist James J. Kilpatrick on April 4 reported that the Russians have a "superior detection system" in their submarine service, but Adm. Smith stated flatly that this is not so.

Smith's assurances on the safety of the Polaris fleet are significant because of recent statements by Secretary of Defense Melvin Laird and Deputy Secretary David Packard casting doubt on the safety and invulnerability of the 656 Polaris submarine missiles as an assured second-strike deterrent the Nation could count on in the 1970s.

In testimony before the Senate Armed Services Committee March 20, Laird and Packard argued the need for President Nixon's proposed Safeguard anti-ballistic-missile system to protect our 1054 land-based Minuteman missiles.

Laird said at one point:

"If this particular question (of Polaris invulnerability) is limited to the period through 1972, I would say I believe that our force will remain very free from attack. If you go beyond that time period I seriously question that."

When asked if the expensive Polaris missile system is not enough assured second-strike nuclear weapon capability by itself, Smith smiled and said, "You tell me."

The Navy, under Smith's direction, is working on two major projects to keep the underwater deterrent force invulnerable during the 1970s. One, called Project Sanguine, would spend $1 billion to improve land-based communications with Polaris submarines. The other would spend many billions to build a whole new generation of Polaris submarines now called "undersea long-range missile system" or ULMS.

POLLUTION OF LAKE SUPERIOR

Mr. TYDINGS. Mr. President, the decline of water quality in our Nation is well known to all of us concerned with environmental quality. Today every major river system in American is polluted.

Our once blue and clean waters are now brown and filthy as silt and industrial and municipal waste continue to pour into them. Despite the enactment of substantial legislation in the past 8 years, the Water Resources Research Act of 1964, the Water Quality Act of 1965, and the Clean Water Restoration Act of 1966, water pollution remains one of our major, pressing domestic problems.

One obstacle to its abatement is the scarcity of funds. The difference between the authorization and the appropriations for fiscal year 1969 construction of water quality treatment facilities was $486,000,000. This may not sound like much compared to the figures one hears regarding ABM, but I am willing to bet in the long run it will provide a greater safeguard.

Another obstacle is the laxity of some Federal Agencies whose responsibility encompasses environmental quality. A most regrettable example of this is the approval by the Corps of Engineers of the dumping of taconite-tailings into Lake Superior, an action which has been taking place since 1949, and the apparent willingness of the Federal Water Pollution Control Authority to permit this to continue.

It is now time for this type of activity to stop. I urge the Corps of Engineers to deny the application for the renewal of the permit required to continue this dumping. I urge the FWPCA to ban this type of discharge into our waters.

The daily dumping of nearly 3 tons of nickel, a ton of zinc, 3 tons of lead, 4 tons of chromium, and 373 tons of manganese cannot but impair the ecology of Lake Superior. Surely we must realize that it simply does not make any sense to permit this activity to continue.

The Washington Post of Wednesday, May 14 contains an editorial entitled "Pollution of Lake Superior" which warned that Superior, the cleanest of the Great Lakes, is now endangered by pollution. The same day's New York Times carried a similar story. Both mention the case of the taconite-tailings and the failure of the Federal Government to put a stop to their discharge into the lake.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 14, 1969]

POLLUTION OF LAKE SUPERIOR

Reports that Lake Superior is being seriously polluted are a danger signal that the whole country should note. Superior is the largest, deepest and cleanest of the Great Lakes. With Lake Erie ruined and most of the adjacent lakes gravely impaired, conservationists have found some comfort in the supposed purity of Lake Superior. Now, however, even this immense fresh-water sea between the United States and Canada is being dangerously contaminated.

Investigators for the Federal Water Pollution Control Administration have found that 91 municipalities, 61 industries and 124 Federal installations are discharging wastes into Lake Superior or its tributaries.

Additional pollution is coming from watercraft, pesticides, polluted dredgings and sediment. Apparently most serious of all is the dumping into the lake of 60,000 tons of ore waste per day by the Reserve Mining Co. of Duluth.

It is shocking to learn that the Reserve Company has had a permit from the Army Corps of Engineers to dump its taconite tailings into the lake since 1947. Renewal of the permit is now being sought despite the findings of a Pollution Control Administration team that the tailings have become a source of concern. A recent study has also shown the presence of taconite tailings in the municipal water systems of Duluth, Beaver Bay and Two Harbors, Minn.

Reports that the findings of pollution by the Reserve Company were suppressed in the Interior Department at the behest of Rep. John A. Blatnik of Minnesota are especially distressing. As Chairman of the House Subcommittee on Rivers and Harbors, Mr. Blatnik has been a leader in many campaigns against water pollution, but his enthusiasm for taconite mining in the Duluth area appears to have dulled his sensitivity to the damage that is being done to Lake Superior.

Despite the suppression of the report within his Department, former Interior Secretary Udall did order an "enforcement conference" on the question of pollution in Lake Superior before leaving office. That conference began on Tuesday of this week in Duluth. It has before it 20 recommendations for ending the pollution of Lake Superior. Unfortunately, the recommendation of the suppressed report that the dumping of mining waste into the lake be stopped has been toned down to a request for "continued surveillance" of the Reserve Mining Co. operation at Silver Bay. But the conference has a clear obligation to recognize pollution for what it is and to move resolutely toward its elimination.

[From the New York Times, May 14, 1969]

ORE WASTE TOPIC AT LAKE HEARING—U.S. AIDES WANT DEPOSITS KEPT UNDER SURVEILLANCE

(By Gladwin Hill)

DULUTH, MINN., May 13.—Federal officials announced today that an iron mining company's daily discharge of 60,000 tons of ore waste into Lake Superior be kept "under continuing surveillance" rather than stopped, as some officials and conservationists had urged.

The recommendation was made as the Federal Water Pollution Control Administration opened a hearing on suspected pollution of the lake, one of the world's largest bodies of fresh water.

The hearing, involving Minnesota, Wisconsin and Michigan, is the first stage of a statutory pollution abatement proceeding ultimately enforcible by the Federal courts.

The lake, 350 miles long and 160 miles wide, with a surface area of 31,820 square miles, is conspicuous among the Great Lakes for having largely maintained its purity.

LONG-TERM THREAT SEEN

However, a long-term threat to this condition has developed in the discharge into the lake, directly and through 100 tributary streams, of inadequately treated municipal, industrial and agricultural wastes.

The same influences, ignored until recent years, have turned Lake Erie into a contaminated sump that some experts despair of rehabilitating.

The most conspicuous of the Superior waste discharges is the "tailings," or refuse material, of the Reserve Mining Company, poured into the lake at nearby Silver Bay.

The only one of a half dozen mining companies in the area that does not deposit its tailings on land, Reserve over the last 20 years has put 67 million tons of debris into the lake.

This was done on the basis of continuing permits from the Army Corps of Engineers, which is primarily concerned with maintaining the navigability of waterways rather than with the fine points of pollution.

While a large part of the pulverized debris is sand, Federal investigators have reported that the daily discharge includes nearly three tons of copper, nearly a ton of nickel, a ton of zinc, three tons of lead, 4.5 tons of chromium and 373 tons of manganese.

COMPANY SUBMITS DOSSIER

The mining company, a subsidiary of the Republic and Armco Steel corporations, produced a two-inch-thick dossier of testimony and documentary material aimed at proving that this discharge was innocuous and in the main sank harmlessly to the bottom close to the shore in the form of silt.

The Federal Government's contention is that a lot of this powdery material circulates in the lake's waters and is impairing the lake's ecology.

This contention was supported by many members of an audience of 600 persons who overflowed the Hotel Duluth ballroom for the hearing.

The lake's condition was investigated last year by a special panel from five agencies of the Department of the Interior. A report on the study, signed by Charles A. Stoddard, then regional coordinator for the department, recommended that the dumping be stopped.

The report was disowned by the department, and a subsequent, milder analysis prepared by the Water Pollution Control Administration is the basis for the present hearing.

Referring to a report in The New York Times that the original findings had in effect been suppressed, Water Pollution Control Commissioner Carl L. Klein told the hearing:

"There has been no attempt at suppression. The other report that has been mentioned is a report by an individual. The department is not bound by his report."

Representative John A. Blatnik, Democrat of Duluth, who was reported to have figured in Congressional pressures to quash the original study, denied to reporters that he had done this.

The hearing will continue tomorrow.

THE ADMINISTRATION, AND A NEW LOW LEVEL OF LIBRARY ASSISTANCE

Mr. MONTOYA. Mr. President, all of us here are concerned over Government spending and the need to reorder our priorities. The taxpayers, in giving up a substantial portion of their year's earnings have a right to expect that their hard-earned money is used consistent with the public trust and confidence and with regard for their long-range interests.

I feel obliged to point out, however, that while some cuts made in bringing runaway spending under control have an undeniable validity, others are a threat to public faith in our Government institutions.

The Nixon administration's announced intention to give low priority to education and to library materials, services, and construction is a case in point. The administration has cut the budget figures for the U.S. Office of Education by approximately $370 million, and of this total 25 percent of the cut is in the field of library service.

They have called for but one-half—$17.5 million—of President Johnson's request for title I grants, under the Library Services and Construction Act, which have been so useful in prodding local and State governments to spend money for improving and expanding their library systems.

Under title II of the same act—the construction portion for new libraries—the administration has asked that no funds at all be provided, although the Johnson budget saw the need for $9.2 million for 1970 alone.

And under the Johnson budget for title II of the Elementary and Secondary Education Act, there would have been $42 million to provide library materials and textbooks for public and private schools, but the Nixon budget also cuts this important title to zero.

But this is only the tip of the iceberg, as we say. Severe and drastic cuts have also been made in library services and assistance under the Higher Education Act:

Title II of the act, under which President Johnson had requested $25 million for college library resources, has been slashed to $12.5 million.

Title II–B funds for librarian training have been reduced by the Nixon administration from $8.25 million to $4 million.

Title II–C of the Higher Education Act, on ongoing program of cataloging and acquisition of materials by the Library of Congress, is scheduled at a $4.5 million level, instead of the $7.4 million requested by the Johnson administration—even though the project has elicited much praise for its great contribution and assistance to colleges and universities throughout the country.

And under title VIII of the act, President Johnson requested $750,000 for a program of planning and startup of "networks of knowledge." But the Nixon administration has allocated no funds whatsoever for this important program for encouraging institutional resource sharing between higher education institutions with limited resources, development of computer hookups, and so forth.

And all of this has occurred at a time when Mr. Nixon—in celebration of National Library Week—April 20–26—just finished commenting in a most eloquent manner on the vital contribution made by libraries to the intellectual life of our Nation. He said:

> Libraries are a summing up of past achievement and a stimulant to future progress. Never have we had greater reason than this year to celebrate National Library Week. For never have our libraries played a more prominent role in our campaign against ignorance and for fullness of educational opportunity.

Then, he proceeds to set our progress toward intellectual development back by virtually putting our libraries out of business. With the ever-increasing explosion of knowledge, this is indeed a tragedy, and one which we cannot allow to happen.

Our libraries are essential social and educational institutions that encourage the extension and active generation of ideas through books, tapes, films, records, printouts and video-tapes. They are universities of all the people, and our librarians are dedicated, overworked men and women who render an incalculable service in helping the people to reach the

world's collected informational and intellectual resources.

In my own State of New Mexico, the demands for library service are extremely heavy. Unhappily, our libraries are woefully inadequate, not only with respect to deficiencies and shortages in books which they should contain, but also in terms of understaffing and underequipping. In many areas of the State, libraries are totally nonexistent. As a result, there is serious cultural and educational deprivation for millions of people, including those representing the very core of desperate and abysmal need, loneliness, discouragement, pain, and abnormality.

With these cuts in financial assistance, the lively interest in summer reading programs for children will suffer. In many cases, the books were the first the child had ever had as his very own. Other energetic programs for serving the community will also take their toll—bookmobile services, talking book machines and other aids to the blind and the handicapped, services to Indian reservations, information used for vocational and adult education, and so on.

Moreover, Mr. President, there is no question but what the knowledge explosion demands new techniques for arranging and generalizing our rapid increase in knowledge about many processes. But as our present libraries and research facilities grow in size, they also become increasingly difficult to use.

Clearly the problem is critical, since a researcher must be enabled to find out in a reasonable amount of time what results are known concerning Problem X. But the monstrous accumulation of information and paperwork is slowly burying us and has slowed information retrieval to a mere crawl. It may not be too extravagant to say that the situation, combined with redtape and antiquated procedures, is probably more of a threat than Red bombs and Communist encroachments.

But there is a solution to the problem. American technology has supplied us with tools to free us from this information and paper jungle. Our present cumbersome library system is likely to be obsolete by the end of the century, and it is by no means too early to start planning a radical reorganization of the system now, since libraries of the future will have to make heavy use of automation.

This is not, of course, to say that we will be abandoning personal contact with books or proposing the use of machines where human beings can perform the task more efficiently. But without some degree of mechanization combined with machine search, information retrieval will become hopeless in a few decades, and the alternative can only be for libraries to abandon any degree of completeness.

In the face of these very fundamental operational and financial needs of our libraries and librarians, who are begging for materials and funds so that they may expand and do their job, we cannot afford to curtail library assistance funds. If we do, our children will pay the hidden price in terms of loss of great dividends in knowledge and wisdom. Further, it could well prove ruinously expensive to the Nation as a whole.

In view of these vital and urgent needs, I most strongly urge the restoration of all library assistance funds, in order that we may continue to broaden the base of our efforts to become increasingly sensitive to human purposes, and so that we may start applying our innovations for the benefit of education and society as a whole.

TV STATEMENT BY SENATOR BYRD OF WEST VIRGINIA SUPPORTING ANTIOBSCENITY BILL

Mr. BYRD of West Virginia. Mr. President, on May 14, 1969, I made a statement for television regarding my support of antiobscenity legislation. I ask unanimous consent that the transcript of that statement be printed in the RECORD.

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

STATEMENT ON THE ANTIOBSCENITY BILL

The President's request that Congress act to halt the flow of obscenity through the mails has my support. The homes of our citizens need the protection of the Federal Government against the abuse of the mails by the purveyors of pornographic literature. I am co-sponsoring a bill in the Senate to make it a Federal crime to use the mails for the distribution of sex literature and pictures, and to ban the sales of such smut to persons under 18. The bill is based on a New York statute that has been upheld by the United States Supreme Court. I don't believe it would conflict with freedom of speech guarantees. Our citizens should not be left defenseless against offensive literature sent into their homes by smut peddlers. Citizens should not be asked to accept another postal rate increase without action by the Federal Government to curb the growing traffic in sex-oriented filth.

THE PEACE CORPS

Mr. CRANSTON. Mr. President, the Peace Corps has been one of the outstanding American success stories of this decade.

Both as an outlet for the creative idealism of American youth and as a concrete demonstration of human concern for the problems of other nations, the Peace Corps has played a very special role.

In performing both these tasks, the Peace Corps has drawn its greatest strength from the remarkable independence it has enjoyed within the bureaucratic structure of our Government. The Peace Corps, by express direction of former Secretary of State Dean Rusk, has remained apart from official American foreign policy. As a result, Peace Corps volunteers have been able to view themselves—and have been recognized in the countries they seek to aid—as individuals acting from personal commitment rather than as representatives of a foreign government.

I sincerely hope that this unique expression of American concern for others will never be stifled by unduly close ties to the more traditional foreign affairs agencies. In this regard, however, I have read with some concern an article by Frank Mankiewicz and Tom Braden, published in the Washington Post and the Los Angeles Times of May 13, 1969. In their piece, the authors suggest that the distinctive role and nature of the Peace Corps may be undergoing some erosion, and that its previous emphasis on self-help and community change projects may be giving way to new priorities for technical assistance at a level reminiscent of AID activities.

I ask unanimous consent that the relevant portion of the article by Messrs. Mankiewicz and Braden be printed at this point in the RECORD so that it may be more readily available to Senators. I should like to note, in this connection, that Mr. Mankiewicz is particularly well qualified to write of the Peace Corps, since he was a country director in the earliest days of the Peace Corps, and in 1964 succeeded Jack Vaughn as head of its Latin America programs.

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

The Peace Corps, once a simple idea which attracted young, idealistic Americans willing to volunteer for two years' service abroad at minimum subsistence, is acquiring considerable tarnish both from the rest of the bureaucracy and from its new leadership.

Several years ago, Secretary of State Dean Rusk sent a message to all U.S. posts overseas, saying, "The Peace Corps can best serve American foreign policy by not being a part of American foreign policy."

The import of the message was clear. There was to be no involvement in the work of the volunteers by other U.S. agencies overseas; under no circumstances were Corpsmen to be used as sources of information; they were to be as free as any other Americans abroad to speak their minds.

But, last week, the State Department ordered a study to see if there could not be more interchange of personnel among foreign policy agencies, including not only the Peace Corps and the State Department, but also the Agency for International Development, the U.S. Information Agency, and the Arms Control and Disarmament Agency.

What is ignored in this approach is that it was precisely to create a new and different American image abroad that the Peace Corps was created. If the identity of the Peace Corps volunteer, living at the level of the people he serves, is to be merged with the rest of the U.S. community abroad, living segregated and—by local standards—luxurious lives in English-speaking enclaves, the main reason for the Peace Corps is gone.

More ominously, a project which put Peace Corps lawyers into the Pacific Trust Territories of Micronesia, to help tribal councils codify their laws and to help set up institutions of self-government, has now been shelved, apparently at the insistence of the Department of Defense.

At the same time, the new Peace Corps Director, Joseph Blatchford, made it perfectly clear in his first appearances that he wants older technicians overseas, with higher pay, allowances for dependents and work projects which can be measured in terms of economic development. There will be, apparently, less of this fuzzy talk about self-help and community change.

Once again, the zeal for change obscures the reason for existence. The history of the U.S. effort in underdeveloped countries is largely a history of failure in just this kind of activity—U.S. economists and technicains trying to fit other cultures into our own economic measurements. It was once the Peace Corps' special mission to remind us that man does not live by Gross National Product alone.

Mr. CRANSTON. Mr. President, I do not know to what extent the concerns expressed by Messrs. Mankiewicz and Braden may be fully warranted by the facts. Unfortunately, these intimations that the new administration, and even the new Peace Corps Director, may not fully appreciate the distinctive character of the organization are not the first that have been heard.

I very much hope, however, that all these allegations of possible change in the nature of the Peace Corps will prove to be nothing but insubstantial rumor. I am sure that if the administration makes a careful examination of the contributions which the Peace Corps has been able to make largely because of its distinctive character, then they will leave its essential structure unaltered. The Peace Corps needs its independence from the foreign affairs establishment as much today as it did 8 years ago—for only in this way can it maintain its credibility both in the nations it serves and with the young people of America.

JUDICIAL IMPROVEMENT

Mr. TYDINGS. Mr. President, for some time the Subcommittee on Improvements in Judicial Machinery, of which I am chairman, has been attempting to develop ways of helping the Federal courts deal effectively with their caseloads.

In the past, Congress has too often responded to the problems of the courts by establishing new judgeships. It is more and more apparent, however, that increased manpower, alone, is not the entire solution to the problems.

On April 15, 1969, the subcommittee began hearings on S. 952, the omnibus judgeship bill of 1969. During the hearings the subcommittee sought not only to review the new judgeship requests and to seek to determine the justification for them, but also to explore other means of improving the operation of our courts. We were interested in learning whether or not management experts can play a role with the judicial councils or the large districts; whether or not the judicial councils are fulfilling their obligations to review and remedy administrative deficiencies in the trial courts; whether or not there are sufficient supporting personnel, prosecutors, and probation officers to absorb the additional new judges proposed in the bill; whether or not there are sufficient court reporters and whether or not the rules regulating their service are sufficiently flexible to allow their optimum utilization. Testimony on these issues and on others was heard from a number of witnesses, including the chief judges of six of our circuits.

During the course of the hearings some of the questions of the subcommittee resulted in spirited interchange with the judges. Following one such exchange, an editorial entitled "Judicial Improvement Begins at Home," was printed in the Washington Post of May 8. While pointing out that the judges "have properly come to Congress for manpower, courtrooms and equipment," the Post editorial also recognized that responsibility for the problems in the courts does not fall wholly on Congress and that the judges should exert more effort on their own in improving the administration of justice.

I believe the Post editorial is a well-reasoned discussion of the need to find solutions other than additional judges for the problems of the courts. 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:

JUDICIAL IMPROVEMENT BEGINS AT HOME

Senator Tydings may have sounded querulous and impatient when he scolded the judges who appeared before his Subcommittee on Improvements in Judicial Machinery the other day. He was obviously irritated by the judges' excuses for frustrating delays and attempted to convey to the jurists the growing public criticism of the courts' general inefficiency. His criticism is not applicable, of course, to all judges in the Federal system, but it has enough substance to justify a concerted and energetic judicial response.

The judges have quite properly come to Congress for manpower, courtrooms and equipment. They should have whatever they need to enable the courts to get abreast of their mountainous caseloads. But the responsibility for the present state of affairs does not fall wholly on Congress. Many judges have been lagging in the hours spent on the bench, in their failure to press lawyers and litigants for prompt disposition of cases, in the unsystematic assignment of cases and in the neglect of court-management studies. Congress is naturally impatient when judges call for additional help without doing all they can to help themselves.

It is time for judges to realize that the public is deeply concerned about easy-going ways on the bench at a time of crisis in law-enforcement. The trouble is not merely that every month of delay blurs the memories of witnesses and complicates the judicial fact-finding process. Lagging machinery of justice, which attempts to punish offenders and reimburse victims of wrongs months or years after the events in question, creates the impression of a breakdown in the orderly means of redressing grievances. Criminals may be confirmed in their belief that a bumbling society cannot cope with their depredations.

Of course the courts must retain a judicial atmosphere. Neither criminal charges nor civil suits can be disposed of by production-line methods. But mountainous rosters of stale cases could be reduced by good management and hard work by *all* the judges in the system. The judges as a group could make enormous improvements in the administration of justice in this critical period if they would acknowledge that the place to begin is with themselves.

DIVERSION PAYMENTS TO FARMERS

Mr. TOWER. Mr. President, it has recently been proposed that diversion payments to farmers be stopped or limited and that these funds be applied to feeding the hard-core poor. Last session, however, Congress held a debate on limiting these payments. The decision not to do so indicates that this money is well spent. To imply that a farmer should receive a minimum payment is to suggest that a man be penalized for success in his chosen field of endeavor. Agriculture diversion payments are made on a per acre basis in an effort to keep our Nation's agricultural community strong and capable of producing the food and fiber presently needed and of meeting all future demands. To limit arbitrarily the amount paid to any one producer and rechannel these funds elsewhere would destroy the industry which we are so dependent upon.

The American farmer met the challenge imposed by the hungry world after World War II and went into debt buying land and equipment to increase his capacity to produce food which was so desperately needed. Machinery manufacturers, chemical companies, and all associated industry spent untold millions engineering and producing better farming equipment, fertilizer, pesticides, herbicides and other specialty items needed by the agricultural community to bring their production up to a level necessary to supply the food and fiber demanded to keep our nation strong and to feed the hungry. It is imperative to note that the farmer receives less for his products today than before the second World War.

The agricultural community met the challenge of producing the much-needed food and fiber and accepted the long term financial obligations necessary to the accomplishment of this goal.

The farmer managed to raise his production to a level that exceeded demand. To prevent the failure of the farmer, who was indebted as far as possible, the Federal Government placed restrictions on him that required him to leave a certain percentage of his productive land idle. Since his mortgage and equipment payments had to be met, a payment was made to the farmer to offset his loss if he agreed not to till this land.

By reducing production, the price of agricultural products was maintained while the diversion payments helped keep the farmer solvent. The payments are in no way profitable, but, on the contrary, merely meet a small percentage of the farmer's obligations which would normally have been met by the cultivation of the diverted acreage.

The percentage of diversion is the same in all cases and the size of the farm determines the amount of acreage that is placed in the program.

It must be remembered that farming is done on an economical unit basis. One piece of equipment can only cover so many acres whether it be cultivating or harvesting. To limit payments would be to penalize a man for being successful.

SCHOOL DESEGREGATION GUIDELINES SUPPORTED BY SECRETARY FINCH

Mr. MONDALE. Mr. President, I have been following with interest, and commenting upon, certain statements and actions of the Nixon administration in the last several months with respect to the title VI school desegregation program. Several weeks ago I included in a statement I made on the floor of the Senate an excerpt from a press conference held by Secretary Finch of the Department of Health, Education, and Welfare. I stated at that time that the excerpt I was placing in the RECORD in-

cluded a clear and unequivocal response by the Secretary that current school desegregation guidelines are going to be enforced.

I went on to say at that point that as long as Secretary Finch maintained the firm position indicated in that press conference statement, he could depend upon my consistent support.

Just last week I received a letter from Secretary Finch in which he reinforced his firm and unequivocal statement that school desegregation guidelines are going to be enforced. The Secretary wrote:

The law is clear and so is my responsibility to enforce it. We are continuing to require school systems that have failed under freedom of choice plans to abolish discrimination to adopt a more meaningful and effective method that will accomplish the task by the fall of 1969. We shall allow delays beyond that date only where there are substantial impediments, such as the need for new construction. This is in accord with the policy followed by the previous Administration. I believe it is important that the Title VI program maintain the momentum that has been established, and your support of this objective is very much appreciated.

Secretary Finch's letter was in response to a joint letter sent by myself and Senators HARRISON A. WILLIAMS, JR., THOMAS F. EAGLETON, ALAN CRANSTON, and HAROLD E. HUGHES in which we questioned his statements in an interview published in U.S. News & World Report and in a memorandum he received from Mr. Mardian. I ask unanimous consent that the letter we sent to Secretary Finch on March 25 and his reply which we received recently be printed at the conclusion of my remarks.

I again congratulate the Secretary for his strong statement in support of existing school desegregation guidelines and pledge him my consistent support so long as he maintains the firm position indicated in the press conference remarks I referred to and in the letter to which I have referred.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 25, 1969.

Hon. ROBERT H. FINCH,
Secretary of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: As supporters of the basic principle underlying Title VI of the Civil Rights Act of 1964—that Federal tax revenues collected from all Americans should not be used to support programs or activities which discriminate against some Americans—we are concerned about the way in which the Title VI school desegregation program will be implemented in the future. We believe you share our commitment to equality of opportunity, but we are concerned about the statements attributed to you in the March 10th issue of a national magazine, and the interpretations being applied to those statements.

Our concerns have been heightened by articles appearing in last Sunday's newspapers with titles such as "Finch Aide Urges Eased Guidelines." We are disturbed to learn that you are being advised to relax the school desegregation guidelines, and advised to relax them in a furtive and quiet manner. In our judgment, these guidelines accurately reflect the law of the land, and should be implemented openly and honestly.

Because of the confusion which now seems to exist in many parts of the country—particularly the South—about how this Administration plans to proceed in the school desegregation program, we urge that you issue a statement clarifying your intent. We urge you to make clear the commitment of the Administration to implement this program firmly and fairly in accordance with the existing school desegregation policies and consistent with the decisions of the Federal courts We believe it would be unfair and unfortunate to change the existing requirements under which hundreds of schools are now desegregating.

Finally, Mr. Secretary, we hope that you will receive this letter in the same constructive spirit in which it is intended. We want to support you in the firm and fair enforcement of the Title VI compliance program. We believe, however, that a statement from you affirming your support for the program would help immensely to clear the air.

Sincerely,

WALTER F. MONDALE.
HARRISON A. WILLIAMS, JR.
THOMAS F. EAGLETON.
ALAN CRANSTON.
HAROLD E. HUGHES.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Washington, D.C., May 8, 1969.

Hon. WALTER MONDALE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MONDALE: Thank you for the joint letter you and Senators Harrison A. Williams, Jr., Thomas F. Eagleton, Alan Cranston, and Harold E. Hughes sent me on March 25 concerning school desegregation policy.

The memorandum described in the *Washington Post* article to which your letter refers was a personal memorandum from Mr. Mardian to me. Internal memoranda are not intended to, and do not, speak for this Department.

Having read the news account, I can appreciate your concern, but it would only complete the impropriety of the publication of extracts from the memorandum for me to discuss now its contents and attempt to place the extracted quotations in the proper balance. However, I can assure you that we intend to implement fully the court decisions and to achieve the goals this Department has set which you have worked so hard to obtain.

The law is clear, and so is our responsibility to enforce it. We are continuing to require school systems which have failed under freedom of choice plans to abolish discrimination to adopt a more meaningful and effective method which will accomplish the task by the fall of 1969. We shall allow delays beyond that date only where there are substantial impediments, such as the need for new construction. This is in accordance with the policy followed by the previous Administration. I believe it is important that the Title VI program maintain the momentum that has been established, and your support of this obective is very much appreciated.

The guidelines are continually under review to determine whether they can be clarified in accordance with the latest court decisions and whether they can better state the Department's commitment to quality education, as well as to equality of educational opportunity. As you may know, the guidelines have been revised twice in the past and it seems reasonable that the Department should maintain a degree of flexibility to allow room for improvement where possible. Any changes in the guidelines will be consistent with the constitutional protections as interpreted by current court decisions. The Office for Civil Rights will clearly demonstrate by its actions our determination to enforce Title VI in the North and South.

Thank you for your support. Please let me know whenever I can be of assistance.

Sincerely,

ROBERT FINCH,
Secretary.

THE ABM SYSTEM

Mr. GORE. Mr. President, this morning the Subcommittee on International Organization and Disarmament Affairs, of which I have the honor to be chairman, continued hearings on the subject "Strategic and Foreign Policy Implications of ABM Systems." Our witnesses were Dr. Jerome Wiesner, of MIT, former science adviser to President Kennedy, and Dr. Edward Teller, of the Lawrence Radiation Laboratory, University of California.

I ask unanimous consent that the prepared statements presented by Dr. Weisner and Dr. Teller to the subcommittee be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY BEFORE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATION AND DISARMAMENT AFFAIRS, MAY 14, 1969

(By Edward Teller)

In order to arrive at a balanced recommendation on the Safeguard ABM deployment, I shall consider the problem from three different points of view. First, I shall compare the inherent advantages of offensive and defensive missiles, assuming that we have a choice to emphasize one or the other form of preparedness.

Secondly, I shall discuss our state of knowledge concerning the expense of defensive deployment as compared to deployment of an offensive force.

And lastly, I intend to discuss the difficulties which have arisen in the ABM debate due to the shifts in the information on vital defense matters which are available to Congress and to the public.

Since these points have influenced my own thinking about missile defense, I will use the same arguments for the purpose of recommending the kind of deployment which I believe is both justified and urgently needed at the present time.

COMPARISON OF OFFENSE AND DEFENSE

When the existence of atomic explosives was disclosed to the world on the day of Hiroshima it seemed that henceforth defense had no chance to withstand the modern power of nuclear attack. This impression was reinforced when thermonuclear explosives multiplied the atomic blast one thousand fold. A last step in this development was achieved when the shift from delivery by airplane to delivery by rocket cut the time needed to cover the distance from home base to target in a dramatic way. The time used to be measured in hours, now it is measured in minutes.

All of this tended to prove what indeed has become a generally accepted slogan: There is no defense against nuclear attack.

In spite of this evidence, the Russian leaders have consistently claimed that it is their duty to defend the population of Russia and that in fact, such defense is possible. Historically, Russian air defense played an important role in the Second World War. At no time since the end of that conflict did the Russians relax their effort to protect their country against any possible attack.

Actually, during the last ten years there have been no essentially new major discoveries further to enhance the might of offensive power. In the same period the admittedly difficult task of defense has made considerable progress. In Russia missile defense was deployed. We have obviously arrived ourselves at a point where a concrete decision of comparing defense with offense has to be made.

There can be little doubt that if defense and offense were equally feasible it would be more humane to emphasize defense. The claim that defense is provocative hardly

seems logical. We do know that a nuclear conflict would cost millions of lives no matter under what conditions it is fought. To believe that better defense would encourage aggressive behavior on our part contradicts not only American history but even human nature.

It is an unfortunate circumstance that modern weapons have deprived us of the protection that our relatively isolated location used to offer. For this reason it is now necessary to prepare before actual trouble starts. In both the First and Second World Wars time for preparation was fortunately available. Since it is now necessary to give consideration to arms in times of peace, it will at least be in greater conformity with our feelings and our principles to put emphasis on weapons that fend off an attack and that save lives on our side, than on such weapons which are calculated to kill a maximum number of our enemies.

Secretary McNamara has often emphasized the notion that we shall keep peace by means of possessing the power of "assured destruction". It would be well to remember that in war nothing is assured. If there is any choice in the way in which our survival can be made probable that method should be given preference which will save lives over the method that escalates destruction.

Apart from such considerations, we are consciously and rightly seeking that kind of policy which leads to maximum stability. Development of aggressive weapons certainly indues fear and such fear may deter aggression. However, it may also persuade an opponent that he better take advantage of the possibility of a "first strike", because in this way he may minimize potential danger to his own country. Thus continuing deployment of aggressive weapons may indeed lead to instability.

By contrast, the development of defensive weapons is likely to have a stabilizing influence. If we possess sufficient defensive equipment, an aggressor cannot count on rendering us helpless. This is a more peaceful and not necessarily less effective way of deterrence. Our Russian opponents never have shown a proclivity to take chances. If they cannot be highly confident of success they are not likely to attack.

The mistake often is made of laying down requirements and letting technology be guided by the plans that have been developed. In reality, technical possibilities are rather inflexible. If aggressive weapons are much easier to develop and deploy than defensive ones, then the arguments that have been given above have no real weight. In the first fifteen years after World War II technical opportunities favored the offense and it would have been dangerous not to explore this potentiality. At that time it was estimated that defense may be 30 times as expensive as the amount of offensive power which could overcome the defense. Under those conditions I could not help but come to the conclusion that missile defense should not be attempted.

But in the last 10 years the technical trends have taken a new turn. The use of phased array radar meant considerable progress in the tracking of missiles. The incredibly rapid development of electronic computers has opened new horizons in the art of handling information. No one claims today as great an imbalance in cost between offensive and defensive weapons as used to prevail. Under the new conditions it is therefore of the greatest importance to compare quantitatively the effectiveness of offense and defense. In case defense has a chance comparable to that of offense there are strong reasons of common humanity and reasonably conservative behavior to place great emphasis on the development of a defensive force.

THE COST OF OFFENSE AND DEFENSE

At a future date when all relevant figures might become available to a historian it would be of great interest to compare two expenditures. One is the effort and the money spent by the Russians in deploying missile defense. The second is the effort and the dollars invested by us to develop and deploy penetration aids which were designed to overcome the Russian defensive deployment.

Today this comparison cannot be made. We cannot estimate in any precise manner Russian expenditures. Furthermore, we have insufficient knowledge whether and to what extent our penetration aids will overcome Russian defenses. It should be clearly recognized that the best we can do is to engage in a guessing game. Any claim of a quantitative comparison or a precise scientific evaluation must be discounted.

At the same time, I want to hazard the guess that our expenditures on penetration aids were not much less and possibly were considerably higher than the Russian expenditures on defense. A crude attempt at this type of comparison had a great influence on my own thinking. I am now thoroughly convinced that the possibility of effective missile defense cannot be discounted.

Scientists in the Pentagon who opposed missile defense and advocated penetration aids experienced a similar change. It is easy to say: Let us scatter chaff, employ decoys or let one missile carry several explosives. The execution of these suggestions consumed a lot of money. There are further possibilities to counteract defense. None are cheap and simple. All result in a considerable reduction of explosive power one can deliver for a fixed amount of money.

The result after several years of hard work was an increased respect for missile defense. Those who struggle day-to-day with the problem of how to penetrate Russian ABM are now recommedning that we employ some defense in our country.

There is of course, an obvious weakness in any argument for defense. What do we mean by "effective" defense? We should certainly desire to save the lives of as many of our citizens as is humanly possible, even in case that the horrible possibility of a nuclear war should materialize. But it is argued that this would require a perfect defense since the penetration of even one missile carrying a powerful nuclear explosive would spell disaster. Considerations of this obvious type have led scientists who viewed the problem from broader and somewhat more theoretical points of view to the conclusion that no defense can exist.

Actually, one can object to such a conclusion in two ways which are different but which are both valid. On the one hand, one can never ask for perfect success in the horrible and hazardous event of a war. To the extent that the dangers of nuclear war deter war itself, it is right to emphasize these dangers. But if these dangers should convince us that we need not even try to minimize the disaster, if it does strike, then the realization of a nuclear war national survival will be at stake. It is indeed possible to increase the chances of national survival even if catastrophic losses are unavoidable. If this situation is realized on both sides then war will be more easily avoided.

The second reason to doubt the validity of the assertion of "no possible defense" is the great scope for future development. In order to gain perspective it is worthwhile to consider what a determined defense effort might accomplish in the future. I shall attempt to indicate such a defense effort even though it would be certainly premature to plan such an effort at the present moment, and even though it would make no sense whatever to place a price tag on items which are as yet in the idea stage.

Any missile defense consists of two phases. First, the missile must be identified and tracked. Then the incoming missile must be destroyed. By using appropriately designed defensive explosives the latter job can be accomplished. The serious objections to the possibility of missile defense are connected with the first phase: that of identifying and tracking the missile.

In our preliminary plans we are considering relatively small numbers of radars which serve as our eyes. It is indeed possible to destroy these radars or else to fool them even while they function, by using decoys and other penetration aids. Missile defense may become thoroughly effective if and when we find it possible to employ more devices of detection and if we also vary the kinds of detectors we use. In the end, missiles that have a global range have to be observed from extremely widely deployed and greatly varied observation stations. In this way it will become most difficult for the attacking force to escape detection or to destroy a sufficient fraction of the observing stations. A valid argument concerning future feasibility of missile defense must take into account all the variety of detectors which could be made available and which today can be discussed only under our self-imposed rules of secrecy. I have the hope that the cooperative effort of many observation stations may indeed lead to success in defense.

One should mention that the real difficulty in such an ambitious plan will probably lie in the need for rapid communication and rapid evaluation of the results observed in widely dispersed locations. Fortunately, our electronics industries and our computers are progressing so fast that these difficult problems can be attacked with some hope of success. Electronic brains seem to become ten times as effective in every decade—without becoming more expensive.

At the same time it seems likely that our present means of observation, the radar stations, will remain vital components of any defense. Therefore, deployment of defense based on radar observation will serve as a first sensible step toward a more complete and more effective system which may become possible in the future.

We have to return, however, to the immediate question whether or not deployment of presently designed defensive systems is necessary. Furthermore, it is important to ask that if such a deployment is executed what should be the first goal of this deployment.

Since it is clear that defense is indeed difficult it is reasonable to start with the easiest task. This was the consideration that guided the decision to deploy Safeguard ABM. Partial success in the defense of missile sites will indeed preserve the effectiveness of our retaliatory force in case the enemy should attempt to destroy the missile sites by a first strike. A similar partial success in defending cities may be less meaningful because of the exceedingly vulnerable nature of the city targets. The decision to defend missile sites rather than cities does not reflect a preference in favor of missile sites. It rather is due to the recognition that in a well-considered development of a defensive system we should give priority to those tasks where success is most likely.

It would be of course, highly desirable to plan our defensive system and indeed all of our military expenditures in a logical manner. Unfortunately, we lack the knowledge to do this. This is the heart of the present argument and it needs special emphasis. *We do not know whether defense or additional offensive force will be cheaper and more effective.* Furthermore, we shall never find out unless we make an actual attempt by the means of a limited deployment.

Our industries have learned long ago that no big undertaking can be planned in a sound manner without first erecting a pilot plant. No amount of calculation or laboratory work will give reliable cost estimates. I consider the Safeguard ABM as such a pilot operation. If we are to plan our defense with any effectiveness we must know whether at-

tack or defense is cheaper. We do not have the answer. The most obvious illustration of this fact is given by the exceedingly divergent estimates you obtain from proponents and opponents of the ABM deployment.

There is a group of people which probably has reliable estimates. They are the Russian experts who have practiced the deployment of defense for many years. Our own experts have widely different opinions as to the effectiveness of the Russian ABM system. I am firmly convinced that all American authorities are basing their evaluation on mere guesses.

If we are to negotiate an agreement on arms limitation we are going to face experts who have actual experience in the deployment of missile defense. We shall be at a disadvantage in these negotiations unless we gain some experience of our own. Neither planning of national defense nor agreement on arms limitation can proceed in an effective way unless we explore defensive possibilities through actual deployment.

The question will naturally arise whether in this state of affairs more research might not be preferable to the proposed pilot operation. Research would indeed be the determining factor if missile defense were to depend on a single technical discovery. Actually, the defense depends on the coordination of many elements. The resulting intricate system is apt to develop difficulties which we cannot completely foresee. At the same time, when we engage the talents of many engineers, shortcuts and savings will probably be found. For instance, our computer industry has not yet been engaged in ABM work as thoroughly as would be the case if we deployed Safeguard. No cost estimate will be valid without the experience which we are now planning to get. No state of readiness can be trusted unless this state of readiness is tested in a deployed system.

The important question is whether defense or offense is cheaper and more effective. At the present stage we must give the answer that *we do not know*. This state of ignorance must be ended. Some important answers will be forthcoming in the near future if we begin deployment as recommended by President Nixon.

THE INFORMATION GAP

Controversy due to the lack of information on feasibility and cost of defense is further complicated by contradictory presentations given both to Congress and to the American public at different times, by different Secretaries of Defense. Testimony by Secretary Laird disclosed that the Russians are gaining superiority in nuclear weapons which may put them into a position to destroy our ability to retaliate by a "first strike". Recently declassified information given by Laird and by other proponents of ABM has been essential in the debate.

On the other hand, the American public, as well as many members of Congress, remember vividly earlier statements by Secretary McNamara. These statements had given the impression of continuing American strength which would exclude the dangers which are now mentioned.

Have we acquired new information to justify the changed evaluation? Or did McNamara lull us into a false sense of security? Or shall one agree with those who believe that the recent pessimistic statements are made to otbain approval of the ABM deployment by using scare tactics? It will take time before the validity of the new statements can be verified to the satisfaction of the majority, before this situation is put into proper perspective, and before the consequences are widely realized and accepted. Only then will it be possible to reestablish greater objectivity in debates on national defense.

Having watched trends of Russian weapon deployment I have been in agreement with Secretary Laird's present conclusions for the last three years. But one man's opinion in this question is of little value.

What is much more important is the fact that all our attempts at rational evaluation are hampered not only by effective Russian secrecy but also by the rules of secrecy which we practice ourselves. As long as decisive information is kept secret on our part and is disclosed only in a piece-meal fashion, we cannot hope to arrive at firm and rational conclusions.

The present ABM debate is most instructive as an example of the arguments which influence our decisions. The strong convictions of many opponents of ABM are based on two important statements: "Russia never will dare to attack us" and "The arms race must be stopped".

With regard to the first of these statements it is relevant to find out how Russian ability to attack is developing. Their intentions may never be correctly guessed but their deployment of arms has not remained completely hidden. The facts of this deployment and the evidence we have to support these facts have been surrounded in our country by the greatest of secrecy. This was done even though the Russians know what they have deployed and they also have a very good estimate of our ability to observe their actions. It would seem to be highly desirable if our knowledge concerning Russia's preparations would be currently displayed to public scrutiny.

The second motivating argument, "The arms race must be stopped", depends on an understanding of the nature of the arms race. In the early part of the 20th century, arms race meant a competition in the quantity of arms. The nature of these arms and their performance changed slowly, compared to the exceedingly rapid strides which characterize the technology of the last two decades. As long as an arms race can be defined in quantitative terms it is indeed a competition in brute force and can be defined in clear terms. In principle, it is possible to bring such an arms race under control.

Today's "arms race" is qualitative, rather than quantitative. Now possibilities of military developments are more important than mere multiplication of developed arms. In addition to the atomic bombs, thermonuclear bombs and missiles, one may mention the nuclear submarines and electronic equipments of increasing complexity as obvious examples. It is not easy to understand where such an arms race stands or how to limit it even if all facts are available for discusssion. But if we superimpose on this situation rules of secrecy whereby the most important developments cannot even be mentioned in public, any discussion of the arms race becomes a meaningless exercise.

At this point we encounter a basic problem of our democratic society. The public demands a voice concerning military expenditures and the public is of course also sensitive to its own physical safety. At the same time, our rules of secrecy deprive the public of any possibility of arriving at an informed opinion. Congress could disregard public opinion and reply on secret information made available to selected members. The present ABM debate is a splendid example of the fact that such a procedure will not work and that public opinion cannot be discounted.

Some scientists raise the objection that the facts are so complex as to be incomprehensible to the public, even in case of full disclosures. From this opinion I differ. The situation may be made to sound complex, but an honest attempt at a straightforward explanation will allow common sense to play an appropriate role. Indeed, if we should discard our respect for common sense we will have abandoned the basic premise of democracy.

In my opinion, *we have to open the book of military secrets both to the Congress and to the public*. To do this will have the disadvantage that we will give some help to our adversaries. The argument had weight at the end of the Second World War when our information was superior to that of the Russians. Today it is safe to assume that most of our essential secrets are known to Moscow. Indeed, I fear that Russian military research has already found many of the secrets which we are yet to discover.

I believe that our whole policy of secrecy should be carefully reviewed and that far-reaching decisions should be made to encourage open discussion. Secrecy has produced the information gap which impedes orderly discussion of the ABM question. It may produce a new credibility gap which could paralyze our government. It is in the spirit of open discussion that the weighty problem of the arms race must be solved.

TWO RECOMMENDATIONS

On the basis of what has been said, I submit that two actions are needed.

First, *the ABM deployment should be approved for one year*. This means a commitment of approximately $900 million. This money would be well spent for the information we shall gain.

According to the President's proposal, the ABM problem should in any case be reviewed in one year. This should be done on the basis of information which is as complete and as thoroughly discussed as possible. My second recommendation serves this end:

Our rules of secrecy should be rediscussed and made more liberal.

If ABM deployment is started now we shall have in one year some evidence of initial shortcomings or successes. The main purpose of a pilot operation is to gain experience. This experience should be thoroughly displayed for Congressional criticism. Approval at this time should not mean a commitment for the more distant future. Nor should the present proposal limit future expansion if this can be thoroughly justified.

In the meantime, open debate on hitherto classified information should create a more solid background for decisions affecting national defenses. If Congress approves the President's plan for next year we shall have gained valuable flexibility. A negative vote on ABM will result in continued ignorance. It will close a path that may lead toward safety by deploying explosive which in a case of emergency would destroy machines, rather than the cities of our opponents.

STATEMENT BY DR. JEROME B. WIESNER, PROVOST, MASSACHUSETTS INSTITUTE OF TECHNOLOGY, BEFORE THE U.S. SENATE COMMITTEE ON FOREIGN RELATIONS, MAY 14, 1969

Mr. Chairman, Members of the Committee: I appreciate very much your willingness to allow me to testify before you on this very important subject. If you will permit I would like to qualify myself to speak on the matter of the ABM, both in respect to its technical aspects and in regard to its strategic implications, and particularly its effects on the arms race and the possibilities of arms control agreements.

I have been concerned with the technical aspects of military systems since 1942 when I joined the staff of M.I.T. Radiation Laboratory where I worked on a variety of radar systems that were used in World War II, including ones for air defense and blind bombing. At the end of World War II I spent a year at Los Alamos helping to develop more reliable electronic components for nuclear weapons, and then I returned to M.I.T. to become a member of the faculty. When the Cold War intensified in the late 1940's and the United States began to fear a massive surprise attack by Soviet bombers, a major air defense effort was be-

gun by the United States Air Force, and I participated in many of the studies it sponsored. I helped conceive the SAGE computer-aided, air defense system and the D.E.W. line. During this period I participated in many other studies for the Department of Defense relating to strategic missiles and missile defense. Also, in 1958 I was the staff director of the U.S. delegation to the Conference on Means of Reducing the Danger of Surprise Attack.

From 1957 to 1960 I was involved in various strategic weapons and arms control studies for the President's Science Advisory Committee, and in 1961 and 1962 as President Kennedy's Special Assistant for Science and Technology I was deeply involved in the studies and discussions which led to the decision not to deploy the Nike Zeus ABM system and to begin research on a more advanced ABM system, then called the Nike-X, which was converted into the Sentinel system in 1967 and whose radars, computers and missiles in a different configuration, form the basis of the Sentinel system. Through these involvements and a continuing advisory role I have been able to stay reasonably familiar with ABM developments and the related intelligence.

In the course of my advisory roles in the White House and the Pentagon during the Eisenhower and Kennedy Administrations, I became deeply conscious of the tremendous pace of the arms race and the desperate need to bring it under control. I have also become aware of the fact that there have always been ways to reverse this dangerous situation without jeopardizing our security, but for many reasons we have not been able to take advantage of these opportunities in the past. In my opinion, it is possible to greatly enhance our security by halting the arms race. And when I say this, I am referring to our military security, not our domestic security, though this too would greatly benefit if we were able to turn our minds and our resources to constructive tasks. I would be glad to talk more specifically about how we might do this if you would like me to during the question period.

I believe that the Safeguard ABM system is a prime example of a weapon system that will at best do very little good, most likely accelerate the arms race and either way, waste large sums of money.

In my discussion today, I will concentrate my remarks on the current primary mission of the Safeguard system, the protection of the United States deterrent, but I will also say a few things about its potential for city defense. In this short paper it will not be possible to cover all of the issues that should be examined, however, these matters are examined in detail in the book "ABM: An Evaluation of the Decision to Deploy an Antiballistic Missile System," which Professor Abraham Chayes and I edited and which I believe you have. I will only highlight what I believe to be the key issues and then go into as much detail as is desired during the question period.

My opposition to the Safeguard ABM is based on my judgment that:

1. It cannot be made to work reliably and in the fashion claimed.

2. Even if it could be made to perform according to plan, it could be overwhelmed and exhausted by relatively easy to achieve counter-measures, and so at best it could provide only modest protection for the deterrent forces.

3. It will not be possible to test the Safeguard system realistically, i.e., against a large attack using nuclear weapons, so that we will never know its true capabilities or deficiencies before it has been used for real and then it will be too late to redesign it.

4. It is not needed to protect the deterrent forces. Even after a massive attack such as Secretary of Defense Laird suggests might be possible in the 1975 time period, if the Soviet Union continued the deployment of its large SS–9 missiles at the rate of the past several years and were successful with other developments such as ASW, MIRV's, FOB's, etc., a very substantial United States retaliatory strike would be possible.

5. Its deployment would be a move in the wrong direction. Safeguard is more likely to reduce our security than enhance it and represents a complicating step in the arms race. Whether it evokes a Soviet response or not, it will certainly make more difficult the arms-limitation problem.

From the point of view of the responsibility of the Congress, the fourth point is of particular importance, for if a large retaliatory force remains after the strongest attack by the U.S.S.R. that we can conceive of in the 1975 time period the desperate urgency to do something now disappears. There is plenty of time to decide what to do. Not the least of the choices is to continue to do nothing about new weapon systems while seeking the best way to insure the survival of the deterrent forces, whether through active defenses, or hardening, or increasing their numbers or through agreements limiting weapons deployments. It does appear feasible to design a hard point defense that would be considerably cheaper and better than the Safeguard system, but it wouldn't look much like the Safeguard. It is not obvious that deploying even such a system, were it available, would represent a most attractive choice.

Why do I believe that the Safeguard system is not needed? If one accepts Secretary Laird's estimate of Soviet force—numbers and accuracies, and his projected form of attack for 1975—it is possible to show that a very creditable retalitory force would survive it. According to calculations I made for our book, based on the assumption that not even elementary precautions were taken by the United States to protect its forces, such as redeploying aircraft or flying an air alert or protecting the Polaris submarines with our own ASW forces, and assuming that the Soviets achieve the projected capabilities, several hundred United States missiles and bombers capable of delivering more than 2,500 megatons of nuclear explosive would survive. This is a truly fearsome deterrent. In reality the situation would be better because in these calculations the attacker was given every benefit in regard to missile reliability, ability to accurately time and launch a global attack involving missiles and submarines, etc. A planner designing such an attack would obviously have to be much more conservative in his calculations, and to him the chance of success would seem even more improbable.

I want to make it clear that I don't believe that the Soviet Union is planning such an attack. I am examining the question of their ability to do so. That is, their capabilities. In fact, Secretary Laird has made it clear that he too is concerned about capabilities, not intentions. I do not claim that it would be impossible for the Soviet Union to achieve a first strike capability, but for this they would have to build a vastly bigger force than that projected by Secretary Laird. It would require that a larger number of very substantial technical programs all be highly successful. They would need large numbers of high accuracy multiple warheads, a much better air defense system, an effective ASW capability and a truly effective nationwide ABM system. Clearly, the Soviet Union is far from having these combined capabilities now and there is essentially no reason to believe that they will move into such a position by 1975 or even later.

If we were actually worried about the safety of our forces it could be improved quite readily. For example, moving the bombers from coastal bases to the center of the country would almost double the number that would survive a submarine-launched missile attack. An airborne alert would allow still more aircraft to survive. If we were still worried, a doctrine under which we fire after the first nuclear explosion if warning confirms an attack, would assure that all workable Minuteman missiles would be used in retaliation. There are other steps which could be taken, some of them quickly, to strengthen the deterrent, but unless the possible threat gets more serious than Secretary Laird's current projection, I do not believe that any of them are necessary.

My second point was that the Safeguard system would not provide much protection from a large scale attack for the deterrent force even if it did work as designed. It is generally agreed that the Spartan area defense system will not be effective against a large attack using countermeasures, so that it must be discounted in this case. Actually, the Sprint system is also vulnerable to countermeasures and saturation tactics, but even without such handicaps it will only provide modest help. The proposed first phase deployment would make hardly a measurable defense against the SS–9 force predicted for 1975. The 500 SS–9's carrying three warheads each would result in 1,500 objects to be intercepted by the defense (1,200 if we assume that the SS–9 has a reliability of 0.8). If the 150 Sprints all worked they could destroy only 150 of the incoming objects so that most of the attacking warheads would still reach their targets. Realistically two or three times as many Sprints as incoming objects would be needed for an effective defense. It would be possible to increase the number of Sprints to say 1,500 but it would also be quite simple for the offensive to counter this by replacing the three warheads with a mixture of even smaller warheads and heavy decoys which would still saturate the system. Replacing the three SS–9 MIRV's presently assumed by fifteen smaller ones and fifteen decoys, which is certainly feasible, would make the ratio of attacking objects to Sprints stay the same as before with as little consequent defense. [See revised testimony at end of speech.]

In these examples I assumed that the attack was directed at the hardened missiles. The Safeguard system radars are much more vulnerable to blast effects than the missiles it is supposed to protect, and there are only a few of them. Since they are vital to the operation of the system, a well planned attack would concentrate its first fire on them in the hope of neutralizing the entire system.

The foregoing assumed that the Safeguard system actually worked. There is good reason to question the system's reliability. There are several interrelated aspects to this question. First, there is the reliability of what is called the hardware, that is the physical components, radars, computers, missiles, communications facilities, etc.; second, there is the question of whether it can be kept functioning by the normal military crews; third, I doubt the reliability of the computer programs, and finally, we must be concerned about a different kind of reliability, whether it is possible to imagine and simulate the actual environment in which this complex system will have to operate.

The creation of the Safeguard system, like any large scale system that depends upon computers to control the operation of its parts and their integration, really involves two enginering tasks; the design and development of the physical equipment and the design and development of the computer program for operating the system. Few people realize that the second task may be much more formidable than the first and cannot proceed independently of it. In a very loose way I can liken this to the physical and mental development of a child. The two must go along together at the start until the physical computer exists and is operating reliably, which may take some time, and then the program development can be undertaken seriously.

While I do not have the time to examine the equipment reliability in detail now, a section of our book is devoted to the matter. It can be said without danger of contradiction that the ABM system represents the most sophisticated and intricate system that man has attempted to build, greatly exceeding the SAGE system or any other previous military system in complexity. Each individual component must perform considerably better, i.e., be more reliable, than those in present day units if the system is to achieve the needed overall reliability. In a recent article, Dr. Dan Fink, former Deputy Director of Defense Research and Engineering indicated that operational missiles might be expected to have an availability of approximately fifty per cent. Though he was talking about offensive missiles, they are hardly more complex than the Sprint or Spartan devices which furthermore are subjected to considerably greater accelerations in flight. The radars and the computers of the Safeguard system are much more complex than any previously used in a military application and in my judgment, the pattern of delays and failures in electronic systems reported by Mr. Richard Stubbing, a staff member of the Bureau of the Budget, in his study of the performance experience of major weapon systems developed since World War II will be duplicated here. It is very likely that a high failure rate will be encountered during the early life of the system and probable that components and subsystems will need to be re-engineered and replaced.

More difficult than creating the "hardware" is building the computer program. This was never adequately done for the SAGE system, and I am under the impression that the effort has been given up. Every new large-scale computer system has had serious operational trouble with its software or operational program. First, the task of designing and debugging a program always takes much longer than anticipated at the start. Second, even after extensive development and shakedown, the programs for complex systems contain many defects or conflicts that come to light only during the stress of operation, and so it is quite common for a computer system to fail completely ("crash" as it is called in the profession) as some new demand is put on the system. Program "bugs" are at least as serious a source of down time on many large systems as actual component failures. Large computer programs have proven to be extremely difficult to modify or "repair" without inadevertently introducing new "bugs".

The Safeguard programs are enormous. From published data it is easy to see that the computer is designed to execute programs consisting of many millions of instructions. It is therefore both reasonable and necessary in analyzing the presumed reliability of such a system to make comparisons with other systems involving programs of similar size. There are no working examples today of huge computer programs on the scale required by the ABM program, but the body of experience with complex problems of a smaller scale inspires no confidence in the ultimate reliability of the ABM system. There is, today, no theory to account for the method of "debugging" a program; it remains an art. Moreover, it is possible *to show mathematically that no such theory can be constructed.*

Large computer programs can only be tested properly in their operational environment. It is not likely that it will be possible to simulate a nuclear attack well enough to have high confidence that the Safeguard system will actually function as planned when it is truly challenged. In fact, I believe that the odds are against it.

In recent weeks the two planned Safeguard sites have been termed R & D sites, and the impression conveyed that they will make possible more realistic testing of the system than can be done at Kwajalein. While some useful knowledge may be gained because of the greater complexity of the interconnected systems, it clearly will not be possible to have the important tests, those in which the system attempts to defend the Minuteman force against a large attack in a nuclear weapons environment. In fact, I suspect that more realistic tests could be made on the test range.

Many people propose that we deploy the Safeguard system, regardless of the fact that it may not provide any protection, saying for example, that it can't do any harm, or if there is any chance that it will work, it may make an incremental contribution to our security. In my view, the most likely consequence of the attitude that we must prepare against any conceivable eventuality no matter how unlikely and that we must buy every weapon system no matter how poor, is a continuing upward spiral in the arms race and a continuing decrease in our security rather than any improvement. If the United States deploys the Safeguard system, the Soviet planners will have to be conservative and overestimate its capabilities. Their response, which would most likely be out of proportion to its actual value, could take the form of extending their ABM system or increasing still further their missile force. In either event we would undoubtedly have to respond again and so on. Such a reaction is expected by General Twining and his colleagues in the American Security Council. They recently put out a pamphlet supporting the ABM, in which the following statement appears, "Safeguard will work in the sense it is intended to work—it will force the enemy to greatly multiply his arsenal with greatly sophisticated missiles before he could dare to attack." One could go on to say that this would undoubtedly be the Soviet reaction even if they only wanted to deter an American attack. The U.S. would react similarly to a substantial Soviet ABM. Clearly we agree on the escalating effect of an ABM deployment but disagree on the desirability of it.

Freezing the present system and putting it into production even on a small scale will tend to preclude the development and deployment of an effective hard point defense if one is in fact possible and needed. The energy and resources that would go into the Safeguard system will clearly not be available to continue the search for something more useful.

It is now generally agreed that ABM systems of the Sentinel type cannot provide city protection against large attacks, but defending cities against a small Chinese attack remains one of the objectives of the Safeguard system. The argument seems to be that our massive aircraft and missile force will not deter the Chinese after they have achieved an ICBM capability and that we will need Safeguard to protect us from them. Furthermore, the argument goes, the Chinese weapons being "First Generation" would be simple and make no use of penetration aids so that the "thin" Spartan defense would work against them. I believe that both of these arguments are wrong. First of all, it is perfectly clear that we could inflict almost complete destruction on the C.P.R., should they launch an attack on the United States. It is also perfectly obvious from their behavior that they understand this so I find it difficult to imagine a creditable circumstance under which they would attack the United States. Also, the United States obviously would have a first strike capability against China, even after she achieved a modest missile force. It is conceivable that an ABM system would prolong the period during which this was true. However, it is not sound to assume that the Chinese will not produce simple penetration aids, amply described in the literature, very early in their program, and these could allow their warheads to breach the Spartan defense. Thus, the United States' first strike capability could be short-lived and hardly prolonged by a "thin" ABM system. Finally, a "Chinese"—oriented system could well raise fears that the United States actually intended to launch a first strike and thus contribute to the very "irrationality" that some people fear.

I would like now to make a few general observations. I am troubled by the argument that the Safeguard system, by protecting the deterrent force, would strengthen the President's resolve in a crisis. Considering how unlikely it is that this ABM system will make a significant change in the strategic forces surviving an attack, it would be most unwise to build it just to back up a game of "chicken". The strategic superiority enjoyed by the United States is often cited as the reason for the Soviet withdrawal during the Cuban Missile Crisis and used to support this argument. I believe that geography and disparity of interests were much more important than relative nuclear strengths. It was easy for the United States to bring its conventional forces to bear on that situation and extremely difficult for the USSR to do so. Strategically it was much more important to the United States than to the Soviet Union. Recall that the United States had absolute nuclear superiority at the time of the 1948 Berlin crisis, but this helped very little in resolving the crisis. The United States also had vast nuclear superiority at the time of the supression of the Hungarians by the Soviet Union and yet it could not affect the outcome because the Soviet forces were much nearer and the question of who controlled the area was much more vital to the Soviet leaders. I would also point out that the Soviet leaders have always been extremely careful not to cause an irresolvable confrontation around Berlin where they appreciate the extent of the U.S. commitment and interest.

It is frequently said that there were, in the past, debates similar to the present one over the ABM relating to the hydrogen bomb, the ballistic missile and on the Polaris submarine with the strong implication that scientists and engineers were wrong on those issues and so are likely to be wrong again. This is a very wrong interpretation of history. and I would like to tell you why. I was not directly involved in the arguments about the H-bomb, and though I have the impression that the debate started around the question of whether a specific process would work at all, not whether they would be reliable in service, I will leave this question to Dr. Teller. I was involved in both the Polaris submarine and the ICBM issues so I can talk about them with some authority.

In the case of the ICBM the outside scientists were actually advocates fighting people who didn't believe that intercontinental missiles were possible. I was a member of the Von Neuman committee and one of our major efforts was to convince the leaders of the Department of Defense—many of the Air Force generals and the civilian secretaries of both the Air Force and the Defense Department—that missiles were practical weapons. In the case of the Polaris submarine the issues were also different. Most of us who were involved in the development of the United States strategic missile systems during the 1950's believed that the nuclear submarine provided an ideal base for a ballistic missile because of its invulnerability and because, to the extent that it would be the target of a counter force attack, that attack would be drawn away from our shores. The argument was a technical one and had to do with the type of missile to put on the submarine. Secretary of Defense Charles Wilson was only willing to permit the Navy to proceed with the polaris submarine program if it would use the liquid-fueled Thor IRBM developed by the Army at the Redstone Arsenal. Many of us thought that to do this was a serious error and argued

for the development of a solid-fuel rocket. Our objections were two-fold: the Thor system was a very complicated system that required the use of liquid oxygen and dangerous liquid fuels. In our opinion it created very major safety hazards on board the submarine. In addition, we believed that it was possible to achieve a much higher degree of readiness and reliability with a solid-fuel rocket. In the end we were able to win people over to our views and the present Polaris missile was developed. I believe that Admiral Rayburn, who was the director of the Polaris project understood our objectives and to the best of my knowledge appreciated our efforts. It is hard to see what lessons can be learned from those situations that would apply to the present debate.

I would summarize my position as follows:

1. I have very serious doubts about many technical aspects of the Safeguard system.

2. I do not believe that the Soviet Union can achieve a first strike capability against the United States in the 1975 time period by following their present course of action.

3. Even if Safeguard could be made to work as designed, it would be relatively simple—compared to the difficulty of building Safeguard—for the Soviet Union to deploy effective counter measures against it.

4. Safeguard is unnecessary and building it would waste a great deal of money.

5. If the survival of our deterrent was in danger, I would still oppose Safeguard, and I would search for more promising ways to maintain it.

6. We must make a more determined effort to halt the arms race. Neither building the ABM nor stopping it will insure our security. We must find a way to stop the development and deployment of new strategic weapon systems, MIRVs, FOB's, etc. and to reduce the existing attack forces on both sides. Similarly, we must support means of preventing or controlling limited conflicts. There are obvious steps that would be explored for these objectives.

I would give the highest priority to beginning the bi-lateral discussions with the U.S.S.R. on strategic weapons. I hope that your committee will give urgent attention to this broader range of issues.

7. The views I have expressed here are shared by the persons who worked with me on the ABM book.

REVISED BY DR. J. B. WIESNER, COMMITTEE ON FOREIGN RELATIONS, MAY 14, 1969

Since I prepared my testimony, Dr. Foster has suggested that my calculations regarding the surviving Minuteman force were in error. He estimated that only 50 missiles would survive a Soviet SS–9 attack instead of the 270 shown in our ABM book. My calculations were based on Department of Defense data released in March and April of this year. Dr. Foster has now changed those figures. He says that the SS–9 warhead will have a 0.95 probability of destroying a Minuteman rather than the 0.8 previously predicted. This involves a new estimate of the SS–9 MIRV accuracy and reliability, a reliability which is hard to accept. He also has changed the estimate of Soviet SS–9's from 500 to 600.

Dr. Foster also says that the Soviets might have the capacity for monitoring their MIRV warheads and only using a second one against a target when the first has obviously failed. This is a technical complication in addition to the MIRV's and I don't believe would be used. Even if it was, there is an easy counter to it. The attack will have to come in two waves spaced by a few minutes so that the attacker can determine which reentry vehicles have failed and need backup. Our Early Warning System will certainly indicate that there are two components to the attack. It seems unlikely that we would wait for the second attack to hit, rather than fire the remaining missiles after the first weapons explode. In this case about 290 land based missiles (Minutemen and Titan II) would be available for counterattack. As our book indicates there will also be a great many aircraft and Polaris missiles available as well.

I find it hard to believe that the changing rationalizations, data, and intelligence estimates in support of the Safeguard system can be based on a truly careful study.

ELECTORAL COLLEGE REFORMS

Mr. MUNDT. Mr. President, it is well known that I have spoken in the Senate with considerable frequency on the subject of electoral reform. An article published in the Washington Daily News of May 12, 1969, indicates that one of the plans for reform which I have argued against will most likely not be passed by the State legislatures, even though Congress should approve it. This is the so-called direct-vote plan.

While many have made snap judgments in favor of the so-called direct-or popular-vote plan, the reasons for the widespread disapproval of this plan among many others are obvious. From a political or practical standpoint, it would give one State, like Massachusetts with 14 electoral votes under our present system, the power to completely cancel out the voting majority of many States having a great number of electoral votes. States would be asked to perform an act that would, as one Montana official stated, make them "a drop in the bucket." Another called it a request that "many States commit political suicide" by depriving themselves of the electoral strength to which our great Constitution now entitles them.

As the news story indicates, this self-protective philosophy already prevails in the legislatures of 10 States. Only three more negative votes would be necessary to block ratification of the so-called direct-vote proposal to eliminate the electoral college. On the other hand, only three States are solidly behind the direct-vote plan, and nine others lean in that direction. This leaves 28 States as battlegrounds, and the proponents of the direct-vote system would have to convince 26 of them—a batting average of almost 90 percent—to win national approval for such a proposed amendment to the Constitution.

Mr. President, this is obviously an almost impossible task. It is clear that we would be involved in an exercise in futility if Congress were to approve a direct vote plan. The net result would be no change in our present system. This is an alternative we must not select. We need electoral college reform.

Happily, the vehicle for reform exists in Senate Joint Resolution 12, the so-called district plan. Senate Joint Resolution 12, which I have cosponsored with 18 other Senators would eliminate the deficiencies in our present electoral system. It would give a truer representation of the voter's wishes in each State; it would force the candidate to give equal consideration to the interests of all regions instead of concentrating his appeals and programs on one segment of our society such as the great masses of votes and the pressure groups in the large cities; it would give each voter an equal vote and each State an equitable "vote-power" since each voter would be voting for only three electors; it would encourage the retention of our two-party system since a third party, to have any effect, would have to be truly national in scope; and above all, it would end the winner-take-all system which is the principle fault of our present system.

Although the United Press International report does not mention it, one State has already adopted the district system. As I pointed out to the Senate last month, the State of Maine on March 26 of this year changed its law so that electors are allocated to their congressional districts with two elected statewide. This is an example of how simple it is to achieve meaningful reform that is still equitable and constitutionally sound.

Mr. President, it is essential that the present electoral system be changed and it must be changed now. There is no excuse for delay, and no excuse should be accepted. I urge the Senate to pass Senate Joint Resolution 12 as soon as possible.

I ask unanimous consent that the Washington Daily News article and the complete text of the United Press International release be printed in the RECORD.

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

[From the Washington Daily News, May 12, 1969]

UPI SURVEY—VOTE CHANGE PROPONENTS ARE TRAILING

If Congress decided to abolish the electoral college and elect the President by direct vote, the legislatures of 38 states would have to give their approval. But a preliminary survey indicated today only 12 states, at most, now firmly favor the idea.

By contrast, it would take negative votes in only 13 states to veto such a proposed constitutional amendment. And the same survey indicates there are already 10 states where that would probably happen.

The outlook comes from UPI interviews with legislative leaders made in all 50 states. The composite picture is this:

CLOUDY PICTURE

Only three states are solidly behind direct election and only nine more show a noticeable preference for the plan.

Six states estimate the plan has no chance in their legislatures and sentiment in four others is running against direct election.

In the remaining 28 states the issue is either too divided or undeveloped to make a judgment.

The proposed amendment is still in the mills of Congress. The House Judiciary Committee has overwhelmingly approved the direct election.

Altho it is possible to read a detectable preference in only two of every five legislatures, there are these indications:

States showing the greatest opposition to direct presidential election include Alabama, Arkansas, Georgia, Idaho, Nebraska, Arizona and Utah. States where opposition is substantial but not as strong include Minnesota, Ohio and Pennsylvania.

The plan is given the edge in Maryland, Massachusetts, Rhode Island, Vermont, Kansas, Kentucky, Colorado, Hawaii, New Mexico, North Dakota, Oklahoma and Texas.

While efforts have been made to make the issue nonpartisan, Republicans generally line up against and Democrats for.

ELECTORAL

(By Robert J. Taylor)

WASHINGTON (UPI).—Advocates of electing Presidents by a direct popular vote face a formidable task in convincing State legislatures that the electoral college should be scrapped, a UPI survey showed Sunday.

Interviews with legislative leaders in all 50 States indicated that only 12 legislatures show a noticeable preference for the plan, while approval by 38 is needed to abolish the electoral college by a constitutional amendment.

In contrast, leading lawmakers of six States estimate it has no chance in their legislatures and sentiment in four others is reported leaning against direct election. Together, this is only three short of the 13 States required for an effective veto.

In 28 States, legislative opinion is too evenly divided or too lacking to make a judgment, political leaders reported.

With the threatened constitutional crisis posed by the three-way 1968 presidential race still fresh in mind, Congress has put electoral reform high on its list for action this year.

The House Judiciary Committee has already given overwhelming approval to a proposed constitutional amendment that would replace the electoral college with a direct election plan. Committee hearings are nearing completion in the Senate.

Although it was not his first choice for electoral reform, President Nixon has promised to throw the power and prestige of his office behind direct election if it passes the House and Senate by the required two-third majorities.

He could make the difference. Many leaders reported sentiment for direct election is evenly divided in their legislatures, and some said interest in electoral reform has suffered as 1968 receded into history and local problems grew.

But in one form or another nearly all the legislators interviewed echoed the feeling of Speaker William Ratchford of the Connecticut House that a change in electing the President is much overdue.

"The electoral college has long outlived its usefulness," he said. "The time is right."

While only about two out of five legislatures at this point show a detectable preference in electoral reform, these patterns are emerging:

Opposition to the direct election plan is greatest in Southern and mid-Western States, where Nixon ran well in 1968, and in smaller States. These include Alabama, Arkansas, Georgia Idaho, Nebraska, Arizona and Utah. Exceptions are Minnesota, Ohio and Pennsylvania, where there is also substantial opposition.

Direct election is strongest in the East and in Middle Southeast States. It is given the edge in Maryland, Massachusetts, Rhode Island, Vermont, Kansas, Kentucky, Colorado, Hawaii, New Mexico, North Dakota, Oklahoma and Texas.

While Nixon and Congress has taken pains to avoid giving the issue a political tinge, Republicans generally line up against direct election while most Democrats favor it

Opposition to direct election generally centered on abolishing the Electoral College, which give each State one vote for each of its Congressmen and a two-vote bonus. Small States figure the bonus votes give their votes an edge over big-State voters, although computer studies dispute this.

The alternate reform plan most frequently mentioned in the survey was the proportional system, Nixon's first choice. It would retain the Electoral College but outlaw the winner-take-all practice where States give all their electoral votes to the popular vote winner. Electoral votes would instead be apportioned according to a State's popular vote percentages.

Proportional reform was reported to be popular in eight States, and Minnesota is near final action on a measure adopting the proportional plan.

A Montana official summed up the small-State case against direct election with the comment "we'd be a drop in the bucket."

"If it went to a vote today, it would have no chance at all of passing," he said. "However, there would be a 50–50 chance if it was changed to apportionment of electoral votes according to popular votes."

Next most popular reform proposal was the so-called district plan, which would give one electoral vote to the winning candidate in each congressional district and the two bonus votes to the candidate carrying the State. This was significant support in seven legislatures.

The House Judiciary Committee weighed and discarded both these alternatives, largely because they would still allow the loser in the nationwide popular vote to become President through the electoral vote.

Although direct election supporters have an uphill fight, public opinion is on their side. Polls show overwhelming public enthusiasm for electoral reform and better than an 80 percent preference for direct election.

Time, however, may work against them. Only 29 legislatures meet in 1970, the year they would be expected to get their first chance at whatever reform plan Congress proposes.

Under the complicated effective date formula of the House Judiciary Committee, the balance of the States necessary for ratification—at least nine—would have to act in the first three weeks of 1971 for the new method to be effective in the 1972 presidential election.

Observers consider this highly unlikely to be achieved, making it probable 1972 will pass with the electoral system unchanged—and the momentum for reform lost.

GEN. FREDERICK REINCKE

Mr. RIBICOFF. Mr. President, Gen. Frederick Reincke has announced his pending retirement from the post of Connecticut State Prison warden. On June 30, when General Reincke steps down, Connecticut will lose a great and good friend. For 20 years Fred Reincke has been the man to whom the State has turned to carry out the most difficult tasks. Our faith was well placed, for the general never let us down.

General Reincke headed Connecticut's military forces for 15 years as State adjutant general. In World War II his gallantry in New Guinea won him the Legion of Honor and the admiration of his officers and men. Throughout his career General Reincke earned the high accolade as a man who did the job well.

His service to Connecticut will long be remembered and admired. While adjutant general his administrative skills were largely responsible for developing the State military organization into its present form. Twice Connecticut has turned to Fred Reincke in moments of crisis at the Old State Prison in Wethersfield. Twice the general quickly and skillfully restored normal conditions.

In 1963, after 15 years as adjutant general, Fred Reincke accepted the request of Governor Dempsey to head the State prison as warden. For 6 years he has filled this sensitive post with skill and understanding, and the new prison at Somers has received national recognition.

I know that all Connecticut citizens join me in expressing our thanks to Fred Reincke for a job well done. He will be sorely missed. With our thanks, go our best wishes for many happy years of retirement.

CHANGE BY FORCE OFFERS NO ALTERNATIVE BUT RULE BY FORCE

Mr. PROXMIRE. Mr. President, for the great majority of Americans, the student disorders we have been witnessing have cloaked the American campus in a fog of confusion. It is not clear what the universities or local and State governments or the Federal Government should do. It is not clear what the students leading the protests want.

Yet one thing is clear, and I quote a statement of the University of Wisconsin Faculty Assembly:

> The use of force to achieve change or to express dissent offers no alternative save a rule by force.

As this applies to the college administration, so too does it apply to the simplistic solution of Federal intervention. This is basically a problem to be solved by the school administrations. Federal intervention could be very dangerous and become a possible infringement on academic freedom.

That is why it is particularly important that the changes be anchored within the universities by strong principles not to slow change or to make it more difficult but, as the Wisconsin Faculty Assembly put it: to "supply a methodology through which change can be achieved in a manner which provides an opportunity for the preservation of freedom to dissent."

Mr. President, I ask unanimous consent that the entire text of the University of Wisconsin Faculty Assembly statement, entitled "The Basic Purpose of a University, and the Principles on Which It Must Operate," be printed in the RECORD:

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

THE BASIC PURPOSE OF A UNIVERSITY, AND THE PRINCIPLES ON WHICH IT MUST OPERATE

(A statement by the University Faculty Assembly, Feb. 26, 1969)

At this time, when University policies, procedures and traditions are under healthy scrutiny, and sometimes subjected to destructive attack, the Faculty reasserts the basic purposes of a University, and the principles on which it must operate.

The purposes of a University are: (1) to provide students with optimum opportunity for learning from the heritage of the past, for gaining experience in use of their intellectual and creative capacities, and for developing themselves as concerned, responsible, humane citizens; (2) to extend the frontiers of knowledge through research; (3) to provide society with objective information and with imaginative approaches to the solutions of problems which can serve as the basis for sound decision-making in all areas.

To fulfill these purposes it is essential that the University community operate on the principles that: (1) there must be complete intellectual freedom for Faculty and students; (2) satisfactory solutions to problems can be achieved through rational inquiry and discussion; (3) implementation of needed changes in the University must be through legal means; (4) each individual has the right to his opinion and to be heard, but no individual has the right to prevent those of differing views from equal opportunity to be heard.

It follows from these principles that diversity and dissent are essential to a University. All propositions are subject to investigation and challenge. It is the right of all members of the academic community to dissent from currently accepted perceptions about the world if they believe these are inaccurate. It is fundamental to the existence of the University, however, that the mode of dissent adhere to the principles. These principles are not obstacles to change; quite the contrary, they supply a methodology through which change can be achieved in a manner which provides an opportunity for the preservation of freedom to dissent. The use of force to achieve change or to express dissent offers no alternative save a rule by force. There can be no compromise in the University's commitment to these principles if there is to be a University.

All members of the University community are entitled to exercise the rights of free speech recognized in constitutional law and to perform lawful acts of protest to express dissent and to effect change. The use of force as a way of achieving change is, however, wholly incompatible with intellectual freedom and rational inquiry. The academic community must resist attempts by any group to impose its opinions on others by physical force or intimidation.

It is well to recall that The University of Wisconsin has been one of the leaders among American institutions of higher learning in recognizing the proper role of students in formulating acadamic policies. Large numbers of students serve on a wide and increasing variety of Faculty committees, and further student involvement in various academic areas is under active consideration. The Faculty recognizes that students have played and should continue to play a significant role in improving the quality of the University. For the most part, students control student organizations and publications, and the Faculty believes that a greater number of concerned students should involve themselves in student elections, the conduct of student organizations, and the management of student publications.

The Faculty recognizes that the University has a special obligation to extend the benefits of higher education to those who are disadvantaged in society, whether because of race, or poverty, or other factors. In respect to equality of opportunity we believe that the black population of the country and other minority groups have a legitimate grievance. While The University of Wisconsin has endeavored for decades to meet its obligation to maximize educational opportunity, and long ago established and implemented a policy condemning invidious discrimination on the campus, the Faculty accepts racial justice as an urgent and pressing concern.

As current and future problems press upon the academic community for solution, the Faculty expresses the hope that the many channels of communication among the various segments of that community, which have been developed and effectively utilized for many years, will remain open for all to use and that new channels will be opened as needed. The Faculty hopes that as a result of such communication no part of the University community will adopt force as the means of seeking to make opinions prevail, but that all will accept intelligent analysis and rational persuasion as the instruments for achieving change. There is no place in a university for those who abandon rationality.

A PLEA FOR DIGNITY

Mr. ALLEN. Mr. President, Hon. Rubin Morris Hanan, of Montgomery, Ala., is one of the outstanding citizens of the State of Alabama and of the Nation. He is a sincere humanitarian, always interested in and active in behalf of his fellow man. For 30 years he has been active in behalf of the senior citizens of Alabama.

With the thought that any comments that he might make on the problems of our senior citizens would be of interest to the Senate, I ask unanimous consent that a letter from him to the editor of the Montgomery, Ala., Journal dated May 3, 1969, be printed in the RECORD.

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

A PLEA TO THE PRESIDENT ON BEHALF OF DIGNITY

EDITOR, ALABAMA JOURNAL:

I have sent the enclosed letter to President Nixon on behalf of the Alabama League of Aging Citizens.

DEAR MR. PRESIDENT: This is an urgent appeal on behalf of Alabama's Senior Citizens, who have served our nation long and faithfully. They are grieved and shocked beyond belief in the manner the Federal Government is depriving them of their rights, benefits, and financial assistance promised under Title III of the Older Americans Act of 1965.

I immigrated to this country from the Isle of Rhodes, 42 years ago. The good people of Alabama welcomed me with open arms and a silver platter. Since 1939 I have worked with the Senior Citizens of this great State in an effort to say 'thank you' for all they have done for me.

As you continue your vigorous campaign for a better future for all mankind, please be mindful not to overlook the joys and hopes, the griefs and anxieties of Alabama's 375,000 Senior Citizens, especially those who are poor and sick or in any way afflicted; these too are the joys and hopes, griefs and anxieties of our great affluent society.

Today the Torch of Freedom is held high by the people of Alabama by all races, creeds or religions. Please, Mr. President, let us remember the supreme sacrifices that the people of Alabama made in war and peace in building this great nation. We need only to look at the cemeteries at Lexington, Gettysburg, Santiago, Chateau Thierry, Coral Sea, Okinawa, Palermo, Normandy, Korea and the malaria beaten jungle of Vietnam to realize the supreme sacrifice that called the sons and grandsons of those deserving people of Alabama whom the United States Department of Health, Education and Welfare has deprived for the past four years of their rightful claim to funds under the Older Americans Act. Their sacrifices must not be in vain so that all the people from all the nation might be secure.

No nation in the history of the world owes so great a debt to anything physical as the United States of America owes to its gallant warriors in Vietnam. Today more than 900 young men of Alabama died in Vietnam; for untold sorrow and heartache for their parents, grandparents, brothers, sisters and wives, and perhaps their children.

It is this heritage that the American people have fought for and gained. We don't plan on losing it by "regulations" or "guidelines" or by force for some while.

We are appealing to you for the rectitude of the HEW's intentions and to remember that we are a nation conceived in liberty and dedicated to the proposition "that all men are created equal"! The men of 1787 converted a small, weak and poor nation into one immeasurably great, powerful and rich. All our material prosperity is incidental. Our true heritage, our real inheritance from our forefathers is an obligation to prove to all the world that free men can govern themselves better than any king can govern them, and that a nation of freedom, dedicated to the principle of equal justice under the law, far from being a menace to its people, is their best guarantee of security and equality.

Too many of Alabama's aged have been left behind by the progress they worked most of their lives to create—a better society. They suffer a disproportionate burden of poor health, low income and bad housing.

Holding back funds from Older Americans in Alabama has eroded the dignity, freedom, independence and integrity of these individual human beings. Alabama asked full approval by HEW in April of 1968 as the State Commission on Aging was in full compliance with Federal regulations, including civil rights.

This trend toward punishing the aged and elimination of their rights as citizens of this great nation can mean only one thing—less freedom and less individualism; because you are born or reside in Alabama, the old wound is still open.

America cannot ignore what is happening to those basic fundamental principles and philosophies upon which this great nation of ours was founded. I believe in my adopted country, because it is the land that gives me my freedom, and because it is my adopted home. I am an American father and grandfather, and I can best serve my country by "doing justly, loving mercy, and walking humbly with my God."

RUBIN MORRIS HANAN,
President, Alabama League of Aging Citizens, Inc.

ESTIMATING THE BENEFITS OF PUBLIC EXPENDITURES

Mr. PROXMIRE. Mr. President, this week the Subcommittee on Economy in Government of the Joint Economic Committee has been holding hearings on "Guidelines for Estimating the Benefits of Public Expenditures." This is a most important topic, one which should be of vital concern to Congress. It is only by having quantitative estimates of the benefits and costs of alternative expenditures that the Congress and Executive decisionmakers can make rational choices—choices which are in the public interest.

On Monday, May 12, the subcommittee heard testimony from Dr. Jack Carlson, Assistant Director for Program Evaluation at the Bureau of the Budget. The statement which he presented was most important for two reasons. First, he set forth some basic principles of benefit estimation and the appropriate means of handling estimation when there are several objectives which a program is attempting to achieve. I quote from his statement:

Most decision-makers feel that the objective of securing the greatest dollar return per dollar spent is important. In some projects, it evidently is the sole objective. But in others, nonmonetary benefits and redistributive benefits are also important. Thus, there is a problem of combining measures of diverse objectives. The only way I feel comfortable in doing this is to keep the measurement of each objective separate and not try to mix them. Therefore, I would show the national income benefit with national income cost and then show nonmonitized benefits in whatever physical or social units that are useful such as lives saved, numbers of more informed citizens, scenic beauty preserved, assistance to particular locations or to certain target groups—Appalachia and the poor, the aged, the blind.

Some people contend that one should aggregate all benefits and all objectives by monetary proxies for incommensurables,

such as national income benefits, regional income distribution and assistance to Appalachian poor. This, I think, is misleading and does not allow each participant in the decision-making process to weigh the importance of each objective himself.

Also, I feel it is misleading to arbitrarily allocate project or program costs to each measure of different objectives. We frankly do not know how to allocate project costs when a project provides multiple outputs. Until we know we should not dilute the one measure that can appropriately compare national income costs and benefits.

The second significant aspect of Dr. Carlson's statement is his description of a major study being undertaken by the Bureau of the Budget—the "Program Overviews." In his testimony, Dr. Carlson presented an example of the results of this study. For two programs in the manpower area, program costs, program benefits, the benefit-cost ratio, and the characteristics of the beneficiaries of the program are all provided. This is most helpful information, and the Bureau of the Budget should be commended for developing it. We now look forward to the time when the full study can be presented to the Joint Economic Committee and to Congress.

Because of the importance of this information, I feel that the entire Congress should be made aware of Dr. Carlson's testimony. I ask unanimous consent that Dr. Carlson's statement be printed in the RECORD.

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

STATEMENT OF JACK W. CARLSON, ASSISTANT DIRECTOR FOR PROGRAM EVALUATION, BUREAU OF THE BUDGET, BEFORE THE SUBCOMMITTEE ON ECONOMY IN GOVERNMENT, JOINT ECONOMIC COMMITTEE, ON GUIDELINES FOR ESTIMATING THE BENEFITS OF PUBLIC EXPENDITURES

Mr. Chairman and Members of the Subcommittee: I am happy to appear before this Subcommittee to discuss "guidelines for estimating the benefits of public expenditures." This question is, of course, at the heart of public expenditure evaluation. In recent years the major executive departments and agencies, and the Bureau of the Budget in particular, have devoted much effort to improving the process through which Government resources are allocated to accomplish the various objectives of public policy. My remarks will be organized to try to set the problem of measuring benefits in the context of the existing conceptual framework and available measurement techniques.

IMPROVEMENT IN DISCOUNTING PRACTICES AND GUIDELINES

Some aspects of program evaluation already have been considered by this Subcommittee and have been recorded in several useful reports, especially the excellent report of this Committee on discount policy last summer. During the Committee's discount hearings last summer, the Bureau of the Budget and other executive branch agencies testified in support of consistent and improved discounting procedures. The Water Resources Council testified in support of a new formula for arriving at a more appropriate discount rate than was then being used. Since those hearings, the Water Resources Council has recommended to the President a new procedure for estimating the discount rate to be used for evaluating projects. The new formula has been approved and is based on the current yield of Government bonds with changes in the rates limited to one-fourth of one percent per year. I believe that this was an important step in improving discounting procedures. Our objective is to apply this guidance in all areas of public investment and we hope to have a Circular published this month.

During the hearings last year, the Bureau also testified in favor of studying the appropriate conceptual basis and measurement techniques for estimating the opportunity cost of private spending which the financing of Government expenditure displaces. That study has been initiated and should provide further insights later this year. In the meantime, agencies have been requested to use a range of discount rates for program evaluation efforts. The Bureau's letter identifying major program issues for agency evaluation this year stated that all agencies should use a 10 percent discount rate with tests for sensitivity at higher and lower rates.

Complexity of program evaluation

Obviously, evaluation of public investment is important because Government expenditures absorb valuable inputs and produce valuable outputs. And equally obvious, the Government should invest only when benefits exceed costs. But the multiplicity of objectives of public expenditure often makes actual determination of benefits and cost extremely difficult. In summary form, the objectives of public programs effecting resource allocation can be classified as follows:

The provision of public goods—that is, goods whose consumption by one individual does not reduce the amount available for consumption by others, and the consumption of it does not provide direct return on the provider's investment. Decisions about such goods have to be made collectively. Examples are deterrence of war and preservation of scenic beauty and wildlife.

The redistribution of income—that is, assistance to specific groups such as the poor, the aged, and the disadvantaged. Redistribution may be effected by the transfer of money, future income, or by the provision of goods and services. Examples are: public assistance programs, public investment in education programs, and food distribution programs, respectively.

The elimination of spillover effects—that is, situations where one person's actions may benefit or harm another in ways that cannot be ignored in the original decision, as when one firm emits soot which damages others in the absence of appropriate charges or prohibitions.

The removal of imperfections in the operation of the private market or the alleviation of their effects—for example, providing a competitive standard for public enterprises where none would otherwise exist; improving market information to consumers, producers and workers where the market would otherwise work badly; developing large-scale projects where significant economies of scale exist.

MANAGEMENT OF PUBLIC RESOURCES

Even this multiple classification vastly oversimplifies the objectives of the public sector. Each classification could be broken down into a multiude of more narrowly defined objectives; for example, income redistribution programs include such diverse groups as young people in central cities, older people in rural depressed areas, and American Indians in both rural and urban localities.

Moreover, unfortunately for simplicity in the evaluation of Government programs, almost all of the broad objectives have implications for more than one public sector objective. Public expenditure on education may provide transfers of income to beneficiaries and a public good to society in the form of a better educated electorate. Additional benefits associated with increasing educational levels in the area where the beneficiaries live may include a reduced crime rate and a more efficient labor market as individuals become more aware of their opportunities through education. Clearly not all of these dimensions of the performance of our public education program can be subjected to measurement in terms of dollars. The dollar yardstick for measuring benefits is relevant only when a private market for goods and services does or could exist, or where reasonable proxies for private markets or "shadow prices" can be calculated. Since no private market can evaluate the political value of a better educated electorate, that element of the output of public education programs must be measured in nondollar terms, or must be considered qualitatively. This, as I shall discuss below, has important implications for the evaluation of public expenditures.

Recent evaluation of our manpower programs illustrates how multiple criteria can complicate the task of analysis. It would be easier to evaluate those programs if the criterion for selection of improvement of programs were solely the addition to national income no matter whose income is increased. But it does matter who benefits. For example, analysis of the Manpower Development and Training Act, Institutional Training Program indicates that average net earnings gained by participants in the program are almost triple the per trainee cost. Two-thirds of the recipients are poor and forty percent are under 21 years of age. On the other hand, similar information on the Neighborhood Youth Corps Out-of-School Program suggests that this program increases the average earnings of participants by only 120 percent of the per trainee cost; however, all of the participants are poor and under 21. In order to choose the desired mix of programs or for possible reorientation of each program, a weighting for each criterion—income increases, assistance to poor, assistance to youth—is necessary, but we have no objective social basis for assigning a specific value to a dollar transfer to a poor person relative to a dollar transfer to someone with higher income, or to a young person relative to an older person.

Moreover, the weights attached to each objective will differ for each participant in the decision-making process. A Cabinet Secretary may have different weights for each objective when he makes recommendations to the President than the President may have when he makes recommendations to the Congress, or than each of the substantive committees and appropriations subcommittees have when they make recommendations to the entire Congress. This fact is important for selecting guidelines for benefit estimation and does require measures for a wide range of objectives in order to assist all participants in the decision-making process.

When we are dealing with programs that have provision of public goods or redistribution of income as important obectives, evaluation must take the form of cost-effectiveness analysis rather than cost-benefit analysis. Cost-effectiveness analysis compares the cost of alternative ways of achieving a given obective with output measured in physical, social, or some other nonmarket oriented term. I contrast it with the typical cost-benefit analysis which compares cost and benefits directly in dollar terms.

This distinction has important implications for analysis of public resource allocation. *Unlike cost-benefit analysis, cost-effectiveness analysis does not provide an obvious decision rule for approving or disapproving a specific project or adding to a program*—assuming the use of the national income objective. To choose an obvious example, the meaningless of a dollar value of changes in the strength of our nuclear war deterrence makes it necessary to determine the level of deterrence by the judgment of responsible officials. In the investment of electric power generation, by contrast, there is general acceptance that only projects where dollar

benefits equal or exceed cost should be undertaken.

The inability to compare the value of additional spending on national security and water resources, or education, or highways, means that formal, quantitative analysis cannot determine the broad priorities among areas of Government spending. Nevertheless, if the principal role of analysis is, as I believe, to assist in choosing efficient ways of achieving public objectives within each of the broad areas of public activity, it has an important role to perform in improving the process by which political, social and economic considerations are combined to determine broad priorities. I believe it can exercise this role by expressing and summarizing more effectively the cost and consequences of alternative resource allocations.

BENEFIT ESTIMATION

Let me turn from the evaluation of public expenditures in general to the estimation of benefits. First, we need a definition of benefit. A reasonable definition can be found in the basic guidance for evaluating water resources projects, Senate Document No. 97:

Benefits: "Increases or gains, net of associated or induced costs, in the value of goods and services which result from conditions with the project, as compared with conditions without the project." (p. 8)

The document explains further that "associated costs" are "the value of goods and services over and above those included in project costs needed to make the immediate products or services of the project available for use or sale." In practice it is used in the evaluation of increases in net farm income resulting from irrigation projects and refers to the cost of additional inputs required to increase farm output. Induced costs are "all uncompensated adverse effects caused by the construction and operation of a program or project, whether tangible or intangible" (whether measured in dollar or nondollar terms). Deterioration in environmental quality resulting from a water resource project can be cited as an example of this type of cost.

This definition of benefits is useful. Whether to include associated and induced costs as a subtraction from benefits or an addition to cost is largely a matter of convention. The effect on the benefit-cost ratio of either alternative usually is very slight, and consistent practice makes the issue somewhat pedantic.

Although our attention is appropriately directed to the difficulties of estimating benefits, cost estimation presents its problems too. This is especially true when measuring costs outside the area of water resources. Accounting systems that have been established for bookkeeping purposes are often of little value for analysis. Moreover, in new areas of public endeavor, such as investment in the Liquid Metal Fast Breeder Reactor, technical and engineering uncertainties are often great, compounding an already difficult problem.

After finding an acceptable concept for benefits and costs, procedures for measuring benefits must be developed, and less is known here. Beyond the area of water resources projects, far less attention has been given to it.

One distinction in measuring benefits is whether or not benefits can be expressed in dollars. Dollar benefits are those gains or benefits which have a counterpart in the private economy which reflect the values of society by the pricing system. Another distinction is one of principal and subsidiary benefits, which merely categorizes those benefits which contribute to accomplishing the main or major objective or objectives of a project and those that contribute to lesser objectives. A third distinction is that of direct and indirect benefits. Direct benefits are those gains or increases which are closely related in a cause and effect relationship with the project. Indirect benefits are more tenuously related. In Senate Document 97 direct and indirect benefits are called primary and secondary benefits.

This leads me to the benefit measurement called national income benefits. To qualify, benefits must be expressible in dollar terms and include both principal and subsidiary benefits and both direct and indirect benefits—net, in practice, of associated and induced costs which can be expressed in dollar terms.

Since national income benefits are expressed in dollar terms, they can be compared with costs to provide a basis for evaluating a project and developing a decision rule. In water resource project evaluation, for example, a benefit-cost ratio based on what is taken to be national income benefits and project costs which is greater than one provides some assurance that society in general will gain more by doing the project than if the resources were consumed elsewhere.

Note, I say some assurance. There is no guarantee that this is always the case. A project with a benefit-cost ratio less than one may still be desirable because nondollar benefits may provide enough additional benefits in the judgment of a decision-maker to make the project worthwhile. Similarly, a project with a benefit-cost ratio greater than one may not be desirable because induced and associated costs were not adequately considered or because project costs were understated. Whether or not such an approach consistently understates or overstates the benefit-cost ratio for water resource projects is a matter of measurement accuracy and comprehensiveness of all estimates, and better project evaluation lies in improving both cost and benefit estimation. Nondollar benefits and costs should be recognized and quantified—and, if feasible, valued in dollar terms—to the greatest extent possible. Reasonable men can certainly agree that the way to improved project evaluation is by improving measurement of total dollar benefits so that they can be compared with total project costs with greater confidence.

One area of possible improvement in national income (total dollar) benefits may lie with what Senate Document 97 calls secondary benefits; that is, indirect benefits. Just what indirect benefits really are from a national standpoint is difficult to establish as a practical matter. However, conceptually it is clear that secondary benefits only arise when the economy does not run smoothly. If the economy is reasonably close to full employment, if labor and capital resources are mobile, and if economies of scale of pertinent commodities generally have been exhausted under competitive conditions, a change in secondary benefits and costs in one region of the country tends to be offset by secondary benefit and cost changes elsewhere in the economy. Therefore, there is no reason for accounting for secondary benefits.

However, if unemployment does occur, if resources are not entirely mobile, and/or if monopoly influences exist, then secondary benefits are present and should be measured and will change the calculation of benefits and costs.

A word of caution is appropriate because the imperfections of the marketplace giving rise to potential secondary benefits change through time, and one should not assume that observable benefits this year will exist three years from now. Also, the mere fact that a public investment project reduces the costs for other investments in its vicinity is not enough to demonstrate secondary benefits; rather, the *differences* between the reduction in cost in this location and a like dollar investment cost in any other location is needed—if positive, then a secondary benefit; if negative, then a secondary disbenefit. As a practical matter, the claim that secondary institutional, physical or social changes caused by a project are not nullified by changes elsewhere in the economy is difficult to prove.

The current degree of accuracy of national income benefit estimates is fortunate. Most decision-makers feel that the objective of securing the greatest dollar return per dollar spent is important. In some projects, it evidently is the sole objective. But in others, nonmonetary benefits and redistributive benefits are also important. Thus, there is a problem of combining measures of diverse objectives. The only way I feel comfortable in doing this is to keep the measurement of each objective separate and not try to mix them. Therefore, I would show the national income benefit with national income cost and then show nonmonetized benefits in whatever physical or social units that are useful such as lives saved, numbers of more informed citizens, scenic beauty preserved, assistance to particular locations or to certain target groups—Appalachia and the poor, the aged, the blind.

Some people contend that one should aggregate all benefits and all objectives by monetary proxies for incommensurables, such as national income benefits, regional income distribution and assistance to Appalachian poor. This, I think, is misleading and does not allow each participant in the decision-making process to weigh the importance of each objective himself.

Also, I feel it is misleading to arbitrarily allocate project or program costs to each measure of different objectives. We frankly do not know how to allocate project costs when a project provides multiple outputs. Until we know we should not dilute the one measure that can appropriately compare national income costs and benefits.

RECENT EFFORTS TO MEASURE BENEFITS

Keeping in mind the diversity and multiplicity of objectives, we have initiated some experimental projects to improve benefit estimation and provide summary measures of the important indicators which are used to justify public assistance.

The first of the interrelated projects, *Program Overviews,* is an effort to display benefits measures related to the major objectives of public policy and to summarize the degree of accuracy of each measure. Where measures are not available and judgment is inadequate to develop even speculative measures, then no measure is recorded. In short, the project summarizes both our knowledge about the benefits of Federal programs and our level of ignorance.

Becaue of the multitude of objectives and thus measures of benefits, we developed definitions and a data format that would display measures of the major objectives decision-makers use. Compromises had to be made, however, to make the project manageable and the presentation of information concise. The attached table for the Manpower Program Overview shows the format that we are currently using, with two examples displayed. The data includes the following:

(a) Federal programs (and relative tax advantage) listed according to closeness of interrelationship with other programs and irrespective of managing agency [Column (1)],

(b) Obligation and expenditure data for each identifiable program for the current or anticipated fiscal year [Columns (2), (3) and (4)],

(c) The unit of output provided by the program and the average output provided beneficiaries [Columns (5) and (6)],

(d) The cost for each unit of output, broken down by major components [Columns (7), (8), (9), (10) and (11)],

(e) The annual national income benefit of the unit of output, where possible [Column (12)],

(f) The net benefit based on addition to national income, where possible [Column (13)],

(g) Benefit-cost ratio, where useful [Column (14)],

(h) Average income maintenance benefit per beneficiary [Column (15)],

(i) Characteristics of the beneficiaries of each program, by income, age, education attainment level, race, geographic location—both size of community [Columns (16), (17), (18), (19) and (20)] and region of country (shown on another format), and

(j) Judgment as to the flexibility of redirecting the program to other beneficiaries [Column (21)].

The data is identified as to its accuracy by the use of parentheses; no parenthesis indicates the estimate is based upon a high probability of accuracy; a double parenthesis indicates a very low probability of accuracy. In addition, each data presentation is accompanied with a description of sources and estimation methodology.

Two examples are given: Manpower Development and Training Act (MDTA), Institutional Training Program and the Neighborhood Youth Corps (NYC), Out-of-School Program. The 1970 budget request contemplates that the NYC program will spend $102 million, which will provide 34,000 man-years of training; however, the average duration in the program per trainee is 20 weeks. The Federal Government spends $950 for allowance and subsistence (income maintenance) and $300 for other expenditures for a total cost of $1,100.

Although the benefits are uncertain, available data indicate that the annual salary increase is $190 per year. If the differential continues for 10 years, the present value of the net benefit is $775 (10 percent discount rate), and provides a benefit-cost ratio of 1:7.

The characteristics of the trainees are: 97 percent from poor households, 100 percent under the age of 21, 93 percent with less than a high school education, 50 percent Negro, 28 percent live in the central city of a city over 500,000, 8 percent in the suburbs of cities over 500,000, 16 percent from smaller cities, and 48 percent from rural areas.

A similar format is used for each Program Overview so that the relative achievement of objectives across programs can be compared. For example, assistance to the aged could be observed in manpower, health, transportation, natural resources and other program areas, even though other objectives that are measured are not commensurable, such as days of health care vs. days of manpower training vs. lane miles of road vs. military airlift capacity.

Although the analysis is far from complete, some observations can be made. First, more precise definition of terms is needed. Variations in definitions of data can be misleading. Second, relatively few studies have measured or attempted to measure all the benefits or for that matter all of the costs of individual Federal programs. In order to obtain estimates, judgment from fragmented information has to be employed. Third, for large areas of Federal expenditures, not even fragmented data upon which to base benefit estimates are available. Fourth, program managers often are reluctant to develop this information because they feel that their role in the decision-making process will be diminished. Fifth, the information systems in the Federal Government are not geared to provide benefit data useful for setting priorities and decision-making. Rather, almost without exception, the data are for financial control, and even here inadequacy exists. Yet less relevant data are abundant.

Two other related projects are being attempted on an even more experimental and crude basis than the Program Overview Project. The first of these is the Social Achievement Indicators Project, which is intended to relate public expenditure to the indicators of social condition. In the case of manpower training programs, for example, unemployment and underemployment information would be displayed in a format which is similar to the impact measures presented in the Program Overviews: by income levels, age, race and location. Also, we are attempting to determine in a very crude but hopefully useful way the short- and long-run impact of current levels of social commitment and other social forces on these indicators.

The second related effort, again on an experimental basis, is intended to display both Federal program benefits (Program Overview information) and social conditions (Social Achievement Indicators) by selected regions of the country and Standard Metropolitan Statistical Areas. A case study of each is being attempted now. Obviously these are ambitious projects, but even small and partial successes can make the attempt worthwhile.

Guidelines for estimating benefits

To sum up, the evaluation of public investments is complex and raises serious conceptual and measurement problems. Nevertheless, analysis of benefits and costs does help identify better ways to allocate public resources. Recent experience with the Program Overview Project has affirmed the usefulness of better benefit estimating and the paucity of good measurements at the present time.

A desirable program for the future would:

(1) Encourage improved measurement of national income benefits and costs;

(2) Require separate estimates and displays of nonmonetary benefits and nonmonetary costs;

(3) Provide benefit estimates for the major objectives that the decision-makers consider important, such as is being attempted in the experimental Program Overview Project.

I believe that we have been and will continue to move toward these goals and that their attainment will produce significant improvement in the analysis of Government investment programs. In the coming months, the Bureau of the Budget will be continuing its work in cooperation with the Federal agencies and departments to improve benefit estimation.

MANPOWER PROGRAM DATA [1]

Program (agency)	NOA ($M) 1970 estimate	Exp. ($M) 1970 estimate	Built-in growth to 1973 [3] ($M)	Man-years 1970 estimate	Average duration (weeks)	Participant unit cost: Allowance and subsistence	Participant unit cost: Other	Participant unit cost: Total Government [4]	Participant unit cost: Private [5]	Participant unit cost: Total	Benefit values: Trainees' average annual wage gain [6]	Benefit values: Add to net national income [7]	Benefit values: Benefit-cost ratio [8]	Benefit values: Income transfer [9]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
On-the-job training	596	398	----	180										
MDTA regular (Labor)	64	66	----	37	20									
JOBS (labor/OEO)	438	256	----	89	24									
JOBS (Labor)	50	33	----	11	24									
Veterans OJT (VAO)	40	40	----	42	21									
Indian OJT (Interior)	4	4	----	1	15									
Institutional training	440	455	----	90										
MDTA	229	240	240	60	18	780	650	1,430	((170)	1,600	((700)	((3,097)	((2.9)	(780)
Job Corps	180	188	----	22	24									
Indian training	31	27	----	8	36									
Work support	337	334	----	174										
NYC out-of-school (Labor)	103	102	102	34	20	825	275	1,100	((0)	1,100	((190)	((775)	((1.7)	(825)
NYC in-school (Labor)	62	62	----	73	(28)									
NYC Summer (Labor)	121	120	----	53	(8)									
Operation Mainstream (Labor)	41	41	----	10	34									
Foster grandparents (HEW)	9	9	----	4	42									
Comprehensive	896	837	----	682										
Vocational rehabilitation (HEW)	500	460	----	497	53									
Veterans' vocational rehabilitation (VA)	38	38	----	12	24									
Work incentive (HEW)	130	148	----	135	(36)									
CEP (Labor/OEO)	209	178	----	35	(16)									
Title V MDTA	20	13	----	3	18									
Labor Market adjustment	459	459	----											
Employment Service (Labor)	373	373	----											
CAP manpower	17	16	----											
Equal employment opportunity (EEOC)	16	15	----											
Project Transition	18	18	----											
Indian mobility	8	10	----											
Project 100,000	27	27	----											

See footnotes at end of table.

MANPOWER PROGRAM DATA [1]—Continued

Program (agency)	NOA [2] ($M) 1970 estimate	Exp. [2] ($M) 1970 estimate	Built-in growth to 1973 [3] ($M)	Man-years 1970 estimate	Average duration (weeks)	Participant unit cost: Allowance and subsistence	Participant unit cost: Other	Participant unit cost: Total Government [4]	Participant unit cost: Private [5]	Participant unit cost: Total	Benefit values: Trainees' average annual wage gain [6]	Benefit values: Add to net national income [7]	Benefit values: Benefit-cost ratio [8]	Benefit values: Income transfer [9]
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(1)
Research and development	23	24												
Other, including overall administration	76	75												
Total	2,828	2,582		1,126										
National distribution														

Program (agency)	Enrollee characteristics (percent): Household income [10] −3,500	3,500–10,000	10,000+	Age 21— 21	55	55+	Education −8	55	12+	Race W	NW	Location [11] 500K CC	500K Sub	Other Urb	Other Rural	Redirection potential [12]
	(16)			(17)			(18)			(19)		(20)				(21)
On-the-job training																
MDTA regular (Labor)																
JOBS (Labor/OEO)																
JOBS (Labor)																
Veteran's OJT (VAO)																
Indian OJT (Interior)																
Institutional training	65	35	0	40	58	2	11	53	36	50	50	(46	26	18	10)	5
MDTA																
Job corps																
Indian training																
Work support	97	3	0	100	0	0	12	81	7	50	50	(28	8	16	48)	7
NYC out-of-school (Labor)																
NYC in-school (Labor)																
NYC summer (Labor)																
Operation mainstream (Labor)																
Foster grandparents (HEW)																
Comprehensive																
Vocational rehabilitation (HEW)																
Veteran's vocational rehabilitation (VA)																
Work incentive (HEW)																
CEP (Labor/OEO)																
Title V MDTA																
Labor market adjustment																
Employment Service (Labor)																
CAP manpower																
Equal employment opportunity (EEOC)																
Project transition																
Indian mobility																
Project 100,000																
Research and development																
Other, including overall administration																
Total																
National distribution	21	49	30	41	41	18				8/8	12	22	21	27	30	

[1] Parentheses indicate estimates are tenuous. Double parentheses indicate estimates have high potential range of error.
[2] Contained in revised 1970 budget request as of May 9, 1969.
[3] Expenditure level in fiscal year 1973 necessary to fund program on an annual basis under current program levels and policies.
[4] Includes Federal, State, and local.
[5] Usually measures enrollees' foregone earnings net of allowances; for on-the-job training measures employers' costs.
[6] Estimated value of average increase in annual earnings as a result of participating in the program.
[7] Benefits to net national income is net value of benefits; specifically, (a) discounted value of future earnings increase + (b) value of work performed − (c) economic costs.
[8] B/C denotes efficiency benefit cost ratio, specifically (a) present discounted value of enrollees annual wage gain (discounted over 10 years at 10 percent + (b) value of work performed ÷ (c social costs, including enrollees' foregone earnings.
[9] Value of cash or in-kind consumption items per participant while engaged in program.
[10] −3,500 denotes in poverty category; 3,500–10,000 denotes family income between poverty and $10,000.
[11] 500K CC denotes central city of SMSA with 500,000 population or more; 500K Sub denotes corresponding suburbs; other urban denotes all other urban areas; rural denotes all areas with less than 2,500 population.
[12] Index of potential for redirection of program to specified target groups on scale of 1 to 10. Programs with low potential for redirection (formula grant programs) would be rated low, while those with high potential (operated directly by Federal Government) would receive high rating.

A GREAT YOUNG AMERICAN—BORN IN KOREA

Mr. MUNDT. Mr. President, 1 week ago last night, in the Mayflower Hotel of our National Capital, a remarkable awards banquet was held under the auspices of nationally famed Freedoms Foundation of Valley Forge.

Honored for distinguished service to cause and country at this banquet were the following outstanding Americans:

Former Senator Albert W. Hawkes, of New Jersey.

Dr. Frederick Brown Harris, recently retired Chaplain of the Senate.

Adm. Arthur W. Radford.

Adm. Arleigh A. Burke.

Gen. Bruce C. Clarke.

I ask unanimous consent that the program for the awards banquet be printed in the RECORD at this point in my remarks.

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

Master of Ceremonies: Howard H. Callaway.

Advancement of Colors: Knights of Denamic, Boy Scouts of America.

Pledge of Allegiance: Geno Meth, Medal of Honor holder.

National Anthem.

Invocation: Rev. Edward Gardiner Latch, Chaplain of the House of Representatives.

Dinner.

Introduction of Special Guests: Dr. Kenneth D. Wells, President, Freedoms Foundation at Valley Forge.

A Choral Salute: The College of William & Mary Choir, Williamsburg, Va., Dr. Carl A. Fehr, Director.

General Washington's Prayer for our Country: Msgr. Patrick J. Ryan, Major General, U.S. Army (Ret.).

General Eisenhower's Inaugural Prayer: Rabbi Harry Silverstone, Past President, Washington Board of Rabbis.

Salute to Dwight David Eisenhower: Honorable Gordon Allott, U.S. Senate.

Introduction of honored guests.

Hon. Albert W. Hawkes—Honorable Karl E. Mundt, U.S. Senate.

Dr. Frederick Brown Harris—Honorable Barry Goldwater, U.S. Senate.

Adm. Arthur W. Radford—John C. Broger, Director, Office of Information for Armed Forces, Department of Defense.

Adm. Arleigh A. Burke.—Frank Gard Jameson, Former President, Navy League of the U.S.

Gen. Bruce C. Clarke.—1st Lt. Link S. White, U.S.A.R.

Benediction: Rev. Edward L. R. Elson, Chaplain of the Senate.

Retirement of colors.

Headtable flowers courtesy Florists' Transworld Delivery.

THE AMERICAN WAY OF LIFE

To personally understand and maintain the American Way of Life, to honor it by his own exemplary conduct, and to pass it intact to succeeding generations is the responsibility of every true American.

Fundamental belief in God.

Constitutional government designed to serve the people.

Political and economic rights which protect the dignity and freedom of the individual:

Right to worship God in one's own way.

Right to free speech and press.

Right to peaceably assemble.

Right to petition for redress of grievances.

Right to privacy in our homes.

Right of habeas corpus—no excessive bail.

Right to trial by jury—innocent until proved guilty.

Right to move about freely at home and abroad.

Right to own private property.

Right to free elections and personal secret ballot.

Right to work in callings and localities of our choice.

Right to bargain with our employers and employees.

Right to go into business, compete, make a profit.

Right to bargain for goods and services in a free market.

Right to contract about our affairs.

Right to the service of government as a protector and referee.

Right to freedom from arbitrary government regulation and control.

Mr. MUNDT. Mr. President, I wish that I had copies of all of the speeches made in tribute to these great living Americans as well as of the significant and inspiring responses made by the honorees. Unfortunately, most of the statements in both instances were extemporaneous in nature and copies are not presently available, although it is to be hoped that under the always competent and careful administration of Dr. Kenneth D. Wells, the distinguished and able president of Freedoms Foundation, a reproduction of these proceedings will eventually be printed in booklet form and be made available to all interested citizens.

I was fortunate, however, to receive from General Clarke a typewritten version of a highly moving and significant tribute which he paid to a most unusual and outstanding young officer in the American Army—a young Korean orphan who at the tender age of 10 attached himself to our American forces in Korea. The process by which his association led him to become an American citizen and to work his way up to the rank of first lieutenant in the U.S. Army Reserve is a most inspiring American epic.

I ask unanimous consent that this unusual story as told by General Clarke be printed in the RECORD.

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

A GREAT YOUNG AMERICAN

(By Gen. Bruce C. Clarke, USA, retired)

When the United Nations Armies recoiled from the Yalu River in the Korean War they brought back with them many thousands of North Koreans who did not again want to live under Communism.

One of them was a ten year old boy who for two years had been the sole support of his family. His name was Chiisi (Cheesy). Let's follow Chiisi for the next eighteen years.

Chiisi obtained work in the X U.S. Corps General's Mess as a handy mess boy. He worked also in the N.C.O. Mess. His pay was food and a place to sleep and such tips as the officers and NCO's gave him—this money he very carefully saved.

I began the X Corps Commander, located in central Korea at Kwandari, in December 1953. I met and took a liking to Chiisi. I had a couple of boys at home who were about Chiisi's age.

Later I left this assignment and Chiisi.

Subsequently I learned that a Sergeant White had brought Chiisi home with him, adopted him, sent him to school and then to Muhlenberg College in Allentown, Pennsylvania.

Sergeant White subsequently died. Chiisi was broken up. Under his adopted name: Link S. White, he enlisted in the United States Army. He was selected for officer candidate school and graduated with a commission as 2nd Lt., U.S.A. Res. and was sent to Vietnam in 1967.

In February 1968 I was visiting the troops in Vietnam at the request of General Westmoreland. While visiting in the Delta, a smart young 1st Lieutenant came up to me, saluted, and said "Do you remember Chiisi?" I cannot adequately describe my reaction at our reunion after fourteen years.

Chiisi finished his Army tour with credit and returned to Muhlenberg College, where today (May 1969) he is a Junior. He will graduate in the Class of 1970.

This is the story of a young boy from behind the Bamboo Curtain who by work, determination, and devotion sought and found a better way of life than under Communism. He has served his new country well, both in peace and in war. He is a proud American citizen. He is appreciative of what America has to offer and will continue as a good citizen in his new homeland. We need more of such in our country today.

AN INCIDENT IN CHIISI'S YOUNG LIFE

The Army in Korea was paid in Military Payment Certificates (MPC's) which was paper money. From time to time a new issue was printed in a different color. Then everyone had a few days to convert to the new bills before the old ones became worthless. Korean civilians were not supposed to have MPC's. All of this was for the purpose of reducing the Black Market in Korea.

Chiisi received tips in MPC's which he very carefully kept buried in a tin coffee can. One day he came to me with his life savings in his hand, all in old MPC's. They were of the then obsolete color. He had been wiped out. He had not gotten the word of the change. I was distressed. I asked him to give them to me. The next time I went to the 8th Army Headquarters in Seoul I took them along. Before I left Seoul I had persuaded the 8th Army Finance Section to change the old MPC's for new and Chiisi's life time savings were restored.

PROPOSED CONSOLIDATION OF FEDERAL REGIONAL OFFICES

Mr. GORE. Mr. President, the Nixon administration has been widely heralded for its "businesslike" approach to problems. Apologists for the administration would have us believe that the country will no longer be plagued by wasteful and inefficient Government expenditures, that Defense Department cost overruns will be a thing of the past, that mistakes in judgment no longer have relevancy.

I have questioned some of these assumptions with respect to important matters such as the ABM issue. I would like now to raise some questions about a matter which might be adjudged minor by some.

Some 6 or 8 weeks ago, it was announced that a number of regional offices of various departments and agencies would be closed, consolidated, or moved. Among the offices affected was a regional office of the Department of Labor which was to be moved from Nashville, Tenn., to Atlanta, Ga. There had been no indication whatsoever, so far as I knew, that this office had not been operated efficiently, that costs had been excessive, or that its personnel had failed to render proper service to the public. I, therefore, wrote to the Secretary of Labor to ask a few questions concerning the reasons for moving this office.

I ask unanimous consent that a copy of my letter to the Secretary, dated April 2, 1969, be printed at this point in the RECORD.

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

APRIL 2, 1969.

Hon. GEORGE P. SHULTZ,
Secretary, Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: As you know, a regional office of the Department of Labor located at Nashville, Tennessee, has been recently ordered to transfer to Atlanta, Georgia. So far as I am aware, this office has functioned efficiently and economically, and I protest its transfer.

I expect to join with other Senators in an effort to take effective action to prevent the consolidation of all regional federal offices in a few key cities. Government ought to be brought close to the people rather than forcing those who would do business with federal government agencies to go to Washington or to some other distant city.

I would appreciate your furnishing me a report at your earliest convenience to include the following:

1. studies showing the need for moving this office from Nashville to Atlanta;

2. relative costs of operating this office in Nashville and Atlanta;

3. the cost of moving this office from Nashville to Atlanta;

4. disposition of the space now occupied by this office in Nashville; and

5. location of this office in Atlanta together with type of space to be occupied and cost thereof.

Unless it can be shown that sizable savings can be realized by the government by moving

this office, I can see no justification for forcing those citizens and taxpayers who have heretofore had occasion to deal with personnel in this office to go to Atlanta to transact business.

I shall look forward to an early reply to this letter.

Sincerely yours,

ALBERT GORE.

Mr. GORE. Mr. President, the questions I raised were simple ones, and the answers had to be known to whatever official made the decision to move this office—that is, if the decision was really made on rational and businesslike grounds.

Within a few days I received an acknowledgment from an Assistant Secretary advising me that the report I had requested would be sent "as soon as possible." I was a bit disturbed and somewhat shaken in my faith in the businesslike approach to problems purportedly to be taken by the Nixon administration, however, by the statement to the effect that "work is underway" on the report I had requested.

I ask unanimous consent that the letter from Mr. Werts be printed at this point in the RECORD.

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

U.S. DEPARTMENT OF LABOR,
Washington, D.C., April 9, 1969.

Hon. ALBERT GORE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GORE: This will acknowledge receipt of your letter to Secretary Shultz of April 2, 1969, concerning the relocation of regional offices from Nashville to Atlanta.

Work is underway on the report you asked for and the report will be sent to you as soon as possible.

Sincerely,

LEO R. WERTS,
Assistant Secretary for Administration.

Mr. GORE. Mr. President, not having received anything further by April 25, I again wrote to Secretary Shultz. I pointed out to him that the information I had requested must have been available prior to his reaching a decision to move this office. Frankly, I was getting a bit irritated that some underling was just sitting on the compilation of cost figures and comparative data on which I knew the Secretary, or someone, must have relied in making the decision to move this office to Atlanta.

I ask unanimous consent that my letter of April 25 be printed at this point in the RECORD.

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

APRIL 25, 1969.

HON. GEORGE P. SHULTZ,
The Secretary, Department of Labor,
Washington, D.C.

DEAR MR. SECRETARY: On April 2, I wrote to you concerning the announced removal of the Nashville, Tennessee regional office of the Department of Labor to Atlanta. In that letter I raised certain points which I felt should be clarified.

On April 9, I received a letter from Mr. Leo R. Werts, Assistant Secretary for Administration. This letter stated that work is under way "on the report you asked for". I have not yet received this report. It appears to me that the information I have requested must have been available to you prior to your making the decision to move this office. I do not see how you could have made the decision to move the office without having this information available.

I would appreciate an early and substantive reply to my letter of April 2.

Sincerely yours,

ALBERT GORE.

Mr. GORE. Mr. President, I still have not received a substantive reply to my letter of April 2.

I am now getting just a little bit suspicious that there is, in fact, no good, businesslike, reason for moving this office. And this suspicion, in turn, carries over into other areas. What about the announced closing of several Job Corps centers? What about changes in procurement practices? What about the ABM?

Does the administration really have good and valid reasons for doing what it is doing? Does it really know why it is proposing what it is proposing? Can it really build an ABM system which will accomplish what it is intended to accomplish for the price which has been quoted?

Of course, on this latter point, the administration is already fudging. The nuclear components were not included in the announced cost of the package. Secretary Packard, despite his flat assurance to the contrary, has begun procurement with funds already voted for another system. Is this partially to hide costs? I know these are ugly questions, and I should not ask them.

Could one of my Republican colleagues help me get an answer from Secretary Shultz about my relatively small problem concerning the move of a Labor Department regional office from Nashville to Atlanta?

DUE PROCESS OF LAW

Mr. HART. Mr. President, to define "due process of law" and make clear its central role in a lawful society has challenged thoughtful writers for centuries. That challenge has never been met more successfully than by William T. Gossett, who honors the profession of law by serving currently the American Bar Association as its president.

It is not from parochial pride, although Mr. Gossett is a valued resident of Michigan, that I ask to have printed in the RECORD the "President's Page," written by Mr. Gossett for the American Bar Association Journal for May; rather, I ask unanimous consent that this brief but compelling article be printed at the conclusion of my remarks so that it may be read and always available to each Member of Congress and, hopefully, to students and leaders across the land.

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

PRESIDENT'S PAGE

(By William T. Gossett)

Several years ago, a distinguished Pennsylvania judge, Curtis Bok, made a simple but profound statement: "In the whole history of law and order, the longest step forward was taken by primitive man, when, as if by common consent, the tribe sat down in a circle and allowed one man to speak at a time. An accused who is shouted down has no rights whatever. Unless people have an instinct for procedure, this conception of basic human rights is a waste of effort, and whenever we see a negation of those rights it can be traced to a lack, an inadequacy, or a violation of procedure."

We of the legal profession long ago developed a term that epitomizes the ancient custom of allowing one person to speak at a time, of allowing the accused to speak without being shouted down. We call it "due process of law". Due process represents procedural decency and fairness. It came down to us from Magna Charta, through the common law, and it is embedded in our Constitution.

In the language of the Supreme Court: "[Due process] is the primary and indispensable foundation of individual freedom. It is the basic and essential term in the social compact which defines the rights of the individual and delimits the powers which the state may exercise."

There are many areas of life today that demand a sharpened sense of due process from us. Equal access to the law is one. A person without legal advice because he cannot afford it is deprived of due process by that fact alone. Unpopular people and those serving unpopular causes can be and often are deprived of due process by that fact alone. An accused who is detained in ignorance of his rights, or denied a prompt and fair hearing, or subjected to public and extrajudicial abuse and denigration by a public prosecutor while awaiting trial may be deprived of due process by that fact alone.

The essential ingredient of the truly lawful society—equal access to and equal protection of the law for all men—is not theoretical but wholly practical. This means simply that neither poverty nor ignorance nor unpopularity nor bias nor even clear evidence of guilt shall deprive anyone of due process, of the right to be heard and of the right to counsel.

People in positions of authority, especially, must be sensitive to and well instructed in the right of every individual to due process. Public administrators, government agencies, public prosecutors and police officers should understand the doctrine and respect it as the very cornerstone of our society, without which all the rest of our legal structure would come crashing down. And it should be a constant part of our professional mission to remind our fellow citizens that however emotional the atmosphere and however provocative the occasion, not only the accused person but also all society suffers if we yield to the temptation to take short cuts in affording individual rights.

If lawyers are crusaders at all, as they must be, they are first and foremost crusaders for due process. If lawyers are public teachers, as they must be, they have a continuing responsibility to enlighten the public about the necessity and utility of decency and fairness in the law's attitude and in the conduct of public officials toward the individual and his fundamental rights.

Indeed, the lawyer's continuing obligation to defend and support due process goes beyond his professional functions and his duty as an officer of the court. It reaches to the very core of his character and of his convictions. Even if every other individual and institution in our society should forget or subvert due process, the lawyer—alone if necessary, defiant if challenged, resolute if discouraged—should never yield on the right of any man to the benefits of due process.

If we are to promote trust in the lawful society as the straightest and broadest avenue to a better society, we must be skillful in employing to that end all the machinery of the law—from its application by the city policeman to its codification of economic morality. Let us remember that in the first place laws were instituted among men intent on a lawful society for the common good of all men—not just the most, not just the strongest and not just the uncomplaining.

If the long processes of history, a society based upon due process of law has been the

perpetual vision of men of good will. Through all the trials and conflicts of history a just society has done most to illumine that vision. Let us in our time—when the challenge is hardest and the stress greatest—bring it to fuller realization.

CONFIDENTIAL FILES—WHAT THEY KNOW ABOUT YOU

Mr. PROXMIRE. Mr. President, recently the National Broadcasting Co., aired a comprehensive radio report on the growing problem of confidential files on individuals and the protection of the individual's right to privacy. One aspect of the privacy problem is exemplified by credit bureaus and credit reporting agencies. Not many Americans realize that the credit bureaus of our country contain files on 110 million Americans and that last year they issued 97 million credit reports.

One firm alone, the Retail Credit Co., based in Atlanta, Ga., has 1,800 offices throughout the country and maintains files on 45 million people.

Mr. President, on Monday, May 19, my Subcommittee on Financial Institutions of the Senate Banking and Currency Committee will begin 1 week of hearings on the Fair Credit Reporting Act which is intended to protect consumers against arbitrary or inaccurate credit information. Thus, the excellent report by NBC radio is extremely timely. I ask unanimous consent that the transcript from the program be printed in the RECORD.

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

SECOND SUNDAY: CONFIDENTIAL FILES—WHAT THEY KNOW ABOUT YOU

(Radio report by National Broadcasting Co.)

(Noises.)

MAN. How many people do you have information on?

MAN. In our Los Angeles data bank we have credit information on approximately thirteen million individuals. And we also have information on a like number in our New York data center, which will be increased by about two million credit histories when our Detroit operation goes onstream next month. The Detroit area will be served by a satellite computer in Detroit which will access the data stored in New York. We expect that in the next five years we will approximately double the number of individuals whose records appear in our data banks.

(Music.)

ANNOUNCER. This is Second Sunday, the NBC award-winning series of radio documentaries concerned with the problems of these difficult times. Tonight, Second Sunday takes a look at what computers know about you, the remarkable story of where you are on file. Here now with "Confidential Files—What They Know About You" is Edwin Newman.

EDWIN NEWMAN. Good evening. Most of us are vaguely aware that someone somewhere has information on file about us. It is no surprise that much is known by such information-hungry federal agencies as the Internal Revenue Service, Social Security, and the Census Bureau. Many of us also may be found in the files of the FBI or state or local police agencies. Several million Americans might be startled to discover, if they could, that much information about them is in the files of the super-secret Central Intelligence Agency. Military records concerning millions upon millions of Americans are kept at the Pentagon and by the Veterans Administration.

What is perhaps slightly more startling than our personal statistics with government agencies is the voluminous information on file in a non-governmental institutions. If we have ever applied for a bank loan or bought an automobile on time or obtained a credit card or charged a dress or a shirt at a department store, personal data records, sometimes in almost shocking detail, are available about us with credit agencies, those purveyors of information who tell businessmen about the credit rating of their customers. Life insurance companies and automobile insurance companies also have a great deal of information about us. So, too, do our employers, past and present.

To paraphrase a fine Churchillian observation, "Never in human history have so many known so much about the citizenry of an entire nation." Now in the light of this, there are certain questions which must be asked. How accurate are these voluminous files? Who has access to them? What use is made of them? If we accept that government files are reasonably well-maintained and with some safeguards, how about the tremendous knowledge that is available through credit agencies? What makes this moment for questioning even more pertinent is the awesome, ubiquitous, almost frightening symbol of tomorrow, the computer.

For files are no longer kept on a card in a drawer. Now files are magnetic symbols, and the primitive era when a clerk had to spend hours looking up information on you or me has disappeared. Today every bit of information about us in the memory bank of a credit agency computer can be retrieved in a second or two. It can be made available almost instantly to other computers located anywhere in the nation. And the data information age is barely beginning.

We opened our search into the proliferation of information files in Washington. Peter Hackes of NBC News asked Senator William Proxmire, who has long been concerned with credit agency operations, how big a problem they pose.

Senator WILLIAM PROXMIRE. We're talking about a problem that affects one hundred and ten million Americans. That means it affects the overwhelming majority of adults in this country. There's one firm that has forty-five million people in its files. That is, it has credit reports on forty-five million people. There's another firm that's adding fifty thousand people a day, so they say if you haven't heard of these firms, chances are that these firms have heard of you. It's very, very widespread, and I think on the basis of everything we've seen and heard that the abuses in this field are widespread too.

PETER HACKES. Now, what are some of the abuses that have come to your attention?

PROXMIRE. There are a number of problems that are involved here. In the first place, the information the credit bureau has may not be accurate. In a number of cases, we've found that it's not accurate. In other cases, it's not relevant, and it's the kind of information that can be very harmful to a person's reputation and to his prospects, not only of getting credit, or getting insurance, but actually holding onto his job. And, in the third place, that information is not kept confidential, at least as much as it should be.

HACKES. Well, Senator, what's the answer to this whole problem? Do you abolish the credit reference bureaus?

PROXMIRE. Oh, absolutely not. I think that these credit bureaus are performing an essential purpose, really important purpose. I think we have to recognize what's happened to this country in the last few years. In 1946 all consumer credit was only five billion dollars. Today it's one hundred and ten billion dollars—22 times bigger in 23 years. Now, consumer credit relies on the credit worthiness of the people who get the credit. So their credit worthiness has to be checked out and should be. Some of these firms—in fact, I'd say most of them are doing a fine job. They're doing the kind of things that we think should be done. We don't think they should be abolished. We think that they should be reinforced, but we think that there are certain acts which the government should require them to take which would protect the consumer without adversely affecting them.

Number one, we feel very strongly that a person should be notified in the event adverse information is being put into his or her credit file so that he or she could come down and have a chance to make the correction. I think that this is a very, very important improvement, and without that kind of improvement it seems to me it would be very hard to get at what is really the heart of this kind of difficulty. Then, in addition to that, we feel that the irrelevant information—information that has nothing to do with credit worthiness—it doesn't matter what a person's morals, whether they drink. What does that have to do with whether they should have credit? If they have had a good credit record, if they have a steady job and so forth, this is the kind of information that's pertinent. So it ought to be pertinent. Then, also, the information ought to be provided only for the purpose for which it was derived. If a person applies for credit, and they make a credit investigation, they certainly shouldn't provide it to everybody else. We have one example, for instance, of a Columbia University professor who, in order to determine what he could get, decided he'd ask a credit bureau about a secretary who worked for him.

NEWMAN. Professor Alan Weston, who teaches public law at Columbia University, described that experience himself.

ALAN WESTON. Most people, when they think about the information they give to credit sources, think that it's used only for credit, and the credit industry often has at the bottom of its forms a printed statement, assuming you ever get to see those, which says that this information is collected only for credit purposes and should only be so used. The fact of the matter, though, is that many, many of the local credit bureaus not only give out credit information but they're also employee investigating firms, and they give both services to their clients. And I had an experience myself in which I wanted to test this out. I wrote to the particular credit bureau—it's the Greater New York Credit Bureau—and said that I was considering promoting an employee in a center that I directed—Columbia University—and this would be a responsible job and I'd like to find out more about this individual. There was no credit purpose mentioned whatever. This individual had not said anything. I didn't indicate the employee had consented in any way. In fact, privately, the girl who was participating in the experiment said she had no objection. She gave me the permission to collect the information.

Within a day I received back a full credit report on her and in addition, it was suggested that if I wanted more they'd be glad to do interviews and check upon her and so on. Now, this was offered to me, I'm sure, from what's been said afterwards, as a kind of a—it must have been a good purpose I had in mind, Columbia University wouldn't misuse information, this was obviously an employee of mine, and so on. But the fact was that I had gone to a credit bureau, and I had gotten employee information. Id gotten it without the person about whom the information was collected having consented and without my having verified the purpose for which I wanted it. And so, realistically, as a professor at Columbia University, I suppose I could have gotten a similar report on any one of the 17,500 students or the 5,000 faculty at that university.

NEWMAN. The information available to credit agencies and what they do with it is

not only a matter of federal concern but has begun to create a sense of disquiet in several states. In Illinois, for example, the state legislature has before it a bill to investigate credit agencies. State Representative Robert Owler described the measure to Ted Smart of NBC News, Chicago.

ROBERT OWLER. Basically, the Credit Commission Bill which Representative Walker has introduced this session is designed, rather than being a piecemeal attempt to answer some of the problems in the credit reporting area, it's designed to establish a commission to study the area in detail, have some hearings, let both sides testify as to how legislation might better answer some of their problems. The primary impetus for this whole piece of legislation was the Senate hearings by Senator Proxmire and others which interested Representative Walker around the first of the year to the point where, when I was in Washington for the Inauguration, he had me go over in some detail the hearings which they had had.

We're quite interested in making sure that every credit consumer—in other words, virtually everyone in the state—has the right to go into his credit bureau and find out precisely what rumors or what actual facts are being circulated about him and that he has the right to answer charges which are untrue or which do not properly represent the state of his credit. Things such as divorced wives we find occasionally are dunned for the bills of the husband, who has not been married to them for some time. Or people who have had a long, lingering illness in the family find that their credit is impaired without having any explanation furnished to the new creditor at the time when they make an application for credit where, let's say, Sears and Roebuck, for example, might be understanding about a person with a bad credit reputation if they had known the reason for accumulating that bad record in the past and knowing it's just not a peculiarity of the person.

As a personal matter, I have attempted to find out as much as I could about this by allowing a great many of my own personal obligations in the nature of oil company credit card bills to lapse and have attempted to see precisely how they go about collecting these things, whether it's an actual computed operation or whether there are human beings involved in the thing. And for six months now, I have not heard from a human being. I have corresponded with a number of computers about these matters, but I've never yet heard a human being's voice with regard to any bill I owed.

Now, I could see how the average person would become very confused and very disillusioned with the possibility of setting straight an error regarding his credit if the thing is as computerized as it purports to be.

(Music.)

NEWMAN. Since personal credit files are now embedded in the blinking electronic brain of computers, Dean Mell of NBC News, New York, travelled to Cherry Hill, New Jersey, and talked with A. D. Beard, the chief engineer of the RCA computer division about what computers can do with information.

DEAN MELL. Mr. Beard what kinds of information on people can be computerized?

A. D. BEARD. I would say that any kind of information which you can put down on paper or with a typewriter into someone's file folder, for instance, certainly can be put into a computer system.

MELL. Does it have to be information that has a yes-no, either-or sort of alternative? Can it deal with subtleties and information or subtleties in character?

BEARD. It can deal with anything which can be expressed in the English language, for instance, and reduced to writing.

MELL. Mr. Beard, can computers talk to other computers?

BEARD. In a sense, they can. They can transfer information from one computer to another. They can transfer the records of say an individual that's stored in one computer system's memory banks to another computer system's memory banks. A very common type of compatibility which exists today is in the form of how data is stored on magnetic tapes. Many systems today can exchange the magnetic tape records from one computer system to another.

MELL. Mr. Beard, where are we going with this whole system of taking scraps of information about people—the information that can be gleaned from a credit card application? There is information in there that describes an individual—his tastes, his likes, his dislikes, his socio-economic bracket. Are we getting to a point where all of this information can somehow be collated so that if I wanted to know about John Doe from the time he was born to the time he dies, all I'd have to do is punch a button.

BEARD. Well, that is conceptually possible with the computer hardware that exists today, but whether or not it would be economically practical for someone to put together all of the data that is required—because it will take manual preparation, the data—putting it into the system, requiring computer hours, which cost money, and it's very difficult for me to visualize any industry or even the government wanting to go through such an enormous task for whatever end purpose there might be in mind. So what you say is, it is possible, but I consider it to be a very improbable sort of situation.

NEWMAN. On the eighth floor of 30 Rockefeller Plaza, in a room which looks as though it belongs to the 21st century, Leonard Probst of NBC News looked into the question of what computer operators themselves have been told about legal restrictions, if any exist, on the use of computers in the information field. As a giant RCA Spectra 70 hummed away, solving problems for clients from Florida to Washington, Probst spoke with James Tucker.

LEONARD PROBST. Mr. Tucker, are there any legal restrictions as to what you can program into a computer or the information it will give out?

JAMES TUCKER. No. It can print anything, it can calculate anything, it can keep records of anything. So computers of themselves are machines that have no morality; they're amoral.

PROBST. How about the people who run the computers? Are they restricted in any legal way?

TUCKER. Well, there is no restriction at all.

(Music.)

NEWMAN. Two of the giant credit agencies in the nation are Credit Data Corporation and the Retail Credit Company. In San Francisco, Robert Lazich of NBC News spoke about credit information with Dr. H. C. Jordan, head of Credit Data.

ROBERT LAZICH. Could you describe for us the mechanics of Credit Data Corporation?

H. C. JORDAN. Well, Credit Data Corporation operates a pooled bank of credit information for the exclusive use of credit granters who supply the information to it. This information consists of factual data on the credit performance of individuals supplemented by public record information. A condition of subscribership to our service is that the subscribing company who must be a credit granter, must supply to us evidence of performance of individuals who obtain credit from that subscriber. It is the pooling of this data from many subscribers supplemented with reports of ongoing performance to keep the data current and of course with public record information that constitutes our total data bank.

LAZICH. When you say a data bank, what do you do with the information to store it?

JORDAN. The information which we have is stored in computers. We have two principal centers, one in New York and the other one in the Los Angeles area. In each of these centers we have two IBM computers, which serve as backup to each other in the case of mechanical failure. And rather large banks of random access storage equipment so that the record on a given individual can be retrieved in the order of a second or two.

LAZICH. Is there any protection for an individual if you have incorrect information on that person?

JORDAN. Well, in any information gathering and storage system, there will be errors. We encourage our subscribers where it appears to them that there is an erroneous data item or where a customer of theirs suspects that there is an erroneous data item, to send the individual directly to us so that we can first establish his identity and know that he is not an imposter and then review with him his credit history. We will, of course, correct any errors which are discovered at no expense to him. To put the error problem in context, the average individual who appears in one of our data banks has a probability on the order of one chance in a thousand of a correctible error occurring in his file during his credit lifetime.

LAZICH. How many people do you have information on?

JORDAN. In our Los Angeles data bank we have credit information on approximately thirteen million individuals. And we also have information on a like number in our New York data center, which will be increased by about two million credit histories when our Detroit operation goes onstream next month.

LAZICH. Is there any attempt by the government to get access to your files, for whatever reason they might want?

JORDAN. We have taken the position that the data in our files is for credit granting purposes only and should not be available to law-enforcement agencies except in cases involving national security. We of course would be obliged to release data after due process. As an example of this, many times in the course of the last few years the Internal Revenue Service has attempted to obtain data from our files which they commonly do from other sources as a part of investigation of taxpayers. We have consistently refused and thus far the courts have not forced us to honor any IRS subpoenas. If the IRS and other law-enforcement agencies were to be given unlimited access to our information, we think the implications for personal privacy are self-evident.

NEWMAN. Perhaps the most revealing of Mr. Jordan's remarks was his cryptic comment that personal records are made available to agencies involved with national security. We might ask, "What agencies?" "Who authorizes the search?" "What use is made of it?" Big Brother sounds suspiciously close.

(Music.)

NEWMAN. In Atlanta, Jack Scott of station WSB discussed some of these sensitive problems of retail credit agencies with W. Lee Birch, president of the Retail Credit Company.

JACK SCOTT. This whole area of information gathering from the Census Bureau to credit-investigating organizations such as yours are currently under fire for being a bit too snoopy now. What's your position in this whole question?

W. LEE BIRCH. Well, obviously, the business intelligence system is a rather extensive thing, but it's a very vital thing in the support of our economy.

SCOTT. What kind of information does Retail Credit have in its files?

BIRCH. Fundamentally, we provide the information that's needed for a particular transaction. For example, if a man wants to buy a new house, we furnish the information

that's necessary as to his employment and his income and whether or not he has the general reputation of paying his bills satisfactorily. On the other hand, if he is insuring his house, we just generally provide the type of house that it is, whether it's in good repair, whether it's convenient to fire protection, and this kind of thing.

SCOTT. Now, what kind of companies subscribe to your service?

BIRCH. Fundamentally, we have the credit granters, the people who approve mortgages, the people who approve life insurance transactions or fire insurance transactions or automobile insurance transactions. Or, in the case of employment personnel departments or personnel interviewers.

SCOTT. Do large employers come to your company and ask for a very thorough investigation of potential top employees that they're looking at?

BIRCH. We have some such requests. This is quite frequently done in connection with the employment process of key people.

SCOTT. Do you feel the criticism of your general industry is fair or unfair?

BIRCH. I do not feel that generally there is a reason to criticize the business information process. Now, I must admit that with advancing technology and the computer, people in the business investigation field must conduct themselves with great integrity and that they should be sensitive to the matter of privacy.

(Music.)

ANNOUNCER. We will return to Second Sunday's "Confidential Files—What They Know About You" after a ten-second pause for station identification.

Again, Second Sunday. Here is Edwin Newman.

NEWMAN. The very thought of what gleaming electronic computers can do has enormously excited those who deal with information. Among other suggestions advanced has been a national data bank run by the federal government. James Robinson, NBC News, talked about this with Representative Cornelius Gallagher of New Jersey who is very much against such an information center.

CORNELIUS GALLAGHER. The National Data Bank is sort of the big daddy of all the computer thinking. It is a plan to consolidate all of the records that exist on every single individual American and put all of these records into one giant computer network. This would include Social Security records, your tax records, your military records, your school records—any record that now presently exists or would exist would be consolidated and centralized. The reason for this was that, since these records presently exist, that they should be consolidated in the interests of economy and efficiency.

The very dangerous part of it, however, is that the network, as it was originally conceived, could be converted into a national espionage network where you would have a dossier instantaneously retrievable at the fingertips of anybody who would have access to the National Data Bank. My objection was to this. I believe that what we should be doing is protecting human values.

JAMES ROBINSON. But how can you protect it with modern industry, a computerized industry where, for instance, one department store, if you come there for credit, can connect themself into a computer and find out various aspects of your financial holdings and your dealings and your home life, all within two minutes. Are there any checks and balances? Are there any laws going into effect to protect myself as an individual?

GALLAGHER. Well, that's what our whole campaign is about. Our credit hearings brought out the fact that there are, I think it was 148 million American names in the dossiers of the credit bureaus. Strangely enough, there are all kinds of laws protecting dogs and horses, but there are no laws at all, no federal laws at all, protecting reputations of people within the credit industry.

ROBINSON. These people who operate the computing machine—what's to stop them from getting this information on the quiet, by themselves, and bootlegging information and blackmail?

GALLAGHER. I'm sure that a great deal of that is being done now within industry. This is the danger of people using the new technologies without knowing the dangers of these technologies. To computer professionals there's a slogan, "Garbage in, garbage out." Whatever you put into the computer, you're going to get the same thing out of it. I have respect for these professionals. The thing that troubles me is how to disabuse nonprofessionals of the notion that really means, "If it's garbage in, it's gospel when it comes out." This is the real danger of the nonprofessionals who see their particular purpose being better-served by computers.

NEWMAN. Senator Sam J. Ervin, Jr. of North Carolina has long been disturbed by computerized information available on federal employees. He explained his concern to Peter Hackes.

Senator SAM ERVIN. The principal danger is that they may put in a computer rumor or hearsay which is derogatory to the federal employee and which stays in the computer and at some subsequent time, that he will lose a promotion, or he may be even denied employment in a security agency because of that derogatory information. I think it's a great injustice to store up information in a computer that's derogatory to a man when he has no chance to know that it's there, no chance to refute it, or no chance to explain it.

HACKES. How does that information get into the computer in the first place?

ERVIN. Well, it's put in there by those who collect personnel records of federal employees, which I would say would embrace most every agency of government.

HACKES. And the information, I suppose, is from numerous sources which either may or may not be accurate.

ERVIN. Absolutely. And another danger to a federal employee is there may not be sufficient rules for access to the information stored in the computer and that people who are not authorized to get it might get it. I think it's highly important not only are pains to be taken to make it accurate, but also to make it impossible for those who really have no right of access to it to get access to it.

HACKES. Have you run across any examples of people who may in fact have been victimized in this area by others getting unauthorized information about them?

ERVIN. Well, I don't know of any particular instance where it involved the use of computers, but in our studies, which resulted in the civil rights for federal employees, we found on many occasions that personnel officers had obtained entirely inaccurate information from persons who go into federal employment, and those people suffer grave consequences. In some cases they were denied promotions. In other cases they were denied access to information which they otherwise would have been trusted with.

HACKES. Is there any recourse that a federal employee has in a situation like this?

ERVIN. None whatever that I know of. In other words, he may go through the rest of the years of his federal employment denied promotion without ever knowing what the cause of the denial of the promotion is.

NEWMAN. Richard Scammon, director of the Election Research Center in Washington, formerly headed the United States Census Bureau. To Scammon, the possibility of computerized files being misused, esepcially by the government, seems remote, almost innocently so.

He made his position clear to James Robinson in Washington.

RICHARD SCAMMON. Do you remember, some years ago, there was this great revolt against the use of a full-numbering telephone system and there's always been the business about let's mutilate all the cards we can find on which we get our monthly bills from department stores and utilities and so on. I'm sure there's this apprehension. I don't really think it's well-founded and the reason I say that is a totalitarian regime doesn't really need the data. You take one like Trujillo in the Dominican Republic. I'm sure he never even had an IBM card and he never had a computer of any significance. And yet, that didn't keep him from running his country with an iron fist for many, many years. And other countries that have very scientific and advanced systems aren't totalitarian. The idea that you sort of equate a great amount of data in the computers with totalitarianism is just wrong, although I know that there are many people who fear that somehow the computers are going to run our lives, you know. They're going to come lurching down off their pedestal and come hunting us through the corridors of time and this sort of thing. It just isn't so, because basically this is a matter of people. If people want to misuse the data, they can. But the computers don't misuse the data.

ROBINSON. Yes, but we as a people are very individualistic, and it just happened, I would guess, this last decade or so that all this tremendous amount of information on our—what I consider our private life has been collected, not only by credit bureaus but also, I suppose, if you're looking for a government job, various government intelligence agencies will go through your personal file and your background and all that. And the fact is, all of this information on your private life and on your public life is collected, and various agencies around this country. . . .

SCAMMON. Well, much of it, of course . . .

ROBINSON. . . . and that data is there.

SCAMMON. Well, much of it, as you say, is collected particularly by private people. Credit bureaus, for example, check on your credit rating before they give you credit. Now, of course, there's an easy way to beat that. If you don't want the credit, you aren't checked on by a credit bureau. It's when you ask for something often that these things develop. You ask for a government job, and so they check you out. Just as a taxpayer, I must say that I'm happy they do check out people who are applying for jobs with the Intelligence agencies. I'd be a little suspect if they didn't check them out. As far as the government itself is concerned, though, the collection of this kind of data—I suppose much of it is done through the census, but then that's all confidential, so they can't get at that. I don't know that the government collects as much of this as we sometimes think.

NEWMAN. Obviously, all information stored in the inexhaustible memory banks of computers is not dangerous. For example, Aspen Systems Corporation in Pittsburgh is proving a boon to the legal profession with its computer information. I talked with John Horty, president of Aspen Systems, about his company and asked him:

You claim that your company has the largest body of full-text information ever stored in a computer. What have you got?

JOHN HORTY. Well, what we have in the computer at present are the statutes of all the fifty states—the complete statutes and the text of them, so that they can be searched upon request.

NEWMAN. What's the advantage of your having them, since presumably you had to get them in the first place, they must have existed somewhere?

HORTY. Well, they exist in published books—over five hundred volumes of published books—and are only available for research by means of the indexes to these books. What we have done is to use the computer

for what it does best, and that is to take very large groups of materials, text, and make it searchable all at once within a very short period of time and for questions which previously just couldn't be asked.

NEWMAN. Well, how fast could you get me something that I wanted?

HORTY. Well, let's assume that a committee of Congress was looking into the question of consumer protection and the laws that the states have enacted in the last few years dealing with consumer protection. You could run a search, frame it and run it on the computer in about eight hours and have all of the laws in every state that deal with a broad subject of this sort.

NEWMAN. What do you mean by framing a search, Mr. Horty?

HORTY. Well, this is the method by which the person wants the information thinks of words and phrases occurring in the statutes that will produce for him those statutes he'd like to look at, and he can do this. It doesn't take a computer expert at all. We've already trained over a thousand lawyers to search in this way.

NEWMAN. Are the federal statutes brought together in this way anywhere?

HORTY. Yes. We have the United States code available for searching. You might be interested to know it's about the size of Pennsylvania. No larger. About the same size as the statutes . . .

NEWMAN. As the state of Pennsylvania?

HORTY. No; as the statutes of Pennsylvania.

NEWMAN. Some technicians foresee the day when all medical information about every citizen will be stored in a computer system, thus enabling a doctor at the flick of a button to get your complete medical history in event of an emergency.

(Music.)

NEWMAN. There is a disturbing side to the idea that each of us today is readily accessible to almost anyone who wants to find out about us through computerized information. I talked with Professor Weston about this growing problem.

WESTON. You have to start off by saying that we've come to the end of an era, an older period when people had face-to-face relations with one another, grew up in the same town, knew people to make judgments about them or when the kind of experiences people had in going to college or not going to college or getting a high school course in something pretty much gave people the ability to know a lot and conclude a lot about them. Today we have such a national society, people are so much like one another in so many characteristics, mobility patterns are so high and the credentials of education really mean less and less because everybody mostly goes to high school and so many people go to college. So I think the reason why so much information is being collected, one reason for it is that we've become a kind of credential society. We think we have to build up far more information about people in order to know whether we should promote them or prefer them or give them benefits of the society, give them welfare, et cetera. And our theory—and here's where the social scientist, I think, plays an interesting role—we've come to believe that the more personal the data, the more it fits certain categories about education and sexual adjustment and other social science-like categories. Here's where the social scientist in some ways has augmented the desires of the personnel manager or the government security clearance man and convinced a lot of the people who collect the information that by and large collect lots of information and collect a lot of very personal information that otherwise you can't make good judgments.

NEWMAN. In other words, collecting information is a good thing in itself.

WESTON. Yes. One of the things that intrigues me is how we're building up a national network of people whose essential psychological outlook is that they're information collectors, and this leads to what Congressman Gallagher has called the information buddy system, because everybody who depends on getting information for his purposes knows that he has to share it with the other people who collect the information. Whenever any organization gets a computer, the first major impact is that it doubles or triples the amount of information it collects about its people, whether it's the student or the client or the regulated group, because there's that big, gorgeous machine which can be filled up with forty entries or a hundred and forty entries, whereas once it was so costly to put in twenty entries that the organization really couldn't think of it. So that corporations, for example, their personnel people start collecting not simply the record information they used to about an employee, but they ask him about his hobbies and where he spends his vacation, and what foreign languages he speaks, all trying to be helpful, all hoping that they can use this for better relations. But collecting far more personal information than they used to.

NEWMAN. Have you come to any conclusion, Professor Weston, about whether that is useful to those companies or do they simply handcuff themselves with all of that stuff?

WESTON. Well, I think you have to approach that—at least, I do, at two levels. One, it depends very much on whether the individual who gives that information trusts the authority and believes at heart that he's not going to be hurt. If he does trust the authority then very often extra information can be useful. But the larger phenomenon is that we live in an age in which more and more people are resisting the authorities that control their lives, whether they're universities or local governmental institutions, we're—people are trying to feel more autonomy, and privacy is a very important aspect of autonomy.

NEWMAN. The American Civil Liberties Union is concerned, and this concern was voiced by the ACLU's executive director, Jack Pemberton.

JACK PEMBERTON. We're deeply concerned about the problems of data accumulation in government and in private organizations and find this a uniquely puzzling problem, because it's hard to look into the future and foresee the policy lines that ought to be drawn.

NEWMAN. What kinds of safeguards have you recommended so far?

PEMBERTON. One is purely privacy. Are there things about yourself or myself that we ought to be totally privileged to keep to ourselves unless we elect to tell somebody else, including our government, about those things? For example, in the taking of the census. That issue hasn't been resolved. The Congress has made no flat decision that there are questions that the census taker can't ask.

Then there are questions of security. You give out information about yourself for, let's say, credit purposes, maybe to a government agency, because you're going to get a federally-guaranteed loan. It's proper that those who are going to use that credit information for determining whether you're eligible for a loan should have access to it. But are there adequate protections against anybody else having access to it? And having access to it—perhaps misusing the information and gaining a source of power over you.

And then, third, there's a question of plain fairness. Our government does collect information from and about you willy-nilly. You file income tax returns, there is census data, there's birth and death data and marriage and health data, public education data, and so forth and so on ad infinitum. If this data is incorrectly collected, it may be used to your detriment.

NEWMAN. Mr. Pemberton, this is not in the Constitution of the United States, but there does exist a concept—privacy—which is less and less regarded as a right, I think. Is that disappearing from American life?

PEMBERTON. Well, at the same time that the size and complexity of our society seems to be impinging upon our privacy, the courts are making some strides in giving it more formal recognition. Four years ago, now, the Supreme Court in the Griswold case found explicit Constitutional sanction in a combination of fourth, fifth, and other amendments in the Bill of Rights provisions for a Constitutional right of privacy. And I think the legal concept will develop, because the complexity of society is creating the need for these legal concepts.

One of the most interesting aspects of the invasions of privacy involved in data gathering by more efficient mechanical or electronic means is the extent to which this information is available today but in widely separated and hard to put together sources.

NEWMAN. You can't see a time coming when people are going to sweep in anger into computer centers and smash 'em up, can you?

PEMBERTON. I could well conceive of expressing the kinds of frustrations that are otherwise being expressed on college campuses today with that kind of action unless we take steps now to anticipate the problems.

NEWMAN. With unobtrusive speed, computerized personal files are suddenly an integral factor in American life. This complex problem has been studied by Congress before. It will be taken up again by Senator Proxmire's subcommittee on financial institutions next week.

PROXMIRE. We have a number of people cosponsoring the bill, a number of other Senators have indicated that they will support it. However, I'm not being fooled by how difficult it is going to be to get this through the committee and to the Senate and the House. And I say that because the opposition, as always in these cases, is organized, well-financed, highly articulate. They'll have witnesses appearing before our committee who'll be extremely well-briefed, and the support for the bill from the consumers is diffuse, is not organized, and is going to be much harder to rally. I'm sure that members of Congress are going to get letters from oredit bureau people on an organized basis, and I think the only way we can get this bill through is if we can get consumers who are concerned about this to write to their Senators and to write to their Congressmen, saying they want a fair credit-reporting bill and we ought to have it. That's the kind of an action that I think is going to be effective, and that's what we have to have if this bill is going to pass.

HACKES. Do you think this affects enough people around the country that perhaps the average listener, for example, to this program this evening, who hasn't had any trouble with this over twenty, thirty years might in fact run into it next week?

PROXMIRE. I think so, and I think he can write his Congressman, write his Senator. If they write me, that's wonderful, but it's even better if they write their own Congressman and Senator. Because he's likely to run into it next week. He's likely to run into it not only in getting credit. It could conceivably, and it has in many, many cases, thousands of cases, affected people holding on to their own jobs or getting another job. So it could affect them in many ways that could be extremely serious. And of course, in all these cases, people are reluctant to tell you why. This bill would require that you be told why, that you know. It would also enable you, of course, to do something about it. And this is the terribly difficult and frustrating and cruel effect, that this kind of an automated system we

have in this country, the computer system, can have on literally millions of people. And as you say so well, the man or the woman who is listening to this program and saying, "Well, I haven't any trouble with this"—don't kid yourself. You could have trouble, and plenty of trouble tomorrow or next week or next month.

(Music.)

NEWMAN. Tonight we've touched only fleetingly on one of the more dubious gifts of the computer era. It is apparent that personal privacy, like clean water and clean air, have become polluted by man's genius for disregarding his fellow man. We are, of course, engaged in a struggle to protect our physical environment from total pollution. It appears that we must also become involved in a struggle to protect our personal environment, to re-assert our right to keep part of ourselves, some of you and some of me, forever private unto ourselves. This is Edwin Newman.

(Music.)

ANNOUNCER. You have been listening to Second Sunday. "Confidential Files—What They Know About You". Second Sunday was written and produced by Herbert Gordon, directed by Albert Reiss. The tape engineer was Mort Nelson. Research assistant—Susan Parrots. Second Sunday is produced under the direction and control of NBC News. This is Harry Fleetwood.

FINANCIAL DISCLOSURE OF SENATOR JOSEPH D. TYDINGS

Mr. TYDINGS. Mr. President, the endurance of our democratic system of government directly depends upon public confidence in its integrity and in the impartiality of its officers and employees. The maintenance of this public confidence is one of our highest obligations.

Since my election to the Senate, I have supported, as a key element in fulfilling this obligation, the principle of public disclosure by Government officials of their financial interests. Such disclosure is the best protection against both actual conflicts of interest and public suspicion of partiality for private gain in the writing, execution, and judicial interpretation of the laws.

I have, therefore, in the 90th Congress, and again in the present Congress, cosponsored the Case bill, S. 1993, to require full public disclosure by Members of the Congress, and I have voted for similar strong provisions proposed in the Senate.

Believing that disclosure should apply to the judiciary, as well as to the legislative and executive branches, I introduced in 1968 the Judicial Reform Act, which was developed through intensive study begun in 1965 by the Subcommittee on Improvements in Judicial Machinery of which I am chairman.

This bill, which I have reintroduced again this year, includes provisions requiring each Federal judge and justice to file an annual financial statement disclosing the amount and source of his income, including gifts and honoraria, and also to disclose his other financial holdings and interests.

Despite our efforts last year to enact strong disclosure rules for members of the Congress, adequate, public financial disclosure still is not required of Senators or Representatives.

I, therefore, have made the personal decision to make voluntary disclosure to the Senate and to the public.

I ask unanimous consent that my statement be printed in the RECORD.

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

FINANCIAL DISCLOSURE OF JOSEPH D. TYDINGS

ASSETS

This does not include: Equity in Federal Retirement Fund; Livestock and Farm Machinery.

My life insurance has no cash value.

Cash in banks (other than checking accounts)	$14,200
Real estate	
Home in Havre de Grace	
Interest in Elkton office building	
Interest in Havre de Grace & Aberdeen commercial property	
Interest in Tregaron, Washington, D.C.	
Interest in rental apartments in Florida	
Total value of real estate	637,420
Stocks	
Rowe Price New Horizons Fund, Inc.	
Aberdeen National Bank	
1st National Bank of North East	
Distillers Corporation Seagrams, Ltd.	
American Cyanamid Co	
Smith Kline & French Laboratory	
Richardson-Merrell, Inc	
Radio Corporation of America	
Kellogg Co	
Franklin Life Insurance Co	
Government Employees Life Insurance	
U.S. Life Insurance Co. in City of New York	
International Business Machine	
National Cash Register Co	
Gulf Oil Corp	
Union Pacific Railroad	
Safeway Stores, Inc	
Wards Company, Inc	
Firestone Tire and Rubber Co	
Greyhound Corp	
Harbor City Bank	
Charter Corp	
Criterion Insurance Co	
Total value of stocks	2,012,000
Bonds	
State of Israel	
Baltimore Trotting Races, Inc	
Total value of bonds	1,900
Total assets	2,665,520

LIABILITIES

Debts due on mortgages, collateral and personal notes	$84,000
Net worth—computed to April 30, 1969 (does not include any personal property)	2,581,520

* * * * *

I am "of counsel" for the Baltimore law firm of (Millard) Tydings and (Morris) Rosenberg. I receive no compensation from this firm.

I own the Northern Maryland Title Agency—an agency I organized in 1957 to search titles in Harford and Cecil Counties. In 1968, I received income from this company totalling $4,812.03.

I am one-eighth residuary beneficiary of two trusts of my grandfather, the late Joseph E. Davies. The total value of the trusts amounts to approximately $1,840,000.00.

I received in 1968 honoraria for lectures, speeches and writings totalling $5,615. The entire amount of such honoraria, except that donated to Towson State College, was spent on expenses of running my Senate office, such as costs of newsletter paper and office supplies. I accepted no honoraria as personal income and I do not accept honoraria from Maryland groups.

PA. Bar Association	$300
Bnai B'rith Anti-Defamation League	500
Green Mountain College, Poultney, Vt.	750
Allysn & Bacon (permission to reprint article)	50
Christian Science Monitor	100
Towson State College (donated to college after receipt)	150
Converse College	765
Missouri bar	1,000
HMH Publishing Co	2,000

A TIME TO STAND UNITED

Mr. HANSEN. Mr. President, Mr. Nixon reported to the people of the United States this week the position of the Nation in regard to Vietnam and Southeast Asia. The President's message was to the people of the world as well.

He made it clear to the world that this Nation's goal in Vietnam is to achieve a just peace and to prevent a massacre of the South Vietnamese people by the Communists.

At the same time, he made it clear that the United States is not a paper tiger, as the Communists claim, but a great and responsible Nation that will stand by its commitments and will not desert its allies.

In my opinion, he spoke from the confidence that can be attained only through knowing that Americans throughout the land stand united behind their President and with our valiant men of the Army, the Navy, the Air Force, and the Marines.

President Nixon described the realistic proposals this Nation has made to the enemies of the north. And the proposals are reasonable. It is difficult to imagine that the Communists would reject this proposal. For the Communists to reject this fair proposal is for them to admit to the world that they have not the slightest interest in peace or stopping the bloodshed.

The program outlined by the President is generous. Many will feel it is too generous.

Yet President Nixon has made it plain that this Nation's interest in peace is such that we are willing to consider other proposals.

But the killing and the maiming must cease, and our President has given the following firm warning:

> No greater mistake could be made than to confuse flexibility with weakness or being reasonable with lack of resolution. I must make clear, in all candor, that if the needless suffering continues, this will affect other decisions. Nobody has anything to gain by delay.

No American should give the Communists any reason at this time to take that warning lightly.

The greatest encouragement to the Communists to pursue the war that they have lost decisively on the battlefield has been the turmoil in our streets. The ag-

gressor nations do not tolerate demonstrations of any sort—either violent or peaceful. Demonstrations are possible in those countries only when outright rebellion exists. They do not understand the freedoms allowed in our Republic. They think when such demonstrations take place in our country that the Government of the United States is near toppling. We know this is not the case, and all Americans realize this is not the case. But those living under the yoke of communism do not, cannot, and will not understand this fact.

This is a time for all Americans to stand united with the President and with our young men who are facing, and defeating, the enemy on the battlefields of Vietnam.

The proposals outlined by President Nixon are the least expensive course for the enemy to take toward an end to the bloodshed.

There is another way to end this war, and should the enemy force the United States to take that course, they will find it costly; they will find it disastrous.

All of us hope the end of this long and tragic conflict is—at last—in sight.

GREEN THUMB IN NEW JERSEY AND ELSEWHERE

Mr. WILLIAMS of New Jersey. Mr. President, "Green Thumb" is one of the most successful and appealing programs sponsored by the Office of Economic Opportunity. As part of the Department of Labor's "Operation Mainstream" job opportunity program, "Green Thumb" provided more than 2,000 older, retired, low-income farmers during 1968 with a wide variety of service projects including beautification and improvement of roadside areas, parks and historical sites. At year's end, the hearty and resourceful Green Thumbers were at work in 14 States. Much of their work is done in rural areas. A representative of the Farmers Union—which developed the project—recently gave this vivid description of what Green Thumb means to one participant in the program:

Tonight in Utah, Grandpa Steven, a man in his nineties, will go square dancing with joy, after having had a square meal. He has a job. He works three days a week on the Green Thumb program. He has helped beautify the grounds of his State Capitol. He has even passed his defensive driving course recently. He is a proud citizen. He is not a welfare recipient. Occasionally when mood strikes him, he recites some mountain poetry. Here is an example of a senior citizen who sincerely believes he has been given a second lease on life.

One of the joys about the Green Thumb program is that it also serves well in more urbanized areas. In my home State of New Jersey elderly participants are working on many worthwhile restoration projects, including one at Ringwood State Park and another at Mount Holly. The New York Times of November 24, 1968, reported that more than 142 retired farmers are working in Garden State parks and gamelands.

One of the most interesting projects was described in the Trenton Evening Times of May 12. An excellent story written by George W. Robinson reports on the development of a "mini-park" and the transformation of an abandoned church into a drop-in center for the older Americans of Trenton. Many lessons can be learned from the Green Thumbers in the capital city of New Jersey. I ask unanimous consent that the news story be printed in the RECORD.

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

SENIOR CITIZENS CONVERT FORMER CHURCH

(By George W. Robinson)

An abandoned church is being renovated in Trenton to serve as the city's fifth "drop-in" center for senior citizens.

Located in the old John Kalvin Magyar Reformed Church at Morris Avenue and Washington Street, the center hopefully will be ready by July 1.

The 85-by-102 foot church property is being spruced up by eight elderly citizens who are members of the city's federally funded Project Green Thumb.

There the city's elderly may play shuffleboard and checkers or relax on benches in the pleasing surroundings of juniper bushes, azaleas and rhododendron.

Renovation is being done at a cost of $6,300, according to Parks Maintenance Superintendent Harry Baum, who is overseeing the work for the city.

He said this will include new electrical service and lighting, a new drop ceiling, lavatory and kitchen facilities, a new tile floor, paneling and painting.

City employes have already begun some of the work by removing the old floor, pouring a concrete base for the new floor and by doing some paneling in the rear of the church, built in 1931.

BUILDING SOUND

"Essentially the building is sound," Baum said, pointing out that the exterior cedar shakes will need paint. The rest of the exterior is gray stone.

Lino Fiorelli, president of the Mercer County Senior Citizens Council, said he expects the 20-by-60-foot building would accommodate 40 to 50 people when completed.

It would be open certain hours during the day for senior citizens to get together and hold functions, according to Mel B. Gosline, volunteer worker in the city of Trenton's Office on Aging.

The city purchased the building for approximately $13,000 and developed the grounds last year as one of Trenton's 21 mini-parks.

CREW BUSY

The Green Thumb crew was busy raking and tidying up the grounds this week. It was headed by John Reed of Hamilton Township, supervisor.

Health, Recreation and Welfare Director Edward Silverglade said he is so satisfied with the work this group is doing in Trenton that he plans to make application for a second crew.

The renovation on the church is being done through Silverglade's office.

The other four senior citizens' drop-in centers are a cottage on Parkside Avenue at Cadwalader Park, the community room in the Josephson Apartments at 237 Oakland Street, a house on Fell Street and a building on Chestnut Street.

GOLDEN OX OF ANTITRUST

Mr. HART. Mr. President, my unhappy feelings about the ruling the Internal Revenue Service made in 1964 allowing convicted antitrust violators to deduct financial penalties from their income tax should be well known by now.

But perhaps I have failed to make as clear a case as possible as to why I feel my position is fair and just—and the IRS is dead wrong.

An article written by Morton Mintz, of the Washington Post staff, and published in the April 14, 1969, issue of The Nation will fill that possible lack.

In his usual capable and thorough manner, Mr. Mintz lays out in a very readable way the background of this decision and its ramifications for taxpayers and future private antitrust enforcement.

I commend the piece to Senators requiring the investment of little time with the guarantee of great value. I ask unanimous consent that the article be printed in the RECORD.

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

GOLDEN OX OF ANTITRUST

(By Morton Mintz)

Amidst all the talk by the Administration and on Capitol Hill about tax reform, a large golden ox, which could be gored without complaint from the great mass of taxpayers, small and large, is standing almost unnoticed outside the corral. The ox in question belongs to those corporations which have been judged to have violated the antitrust laws. Under one of these laws, the Clayton Act, the courts are directed to enter judgments of treble the amount of the damages actually proved. The matter of concern to taxpayers is whether payments to settle claims for such damages should or should not be deducted from gross taxable income.

The issue acquired immediacy with the recent announcement of agreements looking toward a $120 million settlement of treble-damage suits that were brought by states, cities and other litigants against five suppliers of tetracycline and two other antibiotics which are effective against a broad span of infectious diseases. This case is of special interest, not only because the settlement would be the largest ever to be wrapped into a single package but because of certain unusual circumstances.

In the 1950s, Chas. Pfizer had a patent monopoly on oxytetracycline (Terramycin) and American Cyanamid on chlortetracycline (Aureomycin). Each firm charged pharmacists $30.60 for 100 capsules in the most common dosage. This price, which ranged from two and a half to almost twenty times the cost of production, was threatened by the advent of tetracycline, which many physicians regarded as generally superior to the chemically related products. If a patent on tetracycline was not secured, then anyone could make it; and if anyone could make it, there would be drastic price competition and drastic reductions in profits, which were as high as 85.7 per cent before taxes.

Pfizer claimed—and Cyanamid came to agree—that it had been the first company to reach the Patent Office with a practical application. The trouble was, Pfizer's process for producing tetracycline required the use of Cyanamid's patented chlortetracycline. In other words, Pfizer could not exploit a patent unless it had Cyanamid's cooperation. And so an agreement was reached under which Cyanamid would be Pfizer's exclusive licensee for tetracycline. At the Patent Office, however, there was especial concern about one point: Was tetracycline a naturally occurring by-product of the manufacture of chlortetracycline? If this was the case, no patent could be issued. Pfizer and Cyanamid provided tests and studies to assure the Patent Office that tetracycline was *not* such a by-product, and Pfizer got the patent.

Another hitch developed when Bristol-Myers, which had tried in vain to establish a place in the tetracycline market, learned that a private detective retained by Pfizer

for $60,000 had been tapping its phones. The ultimate result was that Bristol, along with the Olin Mathieson Chemical Corp., and the Upjohn Co., were, in restricted capacities, dealt in. (Olin was then the parent company of E. R. Squibb which since has become Squibb-Beech-Nut.)

But the Federal Trade Commission upset things when it concluded that Pfizer, aided by Cyanamid, had misled the Patent Office and obtained the crucial patent by fraud—a finding that the Court of Appeals in Cincinnati affirmed last year. Pfizer then went to the Supreme Court, which on March 24 refused to review the case. Then, in 1961, a federal grand jury indicted Pfizer, Cyanamid and Bristol for conspiring to fix prices, conspiring to monopolize and achieving the desired monopoly—and named Olin Mathieson and Upjohn as co-conspirators. On December 29, 1967, a jury in New York City convicted the three firms on all three counts. Appeals are pending.

The issue, then, is whether companies which obtained a patent by fraud, which were convicted of criminal antitrust violations, and which were shown to have charged exorbitant prices for vital medicines should be allowed, by tax relief, to pass more than half the cost of the $120 million expected settlement to the public which had been the victim in the first place.

As a matter of law, whether the companies should be taxed is entwined with the problem of what Congress intended by imposing triple damages. Did it intend the provision to be remedial, in which event deductibility would logically be allowed? Or did it intend triple damages to be punitive, in which case deductibility would be improper? Down through the years, there have been conflicting interpretations of what Congress meant. Until 1961, the Internal Revenue Service allowed deductions for treble damages. Then, in a letter to the Joint Committee on Internal Revenue Taxation, it quietly changed its mind.

However, the agency decided to develop a public policy after the conviction, in 1961, of General Electric, Westinghouse, and twenty-seven other manufacturers on criminal antitrust charges involving electrical equipment. Sometime in 1963, then Commissioner Mortimer M. Caplin discussed the matter with staff members. Their recommendations are in dispute. In any case, on July 31, Caplin and aides, including his successor, Commissioner Sheldon S. Cohen, and the Justice Department met with the accounting and law firms which represented the equipment makers.

In September 1963 Assistant Atty. Gen. William H. Orrick, Jr., in a memo to Caplin, said that when damages are paid following litigation, "no deduction should be permitted," and that to permit deduction would be to "encourage disrespect" for the antitrust laws and to reduce "their effectiveness and deterrent effect." In addition, the Department said it was "prepared to defend in court a rule of complete nondeductibility." Nonetheless, on July 24, 1964, the IRS announced a ruling under which payments to satisfy treble-damage claims—specifically including those following criminal convictions—"are deductible as ordinary and necessary business expenses."

The ruling produced a howl of outrage from the chairmen of the Congressional antitrust subcommittees, Sen. Philip A. Hart (D., Mich.) and Rep. Emanuel Celler (D., N.Y.), but enabled the electrical equipment conspirators to write off about half a billion dollars in settlements. GE alone saved about $90 million.

In July 1966, two years after the ruling was made, Hart held three days of hearings—ignored by most news media—on a bill to reverse it. He said that in only two years the ruling already had assured tax savings of "more than a billion dollars as cases now in process, involving price-fixing in the sale of salt, aluminum cable and other products, are concluded."

Caplin and Cohen defended the ruling as one that had to be made under the kind of even-handed administration of the tax laws which for most of the public is the foundation of what the IRS calls the system of voluntary compliance. That is, they said, they could be no less and no more considerate of General Electric and Westinghouse than of an individual taxpayer who, say, was hovering near the poverty line. Caplin and Cohen never did dispell all of the questions about how this resolute egalitarianism squared with having held a meeting at the highest level of IRS with accountants and lawyers for the equipment maker—a privilege not often accorded ordinary taxpayers.

Neither did Caplin and Cohen persuasively rebut the testimony of Prof. L. Hart Wright of the University of Michigan, an adviser to the IRS, who is a leading tax consultant. Appearing before Senator Hart, Wright said that in situations involving a somewhat doubtful tax-avoidance device, the Commissioner "does and should" act as "an advocate who is willing to litigate an important matter even though he may tend to believe the odds . . . are somewhat against him." Hart was left incredulous that IRS failed to act as an advocate by ruling against the electrical manufacturers, leaving it to them to challenge the ruling in the courts—especially because there was considerable reason to believe that in the Supreme Court the IRS would have won, and saved the taxpayers more than $1 billion.

Caplin acknowledged that a factor in his decision was congestion of court dockets. This raised another question about even-handedness, the congestion having been caused by the filing of about 1,500 treble-damage suits which grew out of the electrical cases. In other words, as Hart put it, the larger the antitrust conspiracy, the greater the clogging of the docket—and the less likely a fight by the IRS.

Hart's bill got nowhere. Neither did another sponsored by Sen. Russell B. Long (D., La.). While the antibiotics firms were on trial in December 1967, Hart, calling the IRS ruling "indefensible," tried again with a bill which would make payments in excess of actual damages neither taxable income for a plaintiff nor deductible expenses for a defendant. Again, nothing happened.

Hart, who says the issue is whether "the American taxpayer is entitled to equal treatment in the administration of our tax laws," will make another attempt this year. So will Long and Celler. It remains to be seen how much help they get from the Nixon Administration and from Rep. Wilbur Mills, chairman of the Ways and Means Committee.

LAW DAY, U.S.A., OBSERVANCE, NEW HAVEN COUNTY BAR ASSOCIATION

Mr. DODD. Mr. President, on May 1, 1969, it was my privilege to participate in the Law Day, U.S.A., observance in New Haven, Conn.

The observance, which has been held for some years, was organized by the New Haven County Bar Association, and took place in the New Haven courthouse. The courthouse was crowded for the occasion with members of the bar, distinguished judges, and leading citizens from every walk of life.

The theme selected by the New Haven County Bar Association for this year's observance was "Justice and Equality Depend on Law and You".

The central point of the New Haven observance was the presentation of the bar association's annual award, the Liberty Bell Award, to William F. Buckley, Jr., the celebrated editor of the National Review.

Mr. William Fox Geenty, the highly esteemed president of the New Haven County Bar Association, in presenting the award to Mr. Buckley described him as "a citizen whose career typifies the purposes and objectives of Law Day, U.S.A."

Mr. Buckley, in receiving the award, delivered a talk which was marked both by its wit and its profundity.

Commenting on our campus disorders, Mr. Buckley said:

> It is clear that America's tradition of tolerance and magnanimity have begun now to elide into ambiguity and self-doubt. It is increasingly apparent that some of our opinion makers believe that the line between the law and the defiers of the law ought to be flexible. They are saying to us, in effect, that if young people are prepared to throw themselves into the police barricades, perhaps they are telling us something urgent, which requires our democratic attention. Perhaps we are responsible for listening to them, for hearing them, even as Constantine heard the marginal cry of the Marginal Christian who threw himself at the lions.

In paying tribute to the judiciary as the central pillar of the law, Mr. Buckley had this to say about the situation at Harvard University:

> We see at Harvard today a situation in which the judiciary refuses to release students who are manifestly guilty of criminal trespass, notwithstanding that the president of the university has urged him to do so. It may, in fact, be that the judiciary is the only instrument in public life left with sufficient stamina to protect the law, even against such unwilling agents of the law as college presidents, an ambiguous situation, to be sure. But what are the faculty going to do about it if they are saved by the judiciary—impeach Earl Warren?

My very able colleague from Connecticut, Congressman BOB GIAIMO, also made an important contribution to the proceedings. Congressman GIAIMO told the audience:

> What constitutes trespass or an assault or breach of the peace must be equally charged, whether it is committed on a city street or a college campus.
>
> No longer can we tolerate the unfair application of the law in some areas and not in others.

A world of credit is due to Mr. Frank J. Mongello, Jr., the chairman of the Law Day committee of the New Haven County Bar Association, for a very well organized and dignified observance.

Mr. President, I ask unanimous consent to have printed in the RECORD excerpts from the transcript of the Law Day proceedings in New Haven, Conn., on May 1, containing the remarks of: Attorney Frank J. Mongillo, Jr., Attorney William Fox Geenty, Congressman ROBERT GIAIMO, and William F. Buckley, Jr.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

STATE OF CONNECTICUT, SUPERIOR COURT, NEW HAVEN COUNTY BAR ASSOCIATION, NEW HAVEN, CONN., PROCEEDINGS ON LAW DAY, MAY 1, 1969

Chairman MONGILLLO. Members of the Judiciary, Senator Dodd, Congressman Giaimo,

Mr. Geenty, Honored Guest, Mr. Buckley, ladies and gentlemen:

I am Frank J. Mongillo, Jr., Law Day Chairman for the New Haven County Bar Association. The program we are presenting here in Superior Court this morning is part of the annual observation of Law Day, U.S.A., May 1, 1969. This will mark the twelfth anniversary of this ceremony, which has been established by presidential proclamation and joint resolution of Congress.

We are gathered here to honor an outstanding American with the presentation of the Liberty Bell Award. Previous recipients of this award by our Association have been Kingman Brewster, President of Yale University, Charles McQueeney, Managing Editor of the New Haven Register, Doctor Frank Mongillo, and John McDevitt, Supreme Knight of the Knights of Columbus.

Law Day has been instituted in the United States on May 1st as a day in which public attention is called to our American Heritage, the basic values of the rules of law, and to foster an increase in respect for law and our Courts. The theme for Law Day, U.S.A., 1969, is "Justice And Equality Depend Upon Law And You."

As responsible Americans, it is our duty not only to uphold the law, but also to assist the various law enforcement agencies in performing their duties, to testify in the Courts, and to respect the basic rights of others. It is only through respect of the rights of others that we can preseve our own individual rights.

We are now living in a very difficult time. We are confronted with public demonstrations, draft card burning, and campus disorders. These are the events which make this day so much more important. It becomes readily apparent as lawyers and loyal Americans that we must encourage respect for the law. It is our absolute duty to do so, especially when university presidents are encouraging disrespect for law by capitulating to demands of disruptive students, whose only aim is to prevent the vast majority from pursuing the courses of their choice. These disruptors who show an utter disrespect and contempt for law should not be appeased by administrators, but rather expelled from the universities. (Applause.)

It now becomes imperative for the decent majority of this country to rise up and be heard and put a stop to these acts by the lunatic fringe fanatics. (Applause.)

While our legal and judicial system is far from perfect, it is the finest yet devised in the history of man, and it is only through continued respect for the law and the rights of others that we can build upon this fine system and create an even greater one.

It is now my pleasure to present a member of our Association, whose efforts in Congress have brought great honor to himself, his community and our Association, Congressman Robert Giaimo. (Applause.)

Congressman GIAIMO. Thank you very much, Frank.

Distinguished members of the judiciary, our guest of honor, Bill Buckley, Senator Dodd, ladies and gentlemen: I suspect that Bill Buckley is more polysyllabic than monosyllabic, at least from what I have heard of him on television, which is quite frequently, and I am delighted that you have honored him today with the award which you are giving to him.

I want to say to Mr. Buckley that he and I are at least running a close race with who is more unpopular at a nearby university here.

I am very happy to have this opportunity to participate in Law Day because as I look out here and see so many of my friends, who are members of the Bar Association in this area with me, I think we, as lawyers, and those of us who are privileged to be lawyers have an opportunity to take a greater role in the apparent breakdown in respect for law, which is obviously taking place throughout the United States today, and we, as lawyers, have got to begin to speak out and to insist on equality under the law and constantly seek justice, but with the full realization that the first law of any civilized society must be a healthy respect for law on the part of all citizens because otherwise we break down into violence and we break down into the necessity of using force rather than the rule of law.

With particular reference to the young people who are protesting on our college campuses and who are seeking to be treated as adults, it would behoove them to understand that they can't have it both ways. If they want to be treated as adults, then they must be responsible under the law as adults. (Applause.)

And what constitutes trespass or an assault or breach of the peace must be equally charged, whether it is committed on a city street or a college campus. (Applause.)

No longer can we tolerate the unfair application of the law in some areas and not in others.

In Washington, D.C., just this past week, takeovers and trespasses occurred on two college campuses in the same city. On one campus, the decision of the administration was to charge the people with the proper violation. On the other, the decision was to drop the charges against the students. This is inequality under the law because the law must be clear, and what is a trespass and what is an assault must be charged and must be applied in both instances, and then, under our great American system of justice, we will leave it up to the decision of the judges, such as we have here today, to decide whether or not a conviction should follow.

But this attitude, the attitude of too many administrators in colleges who are knuckling under to threats and to force, who are deciding on their own whether or not the law will be prosecuted or whether or not people will be charged with a violation, that is leading not to better justice, not to greater civility, but it is leading to absolute chaos in our society and cannot be tolerated.

I think that we, as lawyers, have the primary responsibility to speak out, and to speak out loudly in this area.

Thank you. (Applause.)

Chairman MONGILLO. Thank you, Congressman Giaimo.

Every year, in conjunction with Law Day, the New Haven County Bar Association presents the Liberty Bell Award. Here to present this award to Mr. Buckley on behalf of the lawyers of our Association is William Fox Geenty, President of the New Haven County Bar Association. (Applause.)

Mr. GEENTY. Thank you, Frank.

First of all, ladies and gentlemen, we had expected to have his Honor, Mayor Richard C. Lee, present here today, but because of a compelling commitment, he was unable to be here, and he had this note delivered to me this morning asking that his regrets be made to you and also his best wishes.

Frank, Mr. Buckley, honored guests, members of the judiciary, members of the New Haven County Bar Association, and you, ladies and gentlemen of the public who took the time to come here for Law Day, I greet you on behalf of the New Haven County Bar Association.

It is my pleasant duty, as President of the New Haven County Bar Association, to present on behalf of the members of the Association its Liberty Bell Award to a citizen whose career typifies the purposes and objectives of Law Day, U.S.A.

Law Day, U.S.A., was established in 1958, as Frank Mongillo said, by a Joint Resolution of the 87th Congress of the United States and by Presidential Proclamation, by the late Dwight D. Eisenhower. The Resolution is a short one, and I would like to read it to you, if you will bear with me for a moment.

It is entitled, "Joint Resolution to designate the first day of May of each year as Law Day, U.S.A.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the first day of May of each year is hereby designated as Law Day, U.S.A. It is set aside as a special day of celebration by the American people in appreciation of their liberties and the reaffirmation of their loyalty to the United States of America; of their rededication to the ideals of equality and justice under law in their relations with each other as well as other nations; and for the cultivation of that respect for law that is so vital to the democratic way of life.

"The President of the United States is authorized and requested to issue a proclamation calling upon all public officials to display the flag of the United States on all government buildings on such day and inviting the people of the United States to observe such day with suitable ceremonies and other appropriate ways, through public bodies and private organizations as well as in schools and other suitable places."

I felt it would be better to read that to you because it does it much better than I could do it.

Ladies and gentlemen: The career of William F. Buckley, Jr., the outstanding gentleman we honor today with our Liberty Bell Award, typifies the purposes and objectives of Law Day, U.S.A.

William F. Buckley, Jr.'s career has been an amazing and fascinating one.

He served in the United States Army from 1944 to 1946.

He studied in England, France and Mexico. He attended Yale University, graduating in 1950. While at Yale, he was Chairman of the Yale Daily News, a member of the Torch Honor Society, Skull and Bones and the Elizabethan Club. He was also Class Day Orator. After graduation, he taught Spanish at Yale for four years.

He then entered the literary field where he has excelled, being a contributor to many publications. He writes a weekly column which is syndicated in over 200 newspapers in this country.

In 1955, he founded, "The National Review." In addition, he has found time—how he has, I don't know—but he has found time to write and have published several books, about a dozen books.

In 1965, Mr. Buckley stepped out of the literary field and ran for Mayor of the City of New York. He didn't do as well in politics as in the literary field. I often wonder what he would have done if he won the election.

In 1966, Mr. Buckley began hosting a weekly television show known as "Firing Line." On this show, he has as his guests national leaders in practically every field. It is on Channel 9, Mutual System. I, for one, believe it to be one of the most interesting programs on television.

Mr. Buckley has received many honorary degrees from universities and awards from many organizations throughout the country.

He has never failed to speak out courageously on matters of public interest, without regard to the popularity of the statements. The country needs more men like William F. Buckley, Jr.

It is a privilege indeed for me to present to William F. Buckley, Jr. the Liberty Bell Award of the New Haven County Bar Association.

Mr. Buckley, will you please come forward.

(Mr. Buckley stepped forward.)

As I said, it is my great pleasure, sir, to present this Liberty Bell Award to you. I don't know of anyone better entitled or more entitled to it than you. (Applause.)

Mr. BUCKLEY. Thank you very much, Mr. Geenty.

Senator Dodd, Congressman Giaimo, distinguished members of the Judiciary, Mr. Mongillo, ladies and gentlemen:

I am most grateful to you, each in his turn; to Senator Dodd for his most extravagant kindnesses as he detailed my accomplishments, and my thoughts turned, quite honestly, to his own, but I recognize that as a dangerous game to play.

Indeed, Ambrose Beers once defined admiration as one's polite recognition of other people's similarities to one's self.

In any event, I am happy to be here in this distinguished company.

A moment ago, I was posed by the photographer with all of these gentlemen. I never felt so legal in my life. (Laughter.)

When I receive a copy of that picture, which I trust I will, I intend to append to it a caption in memory of this occasion, "Bill Buckley and his appointees." (Laughter.)

I know that some of you are as confused as I am, a confusion which, in my judgment, issues out of a certain manifest philosophical confusion on the part of the community which is the result of our apparent incapacity to cope with certain community disorders.

It is clear that America's tradition of tolerance and magnanimity have begun now to elide into ambiguity and self-doubt. It is increasingly apparent that some of our opinion makers believe that the line between the law and the defiers of the law ought to be flexible. They are saying to us, in effect, that if young people are prepared to throw themselves into the police barricades, perhaps they are telling us something urgent, which requires our democratic attention. Perhaps we are responsible for listening to them, for hearing them, even as Constantine heard the marginal cry of the Marginal Christian who threw himself at the lions.

That is why, I suspect, there is so much philosophical disorder on the question of law and justice and the necessity to uphold the law.

That is why, I suspect, that Thomas A. Edison, if he were materialized tomorrow with a machine that would dispossess unlawful rioters without a moment's pain or humiliation, that Mr. Edison and his machine would be quickly run out of town; that this machine would be proscribed along with that long list of anathematized riot control weapons which have been similarly proscribed, ranging from cattle prods to tear gas to mace.

It seems certainly as though there were a breakdown in the common understanding of the necessity to obey the law, and it is certainly true that certain sophisticated and importune distinctions are thrust at us on the basis with which we are supposed to proceed with ambiguity.

Professor Dan Boorston points to the distinction between violence and non-violence as perhaps the favorite distinction of those who plead the righteousness of civil disobedience. He says that we cannot, in a flow technology like our own, countenance such distinctions. It used to be, he says, that if you wanted to hurt somebody, you had to hit him; but now all you have to do is slow down.

In a society as volatile, as dynamic as our own, someone driving a car has merely to slow down importunately in order to be damaged by the person in the rear and always make it look as though the other person were responsible. By using such tactics, says Professor Boorston, a man appeared to be reaching out for the Halo of St. Francis but is, in fact, reaching out for the Crown of Napoleon.

So he calls for a common pledge by members of the intellectual community, by laymen, by professors, by teachers, a common pledge to octracize those who attempt to make the case for civil disobedience.

His point is—and it is a profound point—that precisely our indecision registers to those who would disobey the laws in their society, that final, fatal ambiguity of our own devotion to our own system registers to them a certain collective insensibility to the ramifications of the breakdown of civil order; that unless we can approach them with resolution, we cannot communicate our purpose, and our failure to communicate our purpose does nothing more than to stimulate their doubt and to stimulate that sunburst which leads them to believe that we do not believe in our society seriously enough to defend it with all our power; to turn even against our own countrymen, if necessary to do so, to turn even against our own sons and daughters, even as our ancestors did who pledged their lives and their sacred honor in defense of the ideals that they cherished.

What, in fact, must be done is to make such a pledge as Professor Boorston has outlined, and we must, above all, recognize that perhaps the proximate instrument of our deliverance is going to be the judiciary.

We see at Harvard today a situation in which the judiciary refuses to release students who are manifestly guilty of criminal trespass, notwithstanding that the president of the university has urged him to do so. It may, in fact, be that the judiciary is the only instrument in public life left with sufficient stamina to protect the law, even against such unwilling agents of the law as college presidents, an ambiguous situation to be sure. But what are the faculty going to do about it if they are saved by the judiciary—impeach Earl Warren? (Laughter.)

The answer is, of course, that the leadership has got to be exerted by the men of law who have to educate not only the most ignorant members of our society but also the best educated members of our society. We have to educate not only ignorant sophomores who believe they can transform this society into a better society by smashing its institutions, but also the members of the faculty who are so highly educated that they are struck with those ambiguities on the basis of which they cannot—they have even lost sight of what has seemed to be to the rest of us as axiomatic, the process must proceed with reference to due process.

So that, ladies and gentlemen, I join with you in paying tribute to the judiciary, to those who uphold the law and defend it because I believe, as unquestionably you do, that the events of the future are very likely to render the unmistakable judgment that the future is in your hands.

Thank you very much. (Applause.)

Chairman MONGILLO. Thank you, Mr. Buckley and other guests.

This concludes our Law Day ceremony for this year.

Thank you.

PRESIDENT NIXON'S VIETNAM SPEECH

Mr. ALLOTT. Mr. President, I wish to add my voice to the voices of other Senators who have voiced their confidence in and support of President Nixon for the stand he has so clearly enunciated regarding our posture in Southeast Asia.

It was a positive speech. It did not look back. It went beyond the point of arguing whether or not we should have intervened in Vietnam. It stated America's position on negotiations with the enemy in precise and yet flexible terms.

As I viewed the speech, I felt clearly that it was not only directed at the American people, but was definitely a part of our strategy in the peace talks at Paris. I am confident that it was the proper strategy.

Now the nations of the world have the cards laid out on the table. They are aware of the President's generous offers. They will be able to see how the other side reacts, and should be able to judge their sincerity.

Now the enemy knows the terms under which we are willing to settle. Moreover they know that we will not abandon our commitment and that any attempt to "wait it out" will only hurt their chances to emerge from this war under reasonable negotiated terms.

I was most impressed by the fact that the President made his remarks after full consultation with the South Vietnamese.

There is no question that if this war is to be brought to an honorable conclusion, the valid and legitimate Government of South Vietnam, headed by President Thieu, must play a major role in the settlement.

I was further pleased that the President included in his overall view of the problem, the point that Laos and Cambodia must be included in any final settlement we negoiate with the North Vietnamese. This approach is both sane and sensible to a long-term solution of the problem.

All in all, Mr. President, the candor with which the President presented his address was refreshing and is to be especially commended in view of the terribly confused situation under which we have been operating for the past few years.

Mr. Nixon's posture on Southeast Asia clearly lays the groundwork for uniting the country behind a serious plan to stop the bloodshed in Vietnam.

AN INVITATION TO GET LOST

Mr. CHURCH. Mr. President, there is deep-seated disappointment over the decision of the Nixon administration to drastically curtail the Job Corps program.

According to an editorial in a recent edition of the Washington Post, "reports from individual centers around the country reveal that trainees at the axed centers are shocked and depressed at the administration's action" in closing 59 of the 109 Job Corps centers.

They may have interpreted the signal from on high as an invitation to get lost—

The Post continued—

but that is how they read it, nevertheless.

And the message the Job Corps centers are sending back to the administration in return is in the words of Yeats:

"Tread softly, because you tread on my dreams."

Mr. President, I ask unanimous consent that the Washington Post editorial, and an editorial from the Lewiston, Idaho, Morning Tribune be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, May 7, 1969]

TREAD SOFTLY ON THE JOB CORPS

The basic mistake the Nixon Administration may be making about the Job Corps, as it seeks to close 59 of 109 centers and to shift the rest from OEO to the Labor Department, is in assuming that it is only a job-training program. Anyone who has ever been at a Job Corps center the day a batch of recruits piled off the bus will know it isn't. Unkempt,

unsociable, unwell, unlearned, their condition adds up to a frozen unfitness for anything, not to mention job-training.

Officials dealing with the poor are fond of the term *the disadvantaged* in describing Job Corps youth. Disadvantaged? They read and add at fifth grade level. Fifty per cent have never seen a doctor or dentist. Sixty-four per cent have been either thrown out or pushed out of school. Sixty per cent lived in substandard housing. Sixty per cent are from broken homes. Add to all this the fears, neuroses and suffering that statistics can't get to, and the term *disadvantaged* becomes a put-on. At best, the average Job Corps youth is seriously sub-disadvantaged, so far at the bottom of society's barrel that until Job Corps, no scraping was thought possible.

The Administration, sensitive to charges that some 13,000 trainees will be thrown to the wolves when the 59 centers are closed, has busily given assurances to everyone that those trainees unable to be placed in jobs or other centers will be absorbed into existing manpower programs. But this is unrealistic. One reason Job Corps was created in the first place is that it is a human renewal program, a last-stand try at reclaiming the broke and broken youths when other programs can't or won't. Programs in the Manpower Development and Training Act and Concentrated Employment Program are meant for the pleasantly "disadvantaged," not the unpleasant kind in Job Corps.

Sides have been forming in recent weeks on the fate of Job Corps. Last week the Senate Labor and Public Welfare Committee cleared a resolution calling on the President to hold up the shutdown. It is scheduled for the Senate floor Monday. Meanwhile, Nixon aides are now holding confidential files alleging a high incidence of gang rapes, homosexuality and drug use at the Job Corps centers. Presumably, the Administration may use this information, if things get tight, as a trump card to persuade Congress that it's beter to let Job Corps die.

Aside from the cheapness, the tactic would be based on a distortion. The headlines describing the files may say, for example, that the Kilmer Job Corps Center in New Jersey had 22 cases of narcotics in the first six months of 1968. Yet Kilmer's 22 narcotics users represent a relatively small proportion of the 1700 total in the center, whose officials should be congratulated if that's actually the full dimension of their drug problem.

The genesis of all this President Nixon's trimming of the $280 million budget currently set for Job Corps by the House and Senate to $180 million. This cut allows him to tell taxpayers of another $100 million saved. But next to defense and space money, the saving is ridiculously small. Job Corps never had the funds it needed in the first place. Economy driving now only adds fiscal insult to social injury.

As for the injured, a few showed up here last week. A busload of students, faculty and Job Corps trainees on a 25-hour ride from northern Michigan testified before the House Education and Labor Committee. They said simply that the Job Centers are worth preserving.

Reports from individual centers around the country reveal that trainees at the axed centers are shocked and depressed at the Administration's action. Others, too beaten by the odds to react, have slipped off quietly. They may have misinterpreted the signal from on high as an invitation to get lost. But that is how they read it, nevertheless. And the message the Job Corps centers are sending back to the Administration in return is in the words of Yeats: "Tread softly, because you tread on my dreams."

[From the Lewiston (Idaho) Morning Tribune, May 3, 1969]

A GUTTER ATTACK ON THE JOB CORPS

Efforts to close down half the Job Corps centers across America have reached the gutter level of an effort to discredit and demoralize the corps with reports of homosexuality, drug use and other crimes. The nature of the attack reflects more on those who would resort to such tactics than on the Job Corps itself.

Naturally President Nixon does not know about and would not approve of this despicable gambit, but he does have a responsibility to discover who among the overzealous members of his administration is using smear tactics against this remarkable program.

The Associated Press investigative team has learned that the Nixon administration has files on criminal behavior at *some* Job Corps camps which have been prepared to use as the telling blow in the controversy over whether to proceed with plans to close half the centers. *AP* reporters learned that at least one congressman hostile to the program has been primed with some of the material.

The larger controversy may now become, not the closing of the centers, but the political methods of those who would close them.

The tactic is hypocritical on the face of it. If the anti-social activities at Job Corps camps were really so serious and so incurable, it would warrant closing all centers, not just half of them. If the situation were really unmanageable and the Job Corps really the irreversible failure that these reports are meant to imply, why keep any of them open?

There has been *some* criminal activity in *some* Job Corps centers, but the fact many centers have operated with less than the expected level of such incidents would indicate that the administration centers is in doubt, not the program itself.

In fact, there has been some evidence that the program is poorly administered from the top with too much latitude given to the directors of individual camps in the way they operate their Job Corps centers. That has been evident in the centers located in Idaho where a change of directors has sometimes brought discipline problems or cured them if they existed before. Some directors who have served during the last four years in this state have taken a permissive attitude toward running their camps which has resulted in behavior problems; some have operated under a philosophy of rather strict discipline based on the belief that those who can't behave can't stay; the offending corpsmen are given to understand from the beginning that they shape up or ship out.

There are also universities, military units and Cub Scout dens with discipline problems and anti-social behavior. But the answer is not to close down the universities, the Army or the Cub Scouts. And it certainly isn't to close half of them. The answer is new leaders to replace inadequate ones.

But, of course, the Nixon administration knows that. It wants to close the Job Corps for budget cutting reasons, not because the program is a failure. These sordid and expedient methods are being used, not because they are relevant to the worth of the corps, but because they are potentially more damaging than an honest and pertinent attack on the program.

By all means clean up those centers with a shoddy record. A young man who enrolls in the corps to improve himself must be permitted to do so without being harassed by depraved bullies. He deserves untainted opportunity. But closing the Job Corps centers would give him no opportunity at all.—B. H.

AMENDING THE CONTINGENT ELECTION PROCESS—SENATE JOINT RESOLUTION 18

Mr. YARBOROUGH. Mr. President, it has been said that those who cannot learn from the mistakes of the past are doomed to repeat them. I believe that there is, in the constitutional process for electing a President, a dangerous mistake which we have repeated every year we have failed to remedy it. One day, this mistake will bring us much sorrow.

The mistake of which I speak is contained in the constitutional provision for the election of a President when that election devolves on the House of Representatives. Senate Joint Resolution 18 proposes an amendment to the Constitution which would remedy this mistake by changing the method which the House uses to elect a President. At this time, each State has one vote in the balloting. I propose giving each Member of the House a vote. One Congressman—one vote. My reasons for advocating this change are given in my statement before the Senate Judiciary Subcommittee on Constitutional Amendments on March 11, 1969. I ask unanimous consent that the statement be printed in the RECORD.

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

TESTIMONY OF SENATOR RALPH YARBOROUGH BEFORE THE SENATE CONSTITUTIONAL AMENDMENTS SUBCOMMITTEE, MARCH 11, 1969

Mr. Chairman and Members of the Subcommittee, thank you for the privilege of appearing here today. The matter of electoral reform is one which I believe to be of constant concern to all of us. It is obvious that the process of electing a President is in need of revision, so I am encouraged, as I am sure all of us are, that this committee is taking a careful and comprehensive look at this question.

I am aware that most of the testimony and discussion before this committee has dealt with the question of reforming or abolishing the electoral college. But, my proposal is not so ambitious; I seek, rather, to reform only a small segment of the process we have for electing a President. Small though this may seem, however, I believe that the change which I propose would correct a very serious, potentially fatal flaw in this process, the most dangerous of all flaws in our presidential election machinery.

My proposed amendment to the Constitution deals with the Constitutional provision for contingent election of the President in the House of Representatives. The main provision for this type of election is found in Amendment XII which was adopted in 1804. Section 3 of Amendment XX, adopted in 1933, also contains some language concerning contingent elections of the President. Because it might be rather confusing to read the two amendments separately, I shall read Amendment XII, inserting language from Amendment XX where applicable. This Amendment says:

"The Electors shall meet in their respective states and vote by ballot for President and Vice President, one of whom, at least, shall not be an inhabitant of the same state with themselves; they shall name in their ballots the persons voted for as President, and in distinct ballots the person voted for as Vice President, and they shall make distinct lists of all persons voted for as President, and of all persons voted for as Vice President, and of the number of votes for each, which lists they shall sign and certify, and transmit sealed to the seat of the government of the United States, directed to the President of the Senate;—the President of the Senate shall, in the presence of the Senate and House of Representatives, open all the certificates and the greater number of votes for President, shall be the President, if such number be a majority of the whole number of Electors appointed; and if no persons have such majority, then from the persons having

the highest numbers not exceeding three on the list of those voted for as President, *the House of Representatives shall choose immediately, by ballot, the President. But, in choosing the President, the votes shall be taken by states, the representation from each state having one vote;* a quorum for this purpose shall consist of a member or members from two-thirds of the states, and a majority of all the states shall be necessary to a choice. [If, at the time fixed for the beginning of the term of the President, the President shall have died, the Vice President-elect shall become President. If a President shall not have been chosen before the time fixed for the beginning of his term, or if the President-elect shall have failed to qualify, then the Vice President-elect shall act as President until a President shall have qualified; and the Congress may by law provide for the case wherein neither a President-elect nor a Vice President-elect shall have qualified, declaring who shall then act as President, or the manner in which one who is to act shall be selected, contingent election of a President and Vice President is a mish-mash. It is a process rooted in an archaic, antiquated, totally anachronistic concern, crucial to the Founding Fathers but irrelevant in this age of one-man-one-vote—for protecting the rights and privileges of the small states against the larger states. All of you will recall that the chief reservation, the small states had about abandoning the Confederation was that they would be swallowed up by the larger states. It was, in part, this concern which produced our bicameral legislative system with the House of Representatives representing the people and the Senate representing the states. It was also this concern which produced the compromise proposal for contingent election of the President and Vice President. The small states were fearful that election in the House with each member having one vote would throw the balance back in favor of the larger states. Therefore, the small state delegates and their allies insisted that voting for President and Vice President be on a one-state-one-vote basis. Strange as it may seem, this procedure has remained in effect ever since that time, even though Senators have been popularly elected for more than half a century now. I think, Mr. Chairman and Members of this Committee, that the anachronism of this method of contingent election is only one reason to abandon it.

A second reason is that this system is so chaotic. The President and Vice President were elected by different Houses and by different methods in each House—on a state-by-state basis in the House of Representatives and on a one-member-one-vote basis in the Senate. The House chooses from the top three men, the Senate, from the top two. This system should be made more rational. Furthermore, given that it is our aim and our wish to make the selection of a President and Vice President as democratic a process as is feasible, it would seem necessary to rationalize this system by bringing the procedure in the House in line with that used in the Senate.

The third reason for a change, however, is the most critical. This reason should have become clear—very clear—to all of us during the election just past. For the system as it now stands contains the seeds of a paralyzing Constitutional and political crisis which could have very grave results indeed for this country.

In the 1968 election, we had a serious third-party candidate whose chief prospect was not to win the election, but rather to force the final decision into the House of Representatives in order to "bargain" with the other two candidates for certain policy concessions in return for his support.

The strategy was not an unsound one. By my count, the Democratic Party controlled twenty-six state delegations, the Republican Party, nineteen, and five delegations were divided evenly. But, it is probable that some of the state delegations would have voted initially for the third party's candidate, Gov. Wallace. There are no Constitutional provisions binding members of the House to support their party's candidate for President. Moreover, Governor Wallace carried five southern states and it is possible that these five state delegations would have supported him in the House of Representatives. The result would have been deadlock in the House. Meanwhile, the Senate, choosing between the two front runners, would have met, voted, and in all probability, elected a Vice President, who would then be faced with the awesome task of serving, not as President, but as *acting* President. Can you, Mr. Chairman and Members of this Committee imagine how chaotic the party quarrel would have become under these circumstances.

Several other very detrimental results could come of the stalemate in the House. The President finally chosen might be of a different party from that of the Vice President, thus recreating—the very situation which Amendment XII was written to avoid. Moreover, it is altogether possible that the concessions the President-elect would have been obliged to make in order to be elected would weaken his power to govern. If the Congress could not decide on a President and a Vice President, it would then have to select a person to act as acting President.

Gentlemen, I hope I have been able to show why I have introduced S.J. Res. 18, and why I think it is so important that this Amendment be adopted as soon as possible. A Constitutional crisis such as I have just described would do great harm to our body politics. I don't believe that today we ought to preserve a system of contingent election of the President which is as undemocratic as the one we now have. I believe it is now time to change it.

My proposal is not a new one. In 1823, Thomas Jefferson wrote, "I have ever considered the Constitutional mode of election ultimately by the legislative voting by states as the most dangerous blot on our Constitution and one which some unlucky chance will someday hit." In 1824, Senator Thomas Hart Benton of Missouri proposed an amendment to the Constitution recommended by the Senate Select Committee on Elections, which would have provided for contingent election of the President and the Vice President by a Joint Session of Congress with each member having one vote. Later, in 1876, Congressman Samuel Addison Oliver of Iowa introduced H.R. 27, a joint resolution which provided, among other things, for contingent election of the President by the House *viva voca* with each member having one vote. Similar proposals were made in 1918 by Representative Tucker of Virginia and in 1928 by Representative Browne, of Wisconsin. Other leading legislators and scholars among them, Senator Oliver P. Morton (1877), Joseph Cady Allen (1917), and Edward Lee (in 1943), have long recommended this change which I am proposing now. Finally, in 1966, President Johnson said in a Special Message to Congress on January 20, 1969:

"In such an election [contingent election], the House of Representatives would be empowered to elect a President from the three highest candidates. However, each State casts only one vote . . .

I firmly believe that we should put an end to this undemocratic procedure."

As I said when I introduced S.J. Res. 18:

"This joint resolution is not introduced as the ultimate solution to our electoral ills . . . I propose this change in the Constitution with the intention of correcting a very specific fault, but a very dangerous fault, in our electoral system. If the House of Representatives is to remain the final arbiter in our Presidential election system, we must be concerned with the mechanics of selection in that body. Voting by state is one of the greatest faults in our total election process. I seek to bring the contingent election of the President by the House closer to the people by allowing each representative of the people to cast his own vote."

There are several proposals before this subcommittee relating to electoral college reform instead of reform of the contingent election provision. If we did away with electors but kept the electoral college, giving a vote to each congressional district and two at-large to each state or if we apportioned the electoral votes according to the percentage of the popular vote, the candidate receives, we may still end with no candidate having a majority of the electoral vote. And, if we abolish the electoral college and substitute direct popular election, we may end up the same way. Therefore, Mr. Chairman and Members of the Subcommittee, I feel that in any case, my Amendment is necessary.

I hope that you will give my proposal the most careful consideration possible. I hope it will be adopted by the Congress and by the states very soon.

Thank you.

THE MEDICARE AND MEDICAID PROGRAMS

Mr. WILLIAMS of Delaware. Mr. President, on May 14, 1969, as appears in the CONGRESSIONAL RECORD on pages 12557–12560, I outlined a series of abuses that are developing under both the medicare and the medicaid programs. As pointed out in my remarks, part of these abuses developed from the exploitation and overcharges on the part of a few members in the various participating groups, and part of the responsibility lies in a weakness of the law and to a certain extent in a lack of efficiency and proper supervision on the part of both State and Federal agencies.

Since making those remarks I am glad to note that the American Medical Association has joined in expressing concern over the rising costs of both these programs, and Dr. Dwight L. Wilbur, president of the AMA, has pledged the cooperation of the association in the study by our committee and at the same time has issued an order to all State and local medical societies "to act swiftly and firmly in all instances of known exploitation."

In an April 17 letter to Secretary Finch, the Secretary of the Department of Health, Education, and Welfare, Dr. Wilbur said that the AMA was eager to make available to his office "the composite experience and judgment of the Nation's physicians, who are the principal providers of health care to all the people." He pledged further that—

> The knowledge and judgment of the nation's physicians—as well as of the prepayment plans, health insurance industry, hospitals, the allied health professions, the actuaries and others—must be enlisted in your battle against the health-care portion of the inflation problem.

This is the type of cooperation we need, and I appreciate this support from the American Medical Association. I sincerely hope that we shall have similar pledges of support from representatives of the other groups affected.

I can assure each of these groups that our study will not result in a blanket indictment against any segment of the industry involved. We fully recognize that the overwhelming percentage of

those who are in any way connected or working with this program are trying to do a good job; however, when instances of exploitation or excessive charges are discovered they must be exposed and properly dealt with.

I ask unanimous consent that the press release of the American Medical Association of May 15, 1969, be printed at this point in the RECORD.

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

The American Medical Association shares with Sen. John J. Williams, (R. Del.) a concern over the rising costs of medicare and medicaid. Dwight L. Wilbur, MD, president of the AMA, last month offered Health, Education and Welfare Secretary Robert H. Finch the assistance of the AMA in coping with the problem. The AMA also will be glad to cooperate with the Senate Finance Committee or any other committee of Congress studying the problem of rising health care costs.

For some time the AMA has been giving national leadership in coordinating the efforts of state and county medical societies in the establishment and effective functioning of local review and utilization committees checking on the health care services rendered under the medicare and medicaid programs. Close liaison also has been established between carriers and many medical societies in reviewing disbursements under the government programs.

All investigations so far have indicated that an overwhelming majority of physicians participating in medicare and medicaid are charging reasonable fees. The charges of only about two per cent of the physicians receiving payments from the programs have been challenged. Of course, the AMA favors appropriate action in any of the cases where physicians are found to receive improper payments. Last June, the AMA Board of Trustees urged all state and local medical societies 'to act swiftly and firmly in all instances of known exploitation, and excessive charges for health care that may occur in their jurisdiction." In 1967, the AMA said "any reports of abuses by physicians or by any other health care program should be thoroughly and promptly investigated and action taken where indicated." Several medical societies have expelled members where it has been proved that a physician's charges were excessive or he in some other way exploited the program.

The AMA, through its publications and speeches by its officials, has been emphasizing to physicians the responsibility they have to hold down the health care costs of their patients both under and outside government programs. In an April 17 letter to Finch, Dr. Wilbur said the AMA "is eager to make available to your office the composite experience and judgment of the nation's physicians, who are the principal providers of health care to all the people."

"The knowledge and judgment of the nation's physicians—as well as of the prepayment plans, health insurance industry, hospitals, the allied health professions, the actuaries and others—must be enlisted in your battle against the health-care portion of the inflation problem," Dr. Wilbur said.

MIDDLE SNAKE MORATORIUM THE PRUDENT COURSE

Mr. CHURCH. Mr. President, recently my colleague from Idaho (Mr. JORDAN) and I introduced proposed legislation for a 10-year moratorium on construction of any dams on the Middle Snake River. It is our feeling that there is no reason to hurry to judgment on the building of new dams on this stretch of the river until fundamental questions can be answered as to its highest and best use.

The Lewiston Morning Tribune has done an excellent job summarizing the arguments that Senator JORDAN and I have made in favor of a moratorium.

In its editorial treatment, the Tribune concluded that it would be "hasty and shortsighted to plunge ahead with what may be the wrong dam at the wrong time, and quite literally, in the wrong place."

I ask unanimous consent that this perceptive editorial be printed in the RECORD.

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

[From the Lewiston (Idaho) Morning Tribune, Mar. 30, 1969]

GUESSWORK ON THE MIDDLE SNAKE

With Pacific Northwest Power Co. announcing it is ready to resume its efforts to dam the Middle Snake, it is more imperative than ever that Congress declare a 10-year moratorium on development of that portion of the stream.

The Middle Snake must not be committed to what may be an obsolete option—hydroelectric generation—until at least two other more promising alternatives have been explored. That will take time.

And it is time that Idaho Sens. Frank Church, Democrat, and Len B. Jordan, Republican, are trying to buy with their proposed 10-year moratorium. Each of the two senators, however, is interested in a separate possibility for the stream.

Church has not closed his mind to other options, but he is leaning at this point toward the belief the stream should remain as it is—as close to its natural state as upstream regulation of the river by Idaho Power Co. dams will permit. The full Middle Snake from Hells Canyon Dam downstream to Lewiston may be worth perpetuating in its present form. But it is Hells Canyon, that awesome slice of Oregon and Idaho real estate, that would get its feet wet in a Middle Snake Dam. So that is currently the matter of most concern.

Jordan is interested in the moratorium for a different reason. He suspects that one day it may be highly desirable to dam that section of the river to initiate a pump-back storage system in which water is quite literally pumped back over dams. Thus the water would be used and reused, providing surplus water for several million new acres of parched land in southern Idaho and perhaps beyond.

Jordan would hesitate for 10 years to plunge forward with his plan until the major question of the fish runs can be settled. The senator believes it will be settled, one way or another within those 10 years, and he is probably correct. Either the fish will have been obliterated by the dams that are already in place today, or the fish biologists will have succeeded in their promising efforts to help the fish cope with man-made interference with their migration.

If fish runs have been developed that can cope with almost any dam—or if the fish runs have been destroyed—it won't make a great deal of difference (at least from the standpoint of fishing) where you build a dam on the Middle Snake. And, if that day comes, you might as well build at the site where your dam will catch the most water. That is below the mouth of the Salmon, rather than above it, where Pacific Northwest Power Co. hopes to build (originally for very responsible reasons).

PNP is going after a secondary site before it is decided whether the best one can be built.

If the day comes that Jordan foresees, when the fish problems have been removed as an issue and a hungry world needs the food production that would result from irrigating more of southern Idaho and eastern Oregon, then those who tend now to lean toward conservation of the stream in its present form will have to re-examine the situation. A free-flowing stream feeds the soul, but there may by then be too many mouths to feed to permit the luxury of raw natural splendor. Development may become essential.

It would be foolish and short-sighted therefore to legislate at this moment the perpetual nondevelopment of the Middle Snake.

And it would be equally hasty and shortsighted to plunge ahead with what may be the wrong dam at the wrong time, and quite literally, in the wrong place.

Perhaps, if built, the PNP dam would actually serve the highest purpose. The officers of that firm could be correct in their guesses on what the future will demand. We could be wrong in our guess that leaving the stream as it is or developing it for agriculture would better serve.

That is the point: There is too much guesswork involved in rushing to judgment this very minute as PNP would have us do.

Church and Jordan offer the prudent course.—B.H.

THE PRESIDENT'S VIETNAM SPEECH

Mr. DODD. Mr. President, President Nixon's speech on Vietnam Wednesday night was the best on the subject that I have heard.

The President has now made it abundantly clear to Hanoi and the rest of the world that the United States wants nothing more in South Vietnam than to bring an end to this dreadful war. He emphasized once again that the people of South Vietnam should decide for themselves what their future will be.

Of course, he said much more than that. President Nixon spelled out in detail how this war could be ended. The President's proposals for the withdrawal of all non-South Vietnamese forces under international supervision, and for free elections, also under international auspices, deserve the full and complete support of all Americans. Indeed, it is our fervent hope that these proposals will be given careful consideration by Hanoi.

So I say in the most nonpartisan spirit that all our thanks must go in this instance to President Nixon. His speech must, indeed, have an impact on our enemies. I also believe that it will help us here at home, because it will certainly reunite people in the common purpose of finding a just peace.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled, "Speech Shows Nixon Realizes Consequences of a Surrender," written by Joseph Alsop, and published in this morning's Washington Post.

It is, I believe, an accurate assessment of what the world can expect in South Vietnam in the event of a Communist takeover.

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

SPEECH SHOWS NIXON REALIZES CONSEQUENCES OF A SURRENDER

(By Joseph Alsop)

In the President's study, quietly eloquent and common-sensible speech about Viet-

nam, you could hear ghosts walking. To be specific, you could hear the ghosts of the 2000 dead of Hue.

The New Left in the U.S., and indeed a good many of the so-called media, can now summon indignation against almost anyone but the enemies of this country. This is perhaps why the Communists' monstrous crime in Hue has been so little noticed, with only two or three honorable exceptions.

During the Tet offensive, in brief, the Communists occupied much of Hue for a little more than three weeks. The occupied part of the little city had an original civil population of perhaps 80,000 men, women and children. One half or more of these people—probably more—managed to seep out between the lines in the confused early stages of the fighting.

Thus the Communists' potential victims numbered no more than 35,000 to 40,000 at most. Of these, they killed in cold blood at least 2000, old and young, men and women, and even little children. That may have actually been found in the mass graves in which the Communist high command buried these 2000, who were guilty of nothing except being suspected—and you can doubly underline "suspected"—of opposition to a Communist takeover.

In a grim story describing the reburial of 300 of the recently found dead by the Hue municipal authorities, Robert Kaiser of The Washington Post described how many of them had been beaten to death with clubs, that they did not have a whole bone in their bodies. Many more, said Kaiser, showed clear evidence of having been buried alive!

So now extrapolate, as our virtuous academic intellectuals so often say. Before Tet, Hue was the city in South Vietnam most disaffected from the government. It had very few Catholics, and none of those massacred in the mass graves of Hue were soldiers. Yet the Communists massacred on the order of 5 per cent-plus of the civil population they got briefly in their grip.

To extrapolate correctly, moreover, you must crank into the calculation South Vietnam's million men in uniform, and the million Catholics that the U.S. brought down from North Vietnam in 1954. Realistic extrapolation from what happened in Hue would therefore give a figure of at least a million South Vietnamese who would be doomed to prompt execution, in the event of a nationwide Communist takeover. And this is quite in line, in turn, with the blood bath that occurred in the North after the Communist takeover there.

A grave and sober consciousness of the consequences of an American surrender, disguised or otherwise, showed through in every line of President Nixon's speech. So did realism about the necessary terms of any acceptable settlement, as when he stressed the absolute need for North Vietnamese withdrawals from Cambodia and Laos as well as South Vietnam. And showing, too, was the courage to see through this hard, intractable problem.

The dead of Hue meanwhile symbolize, indeed in some sense define, the severe limitations on the President's freedom of action. Because he has so clear a view of the consequences, he cannot take the advice to give up that is pressed upon him by men like Sen. J. William Fulbright. (But he can, of course, ask these gentlemen, at a later date: "Do you want the blood of hundreds of thousands of innocents on your hands, and on your country's hands?")

The President, in short, cannot possibly accept anything less than the minimum he asked for: absolutely free self-determination, with no threat of northern re-invasion, for the people of South Vietnam. Hanoi knows perfectly well that only the tiniest minority of South Vietnamese would freely choose a Communist regime. Hence Hanoi is certainly not ready, as yet, to give the President anything like the minimum he must insist upon.

That is why the President warned that an early end of the war was not in sight. Yet Hanoi's problems, mercifully, are a hundred times more painful than Saigon's problems, or indeed than the President's problems. Above all, Hanoi now has to worry about the dreadful and continuing manpower drain on the North, and worse still, about the potential crack-up of large chunks of the VC structure in the South.

So the President's best posture is not merely to look resolute, but also to be resolute. In his speech, he was very resolute indeed. Hanoi, therefore, now has solid knowledge of the President's purposes—which are very different from the guff that has been so widely written about his purposes.

BIG THICKET MAY VANISH IN 3 YEARS UNLESS BIG THICKET NATIONAL PARK BILL, S. 4, IS PASSED VERY SOON, FORT WORTH STAR TELEGRAM WARNS

Mr. YARBOROUGH. Mr. President, we are rapidly running out of time in which to act to save some portion of the beautiful Big Thicket in southeast Texas. A hundred years ago, the Big Thicket covered 3½ million acres. Today, fewer than 300,000 acres remain—less than 10 percent of the original acreage.

Mr. Terry Flemmons of the Fort Worth Star Telegram has written a disturbing article about the rapid disappearance of the remaining portions of the Big Thicket. He ably describes the unique beauty of the Thicket area, quoting various scientists and conservationists regarding the value of the Big Thicket. I am afraid that unless the Senate moves now to consider S. 4, my bill to establish a Big Thicket National Park of not less than 100,000 acres, Mr. Flemmons' somber predictions about the future of the area will come true.

I ask unanimous consent that the article entitled, "Texas' Big Thicket: A Fading Wonder," published in the Sunday, January 19, 1969, edition of the Fort Worth Star Telegram be printed in the RECORD.

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

[From the Fort Worth Star-Telegram, Jan. 19, 1969]

TEXAS' BIG THICKET: A FADING WONDER

(By Jerry Flemmons)

To view the remains of what we could have had, you drive east from Huntsville to Livingston, to Woodville, south to Kountze, west to Rye through Votaw and Honey Island.

What you see are the bits and pieces of Texas' Big Thicket, shards of a lost ecological empire. Once a rare and wonderful place, the Big Thicket today is shattered tragedy.

A hundred years ago the Big Thicket covered three million acres. Today fewer than 300,000 acres remain and conservationists declare the existing forest is disappearing at the rate of 50 acres daily.

There even are those who claim that of the 3 million acres, actually only a four-acre tract along a stream called Beech Creek, punctuated with 35-foot-tall magnolia and beech trees, is the true surviving Big Thicket.

And even that remnant is doomed, because early in 1968 loggers cut away surrounding trees from the virgin area and the magnolias and beeches now will wear away without their protection.

It covered 11 counties from Nacogdoches to Beaumont and from the Sabine to the Trinity River. That was the Big Thicket. Take a droplet of mercury and strike it with a hammer. The mercury separates and forms tinier, isolated beads. The Big Thicket is like that today, chopped and channeled, hacked and cross-patched.

The Big Thicket, what remains of it, is a unique treasure for Texas. Quite probably no other spot in the world resembles the thicket. It is there that three distinct climatic zones live in harmony. For subtropic proof there are magnolia, palmetto palms and more than 20 types of wild orchids. Yet mesquite and cactus—desert plants— are nearby. In addition there is plant life characteristic to the Appalachian Mountains.

A botanical wonder, the Big Thicket's rhododendrons, and azaleas, great banks of wild honeysuckle and verbena, spider lily and wild wisteria grow in profusion everywhere they are allowed peace.

There are five carnivorous plants—that is, plants which catch and eat insects and the like—known in the world. Four, the bog violet, sundew, bladderwort and pitcher plant, are native to the Big Thicket.

Scientists speak of the Big Thicket as a "region of critical speciation." They mean that the climate, soil and other botanical elements combine to cause environmental change within plants.

More than 100 different trees and plants grow in the thicket. Something over 300 species of birds nest in the forests. The ivory-billed woodpecker, for instance, was seen there recently after naturalists believed it to have been extinct for more than three decades.

Texas Author Mary Lasswell has called the thicket a ". . . giant garden that is being looted and despoiled."

Sen. Ralph Yarborough, one of the few politicians who has attempted to save the thicket, maintains it is Texas' "last true wilderness."

Most conservationists blame big business—the eternal villains in matters such as these—for the probable loss of Big Thicket's valuable presence.

It is true. Loggers have ripped away most larger trees, particularly the hardwoods (because more money is made on pine than hardwoods, such as Cypress and Magnolia, which shut out the pine).

Bulldozed roads, in spots, run in a straight line with no care for any botanical prizes that may have lain in their paths. Supreme Court Justice William Douglas, in his angry book, "Farewell to Texas: A Vanishing Wilderness," tells of a bulldozed road, relating that ". . . on the road's edge dozens of magnolia lay freshly cut . . . they were not cut for flooring, for paneling or for railroad ties. They were cut for sheer destruction and the trunks lay rotting."

Rights-of-way for pipelines are stripped into forest lands and salt water overflows from oil operations and pollutes streams, killing fish. A lumber company recently sprayed its hardwoods with a defoliant and killed an entire rookery—hundreds of birds—of herons, egrets and their young.

Landdevelopers are subdividing remaining forest lands, raising houses and clearing away giant trees.

The conservationists have tried for 30 years to save the Big Thicket. Most recently was a bill, introduced by Yarborough, asking that about 75,000 acres be set aside as a national park. Although supported by the Lone Star chapter of the Sierra Club, the Wilderness Society and the Audubon Society, the bill simply died from lack of airing. Another bill, hopefully, will be pushed in the current session of Congress.

The national park proposal is matched against a compromise offer suggested by the

U.S. Park Service which has asked for a 35,500 acre national monument. Lumber companies, not unexpectedly, like this plan best and, as recently as six months ago, had postponed cutting in the suggested monument area.

To the companies' credit there is much local opposition to either a national park or monument. Lumber and oil are major occupations in the Big Thicket and employees, naturally, fear their jobs might be wiped out with establishment of public lands. (The U.S. Park Service, however, claims tourism would create more money and jobs that now are maintained by either lumber and oil.)

Others fear their own land would be taken for portions of the national areas which, undoubtedly, they would. They fear taxes would go up on homesteads if the valuable lumber lands were taken away.

It seems a mute question. Yarborough maintains 35,000 acres "won't protect the ecology of the Big Thicket."

The U.S. Park Service argues that it is too late to save larger pieces of the thicket.

Some scientists support the national park plan, theorizing that through careful protection the Big Thicket would come back to its original state. The climate, which man can't totally destroy, created the Big Thicket once and it can do it again.

Conservationists have failed to have anyone listen to them for three decades. It is doubtful that many will lift an ear to hear them now.

What remains of the Big Thicket—the bits and pieces—will be gone entirely within three years, they say.

If that is true, perhaps a national monument would be more apt. A monument is tribute to a dead issue and lost cause and seems to be the fate of Texas' Big Thicket.

THE PRESIDENT'S SPEECH ON VIETNAM

Mr. TYDINGS. Mr. President, President Nixon's address Wednesday night on Vietnam indicated a flexibility and restraint which could contribute materially to hastening an end to the war.

I was disappointed that the speech contained no mention of the need for internal reform in the Government of South Vietnam. The President did seem to acknowledge the civil nature of the war in the South. But he did not focus on the corruption and tyranny in the South Vietnamese Government which has been the major contribution to Vietcong political strength in the South and a basic cause of the war itself. Hopefully, the President's silence on this subject does not necessarily indicate he will ignore the need for an end to corruption, terror, and intolerance on the part of the South Vietnamese Government if that government is to survive a U.S. withdrawal.

But, on the whole, the President's speech argued persuasively for time to pursue his plans for ending the conflict. While I will not neglect my responsibility to speak out when necessary on the war, I believe he should be given that time.

But let us be clear about two things. First, this has been the third most costly war in our history, the longest and the most unpopular. It has taken 40,000 American lives and wounded 222,000 other American boys. It has split our own Nation and wrought havoc on our economy. And it continues to take 200 American lives and wound 600 men a week. This carnage must be concluded.

At the same time, however, those with whom peace must be made—the North Vietnamese and the Vietcong—must recognize, as the President warned last night, that the American patience is not unlimited. The "other side" would be foolish indeed to intensify the fighting or to mistake the President's flexibility for timidity. Incredibly tragic as further escalation of the war would be, the Vietcong and North Vietnam will make a catastrophic blunder if they believe they can achieve more on the battlefield than at the conference table.

Wednesday night the President eloquently summarized the tragedy of this war and the urgency for its solution when he said:

I have seen the ugly face of war in Viet Nam. I have visited the wounded in field hospitals—American boys, South Vietnamese boys, North Vietnamese boys. They were different in many ways—the color of their skins, their religions, their race. Some were enemies, some were friends.

But the differences were small compared with how they were alike. They were brave men and they were so young. Their lives—their dreams for the future had been shattered by a war over which they had no control.

With all of the moral authority of the office which I hold, I say that America could have no greater and prouder role than to help to end this war in a way which will bring nearer that day in which we can have a world order in which young men can grow up in peace and friendship.

I say today let us have the further patience the President implicitly sought last night. Let us give him a chance to end this awful war.

THE PRESIDENT LEADS THE WAY ON THE VIETNAM ISSUE

Mr. BENNETT. Mr. President, since the Senate was not in session on Thursday, the day following President Nixon's statement on the Vietnamese war, we did not have an opportunity to comment on his speech in the Senate. I should like my feelings on the matter to become an official part of the RECORD, so I ask unanimous consent that the statement that I issued on Wednesday night at the request of the news media be printed in the RECORD.

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

STATEMENT BY SENATOR WALLACE F. BENNETT, REPUBLICAN, UTAH, AFTER PRESIDENT NIXON'S VIETNAM SPEECH, MAY 14, 1969

With his very significant statement Wednesday night President Nixon has seized for the United States the initiative for peace and placed the burden of a realistic response upon the Communists.

The President's plan was specific yet flexible. It was comprehensive yet very clear. It was conciliatory yet firm. It was generous yet it indicated the United States will not tolerate defeat.

The proposal frankly recognizes that much in the Viet Nam war is political. That is why the President offers regulated and mutual withdrawal. His plan also seeks to assure Cambodia and Laos about their future. I found his proposal creative: the time is now for building the international supervisory body that the President has bodly offered.

I strongly urge the American people now to unite behind the President. If we cannot get together on a mutual withdrawal and a negotiated settlement allowing a free choice in South Viet Nam, what hope do we have?

To the advocates of an immediate unilateral withdrawal, I call on them to give the President and his plan a chance. It is time to close ranks and deny Hanoi the privilege it has had of exploiting our differences.

ECONOMICS OF AGING: III

Mr. WILLIAMS of New Jersey. Mr. President, the Senate Special Committee on Aging recently held 2 days of hearings on the "Economics of Aging." We heard from university specialists and Government experts; we heard from the representatives of leading senior citizens' organizations; we heard from economists, social scientists, and business analysts. All of these witnesses gave testimony which underscored the grim conclusions of our committee's earlier task force report on the fiscal problems of the elderly.

In that report, we noted—

Three out of ten people 65 and older—in contrast to one in nine younger people—were living in poverty in 1966, yet many of these aged people did not become poor until they became old.

During the days prior to the hearings, we received eloquent testimony—through cards and letters—from hundreds of older men and women. Their experiences, as conveyed through their letters, add up to yet another dramatic demonstration of the seriousness of the economic problems facing the aged and aging.

A letter written by a 76-year-old woman from Swarthmore, Pa., makes a telling point with these words:

I am one of those older people, living alone (will reach the age of 77 in three weeks) who has become poor since becoming old! Unable to work any longer, I am trying to get along on my Social Security of $55 per month income, besides drawing a few dollars from a fast-dwindling nest-egg in the bank and an occasional fee from private French teaching and some baby-sitting, to meet the ever increasing cost of living. I am however, aware of the fact that some elderly people are worse off than I, and for those, drawing less than $80 or $100 a month, the name of Social Security has become a paradox indeed!

A number of letters have addressed themselves to the inadequacy of social security benefits. As reported in the task force study—

The Social Security system has failed to keep up with the rising income needs of the aged.

The following remarks from a letter written by a Los Angeles resident dramatically illustrate that point:

We beg of you to do something better than a 7% increase in Social Security benefits. What can you do with a 7% increase when our rents have increased 10%, groceries up 4% last month, when a lb. of coffee and carton of milk is $1.00, a loaf of bread 45c cereals are 55 to 57c a box, and then only ⅔ full. When we were working and starting savings accounts we never dreamed it would cost this much to live.

I will repeat what I said in the preface to the task force report:

Such questions cannot be answered simply by adding a few dollars to monthly social security payments, or by making modest improvements in private pension plans. What is needed now is an honest, hard look at today's inadequacies and failures in light of trends now clearly visible.

MACHIASPORT

Mr. SCHWEIKER. Mr. President, on behalf of the Senator from Massachusetts (Mr. BROOKE), I ask unanimous consent to have printed in the RECORD a statement he had prepared for delivery today.

There being no objection, the statement by Senator BROOKE was ordered to be printed in the RECORD, as follows:

Mr. BROOKE. Mr. President, I am informed that on 9 p.m., Tuesday, May 20, television station WETA will present a color documentary entitled "Machiasport, Conflict Over Oil."

This program has already been shown by several educational television stations around the country and has received great praise for its fair and balanced analysis of the debate over the establishment of a foreign trade zone and oil refinery at Machiasport, Maine. With its showing in the Washington area on Tuesday, I hope all that have expressed an interest in this vital matter will have the opportunity to view this program.

"CRIMINAL INJURIES COMPENSATION: TIME FOR ACTION"—AN ARTICLE FROM THE GEORGETOWN LAW WEEKLY

Mr. YARBOROUGH. Mr. President, earlier this year, the Georgetown Law Weekly, a well-written weekly law journal published by the students at the Georgetown Law Center, asked me to prepare an article on compensation to innocent victims of crime. My bill, S. 9, deals with this subject.

This article came out in the May 5 edition of that fine paper. I wish to call the attention of the Senate to the title of the article, "Criminal Injuries Compensation: Time for Action." I cannot stress too strongly the importance of action on this measure to the people of America. It is time for action in this very vital field.

There is too much crime in this Nation already and it is steadily rising. While concern about the criminal is quite proper and understandable, we simply cannot afford to continue to ignore the victims of these crimes.

Mr. President, the time for action in this field is now. I ask unanimous consent that the text of my article entitled, "Criminal Injuries Compensation: Time for Action," which appeared in the May 5 edition of the Georgetown Law Weekly, be printed in the RECORD at this point.

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

CRIMINAL INJURIES COMPENSATION: TIME FOR ACTION

(By Senator RALPH YARBOROUGH)

(NOTE.—Senator RALPH W. YARBOROUGH was first elected to the United States Senate in a special 1957 election. He is now the senior Senator from Texas having been reelected during the two succeeding regular election contests. Yarborough, a noted attorney before his successful political career, was a former judge, assistant state attorney general, lecturer at the University of Texas Law School, member and former director of the State Bar of Texas and active member of many leading professional law associations.)

As anyone who bothers to pick up a newspaper knows, one of the greatest concerns of many of our people today is the rapidly rising crime rate. The most recent figures furnished me by the FBI indicate that all crimes of violence were up by 19% in 1968 over 1967. Included in this figure were crimes such as murder (up 14%), armed robbery (up 34%), assault with a gun (up 24%), and similar increases in all other categories. Obviously, this is a matter of great importance to us all.

In my opinion, though, too many people are interested only in the capture and punishment of the criminal. We hear calls for increasing Federal expenditures for all types of crimefighting activities—larger police forces, more courts, more modern penitentiaries, more effective rehabilitation of law-breakers.

Not only that, but there is a growing concern for care of criminals after their arrest and during their incarceration. And quite rightly so, for we cannot permit callous and inhuman treatment of any of our fellow citizens—even law-breakers.

CONCERN WITH VICTIMS OF CRIME

But, all of this concern, praiseworthy though it may be, fails to take cognizance of the bifaceted nature of every crime. In each instance when a crime occurs, two parties are involved—the criminal and his victim. And, unfortunately I find that in many cases, the victim becomes the forgotten man. He may have the personal satisfaction of seeing the man who harmed him punished, but he is almost never compensated for the harm done to him.

There are two ironies here. First, at the very time when we appear to be devoting greater attention to crime detection and prevention and the rehabilitation of the criminal, the victim is being neglected and the enormity of this neglect is magnified every day it is continued. Second, the victims of crime are usually those who can least afford additional burdens and the perpetrators of violent crimes are usually those who have the least with which to compensate their victims. Therefore, the victim usually goes uncompensated.

My personal interest in and concern with this unfortunate anomaly began over thirty years ago when I served as a District Judge in Texas. Finally, in 1965, I introduced a bill in the 89th Congress to rectify this situation. This was the first bill of its sort ever introduced in the United States Congress.

Since that time, support for such a proposal has grown steadily and in December of 1968, the National Commission on the Causes and Prevention of Violence conducted an International Conference on this subject. This conference was held in Los Angeles at the University of Southern California. Moreover, other nations—New Zealand and Great Britain—and five states in this country—Massachusetts, California, New York, Maryland, and Hawaii—have written such a provision into their laws. I feel that it is now time for the United States Congress to act in this field.

BILL TO COMPENSATE VICTIMS

What the bill I have introduced in the 91st Congress on this subject, S. 9, calls for is the creation of a Federal Violent Crimes Commission. This Commission would be empowered to consider claims, examine evidence, and provide up to $25,000 compensation for individuals injured by crimes of violence. The provision of this bill would apply only to those areas in which the Federal Government exercises general police power—The District of Columbia and the special maritime and territorial jurisdictions of the United States.

I agree with The New York Times which pointed out in an editorial on January 18, 1966: "Since the maintenance of law and order is a basic responsibility of the State, it follows logically that the innocent victims of violent crimes are entitled to compensation from the State." And with Justice Arthur J. Goldberg (now no longer on the Supreme Court) who said in February, 1964:

"The victim of a robbery or an assault has been denied the 'protection' of the laws in a very real sense, and society should assume some responsibility for making him whole."

Moreover, our society today obliges its citizens to go about unarmed and creates through a variety of laws and institutions the expectation that the citizen will be protected. When society fails in its assumed duty to protect its citizens, society ought to have the responsibility for compensating the innocent victim for his personal injuries.

I feel that the importance of this bill cannot be read alone in the dollars and cents which it would provide to the victims of crimes of violence—important as this goal is This bill records for the American people a milestone in the quest for a humane and socially responsible treatment of innocent people brutalized by acts of violence. With this bill, we can demonstrate that a wealthy nation which can spend millions to bring justice to the perpetrators of crime is not indifferent to the light of their victims.

It is important, though, to protect both the rights of the victim and the rights of the criminal and for this reason, I have taken great care to see to it that nothing in this bill would impair or alter these rights. First, the victim's rights to seek civil remedies for wrongs done him. Compensation provided by the Commission would be in the nature of the fulfillment of a duty which runs between the victim and the State. The rights and responsibilities running between the criminal and the victim would be unaffected. Moreover, since the bill provides for ex gratia reward, it will not create a right not otherwise available to bring a civil action against the Government in other proceedings.

RIGHTS OF ACCUSED

Proceedings before the Commission would not be allowed to prejudice the rights of the accused. The primary interest in these proceedings is in the victim, not the criminal. If, on the basis of the evidence the Commission decides that the victim has been in fact criminally injured, the absence of the unapprehended criminal will not bar the victim's claim or color the proceedings. Furthermore, the finding by the Commission in favor of the victim would not be used against the criminal in proceedings against him.

CONCLUSION

In my opinion, the time has come for us to take this first important step in a neglected area of the law. We have collectively created an environment in which crime flourishes. Although we can sincerely dedicate ourselves to the reduction or even the eventual elimination of crime, we ought not to ask the innocent victim to wait upon our labors. We have missed the mark by not devoting concern to the innocent victims of crime equal to that we have given the criminal. The victim needs our help through compensation. We can give him no less.

HEALTH CARE FOR THE ELDERLY—AS PART OF HEALTH CARE FOR ALL

Mr. WILLIAMS of New Jersey. Mr. President, the American College of Nursing Home Administrators has long been a persuasive and persistent force for higher standards of care in long-term care institutions. During the current dispute over proposed standards for skilled nursing homes under medicaid, in particular, the ACNHA has taken a stalwart stand against dilution of requirements sought in legislation sponsored by the senator from Utah (Mr. Moss), which finally became a part of the Social Security Amendments of 1967.

Senator Moss participated in an ACNHA Forum on Health Care and So-

ciety in Chicago on April 28. His remarks at that time were influenced partially by his role as chairman of the Subcommittee on Long-Term Care in the Senate Special Committee on Aging, of which I am chairman. But he also attempted to show that good health care for the elderly should not be regarded as an end in itself, but as one of the built-in components of good health care for all people of this Nation.

I ask unanimous consent that Senator Moss' remarks be reprinted in the RECORD.

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

HEALTH CARE AND THE ROLE OF THE FEDERAL GOVERNMENT

(An address by Hon. FRANK MOSS, a Senator from Utah, at the American College of Nursing Home Administrator's forum, Chicago, Ill., April 28)

Sister Ambrosette was good enough to provide a suggested topic for this talk, and that topic is "Health Care and the Role of the Federal Government."

As she said, this "is deliberately a subject of wide latitude", one in which I could "roam the length and breath" of many subjects related to that theme.

Well, I will roam somewhat here today because I believe that the Federal role in health care is still ill-defined, even though we have committed billions of dollars for programs that either help provide treatment for people or help them pay for treatment.

And it is a timely topic—it couldn't be more up to the minute.

There is no doubt in my mind that the $50 billion a year health industry will receive—during this year and possibly two or three more to come—the most intensive scrutiny ever yet paid to it by the Congress of the United States.

It is clear that the Senate Finance Committee, for example, is making far-reaching preparations for a searching re-evaluation of the Medicare and Medicaid programs.

It is clear, too, that other units of the Congress will give careful—and perhaps pugnacious—attention to the many health programs that come up for renewal this year, including Hill-Burton, Regional Medical Programs, and so on.

And finally, it is quite clear that the new Administration is of a mind and a mood to change priorities in and perhaps even purposes of, existing programs. The Nixon proposals will certainly be questioned by the Congress; our reappraisal may not be agonizing, but it certainly should be thorough and we shouldn't be afraid to ask tough questions.

Why the Congressional concern?

A major reason, of course, is simply that health care costs are going up, and everyone is worried about them.

But, I think another force is at work, too. I believe that the people of our nation are becoming more and more aware of the deficiencies in the delivery of health care today.

We know more now, for example, than we have ever known before about poverty in our urban and rural areas, and many Americans are appalled by the widespread neglect of health among our poor, young and old.

We are also more aware about the heavy demands put upon physicians and health care systems as population rises and suburbs drain cities of people and practitioners.

And, of course, adding to all the other pressures is the growing demand by more people for more and better health services.

That is true of the widow who has just qualified for Medicare.

That is true of the union member who has just received wider health benefits under a new labor-management contract.

And it is true of the middle-and-upper income parents who want far more in the way of health care for their children than they themselves had when they were young.

What will come out of these dual pressures—rising costs and rising expectations?

If government, health practitioners, and the general public can work together for the enlightened self-interest of all, we could well make major advances in providing high quality care to all. Costs may be higher, but we would be more certain of getting our money's worth.

I choose to be optimistic in my appraisal of the prospects simply because I shudder to think of what will happen if we permit today's unresolved problems to become worse. And I think that there is a good possibility that our concern about health economics may well be just the goal we need to make changes on the scale that is needed.

A witness at a Congressional hearing* made the point very well when he said:

"The problem of rising costs is going to be one of the strongest educational instruments to clarify that our system of providing health care is not as efficient and effective as it could be.

"Throughout the whole history of medical care developments in the world, the problem of rising costs has stimulated improved patterns of organization."

If the witness was right, and the amount of improvement is proportionate to the rise in costs then we should be in for a period of unparalled change for the better.

I won't take the time of this audience to recite the statistics of rising costs, but I will mention just a few facts that have caught my eye in recent weeks:

The price of medical services has risen far faster than prices.

The Consumer Price Index for all items went up from 112.9 in June 1966 to 123.7 in December 1968, but for medical care it went up from 127. to 149.

Seen from a different perspective it is equally clear that the medical care cost rise is accelerating. A survey made last year shows that the medical care index rose at a rate of 4.7 per cent a year during the 1950's, dropped during the early 1960's to 2.6 annually, but then increased to 6.6 per cent in 1966 and 6.4 per cent in 1967.

And so, from the end of World War II to the end of 1967, the medical care index was 125 per cent, compared to only 61 per cent for all consumer items.

As you undoubtedly know, the biggest increase in that period occurred in hospital daily service charges, which rose 441 per cent. The rise in physicians' fees was 107 per cent.

The dollars and cents figures are bad enough, but there is, as I suggested before, far more to the health care problems of today than economics. We are also faced by deep-rooted organizational problems that persist and too often intensify.

Many of you know about the problems of the inner cities. You know of entire neighborhoods in which there are no physicians or nurses. You know of the long waits at clinics and you know that many clinics are miles away from people most in need of them, and that many people have no transportation to get to the help they should have. It's no wonder many people—the elderly, for example, or the young mother who can't get her youngster across town to the clinic—grow discouraged and accept "feeling poorly" as a way of life.

Those of you from rural sectors know of the almost unbelievable isolation of many individuals and families and the difficulty in providing specialized help.

However distressing the problems of urban and rural poor are, however, such problems are not limited to people with low income. The National Advisory Commission on Health Manpower, in its 1967 report, summed up a great deal when it said:

"There is widespread and serious talk of a 'health crisis' in the country, a crisis which is believed to be upon us now or just around the corner. The indicators of such a crisis are evident to us as Commission members and private citizens. Long delays to see a physician for routine care; lengthy periods spent in the well-named 'waiting room', and then hurried and sometimes impersonal attention in a limited appointment time; difficulty in obtaining care on nights and weekends, except through hospital emergency rooms; unavailability of beds in one hospital while some beds are empty in another; reduction of hospital services because of a lack of nurses; needless duplication of certain sophisticated services . . . and obsolete hospitals in our major cities.

"There *is* a crisis in American health care. The intuition of the average citizen has a foundation in fact. He senses the contradiction of increasing employment of health manpower and decreasing personal attention to patients."

Having presented this indictment to you, what plan do I have for federal action that will solve all the problems?

The answer, of course, is that no single plan will meet all contingencies, and no government—even the great federal establishment of today—is big enough to draft such a plan, much less implement it.

Instead of talking to you about an action plan, I'd like to discuss instead certain desirable trends that could be encouraged in one way or another by appropriate federal initiative or response to leadership from experts in the health field and from interested laymen.

The first trend I would like to see is a greater federal commitment to preventive medicine.

No one knows better than you the total cost of chronic disease in our nation.

The dollar cost is staggering: about $57 billion a year.

Now we spend billions upon billions every year to treat disease, but we spend only a little over $3 billion a year to prevent illness.

And yet, the greatest return for our health money would undoubtedly be yielded by preventive medicine.

We should have more multiphasic health screening programs.

We should have more educational programs that really get across vital information to the consumer of health services.

We should have more personnel skilled in "health maintenance" techniques that will take part of the burden off physicians and other professionals—highly trained individuals who should not have to take precious minutes or hours for routine tasks that could be done by others.

The second trend I would like to see is closely related to the first: we should be more inventive in providing manpower and resources that will keep people out of institutions or speed them toward discharge if they are in institutions and if they are dischargeable.

The federal government should be doing far more than it now is doing, for example, to provide some health aides: women or men who could provide services needed by persons who are semi-independent and who could stay at home if they had a little help.

Federal agencies should be doing far more, too, to provide other kinds of trained personnel in areas of vital need: assistants of all kinds, social worker aides who can spot potential health problems and report them to physicians in time for positive action; and much more.

A third trend—and this is one that the Federal level should insist upon—would be

*Dr. Milton Roemer, Professor of Public Health, UCLA, at hearing on "Costs and Delivery of Health Services to Older Americans", June 22, 1967.

greater experimentation in setting new standards of care and in providing new means of delivery.

I was encouraged by the establishment of the National Center for Health Services Research and Development last May. I think that it has a major responsibility for performing research, demonstration projects, and evaluation of the organization of health services for the total population. But I am also alert to the possibility that an underfunded Center—or a Center which is given too many studies to make without clearcut objectives in areas of greatest need—could conceivably be worse than no center at all. You and I and everyone concerned about health in this nation should keep close watch on the work under way at the Center.

Despite my warning, my major reaction to the Center is a hopeful one, just as I am hopeful about the cost-cutting experiments authorized under the Social Security amendments of 1967. These experiments are to develop "incentives for economy while maintaining or improving quality in the provision of health service in connection with reimbursements under such programs as Medicare."

Here is a clearcut example of the potential long-range effect of Medicare in terms of improving quality of services. We *must* be bold in insisting upon well-considered experiments from which we can shape a health care system in which patients, practitioners, and people in need only of health maintenance services can have satisfying realtionships.

PLANS FOR THE SUBCOMMITTEE ON LONG-TERM CARE

My talk today thus far, as you have seen, has indeed "roamed," but for its remainder, I would like to talk about one specialized area of health care, an area of mutual interest to all in this auditorium today.

I'm referring to the "long-term care institution," and that of course is a growth category today. We have nursing homes, extended care facilities, intermediate care facilities, homes for the aged, and others that look suspiciously like motels.

Many in this audience may know that I serve as Chairman of the Subcommittee on Long-Term Care in the Senate Special Committee on Aging. I was somewhat startled a few days ago when I looked at the transcript of the first hearing I conducted for that Subcommittee. The reason for my surprise was the date: May 5, 1964.

Almost 5 years ago to the day. And what was my major declaration half a decade ago? I checked the transcript and found this: ". . . From the point of view of the nursing home field, our programs are a patchwork. The Federal Government lacks a coherent policy toward the long-term care field and toward its role in assisting this field to develop. The task of the Subcommittee, then, is to begin the long and difficult process of rethinking our Federal policies in this field."

That statement was made in Washington, D.C., at the very beginning of our study. At hearings which took us into seven other cities during 1965 and 1966, we discovered that my initial declaration was somewhat of an understatement; and we discovered conditions and problems that were shocking and infuriating:

Neglect of patients.

Firetraps that somehow stayed in business even after official warnings were given.

Services and drugs paid for with government funds—but not provided to persons desperately in need of them.

And much more.

And so I introduced legislation calling for higher standards in nursing homes receiving Medicaid funds. Senator Edward Kennedy, who took an active part in the hearings, introduced companion legislation calling for licensing of administrators of nursing homes supported by Federal funds.

As you know so well, both measures passed as provisions of the Social Security Amendments of 1967.

Over a year later, however, I find that there was an attempt early this year to water down the new standards for which I asked. Fortunately there was a forceful outcry when word leaked out. Sister Ambrosette was especially informative and emphatic, and I appreciate her concern and her assistance. We are still not yet out of danger, and the battle for new standards goes on.

With threat to my legislation very much in mind, I have been giving some thought of late to conducting a new round of hearings by the Subcommittee on Long-Term Care.

Our studies in 1964 and 1965 were primarily concerned with—as the title of the hearings expressed it—"Conditions and Problems in the Nation's Nursing Homes."

The hearings I now contemplate would be called "Trends in Long-Term Care."

We will, of course, deal with problems. Unfortunately problems abound. But it seems to me that we should now try to focus on the long-range development of long-term care, and to discuss that we would have to ask far-reaching questions:

What is being done in the "model" nursing homes—those with far-sighted innovations—that could be applied elsewhere?

What more can be done for rehabilitation of nursing home patients, in terms of mental outlook as well as physical restructuring?

What are the merits and possible trouble areas in the trend toward chain ownership of "extended treatment" centers?

What relationships should nursing homes have with other health facilities in a community, and what mechanisms should be developed for long-term planning?

What has to be done to make Medicare and Medicaid more effective in developing higher standards of care?

You probably could list a great many other questions right here on the spot. I hope you will feel free to make suggestions in the very next mail about matters that could come up for discussion at our hearings.

In the nursing home field, as in so many others related to health, we face a period of growth and problems caused by growth.

In the face of that growth, it becomes all-the-more important that the budget cuts now under disussion are surgical rather than crippling.

President Nixon's budget, submitted on April 15, cut $267 million from Medicaid; $104 million from Hill-Burton hospital construction grants; $22 million from Regional medical program authority; and $28 million in research programs conducted by the National Institutes of Health.

At a time of cutbacks caused by commitments throughout the world and here at home, the Congress—it seems to me—has a special duty to examine all proposed retrenchment with a highly objective eye and attitude.

We have a responsibility to be constructive. We have the duty to be alert.

I am sure that, with the help of you and others who share an interest in the health and well-being of our population, we can do far more than merely hold the line against potential dangers.

We can also use this period of intense reevaluation for positive action, imaginative innovation, and—always—an insistence that quality of health service can go only up, and not down.

EDUCATION SHOULD HAVE A HIGH PRIORITY IN FUNDING

Mr. YARBOROUGH. Mr. President, my attention has been drawn to a helpful series of tables which appeared on pages 22 to 25 of the April issue of American Education, a publication of the Office of Education.

The article is entitled "State Allotments for Funded Programs, Fiscal Year 1969" and sets forth the State allotments for each program administered by the U.S. Office of Education.

This is helpful information, since we will later this session be considering fiscal year 1970 funding of educational programs carried in the Labor-HEW appropriation bill. We all know that there is a keen and growing interest in the degree to which programs will be funded on the part of members of the educational community. These people must make their plans for the operation of their educational systems, taking into consideration the degree to which the Federal funds may be available for their use. As a further service to them, I have asked Commissioner of Education James Allen, to provide me with a breakdown, contrasting and comparing the figures on these fiscal year 1969 tables, which are hereinafter appended, with those which would be in effect if the revised budget estimates for fiscal year 1970 were to be appropriated. In addition, I have also asked the Commissioner to provide me with the comparable figures for fiscal year 1970 which would be in effect if the full authorization amounts were to be appropriated for each of these programs. The 1970 tables are not yet available.

When I receive these figures, I propose to place them before the Senate for its information. I feel that each of us needs to know the implications of our funding patterns.

Let me illustrate by an example which affects the operations of each of our State departments of education.

The curtailment under title II ESEA, the school library support title for fiscal year 1970, means that $50,000,000 expended for fiscal year 1969 State operations will not again be available unless Congress acts to provide funds in the HEW appropriations bill. If the $50,000,000 is not appropriated, administrative positions funded under it will be eliminated.

In similar fashion, a personal services impact at the State level could follow the elimination of the $78,740,000 available in fiscal year 1969 for title III NDEA State operations, the $17,000,000 elimination of the title V–A guidance counselling and testing functions, and the 30-percent reduction in the title III ESEA supplementary centers and services programs funded in fiscal year 1969 at $164,876,000. All of these eliminations were recommended in the Nixon budget.

We need to know quickly about these matters and others.

Mr. President, it is for these reasons that I ask unanimous consent that the tables to which I have alluded be printed in the RECORD at the conclusion of my remarks.

I am indebted to the Council for Exceptional Children for a discussion of the impact of the proposals for special education and for two very helpful tables which the council developed for its membership. I would hope that every

educational association would, in a similar manner, analyze the situation and provide advice related to its specific problems to those of us who serve in Congress and who must take the responsibility of providing the funds to carry out the programs which we, through our authorizing statutes, have decided to be in the national interest.

Mr. President, when President Lincoln signed the Morrill Laurel-Grant College Act over a century ago, he crystallized, through the establishment of the land-grant university system, the placement of educational support as a legitimate and necessary national purpose for the investment of Federal funds.

That priority of purpose has been ratified ever since, particularly in recent decades, under Presidents of both major national parties.

The time has come for us to follow through by putting up the necessary money to do the job that Congress decided ought to be done.

I ask unanimous consent that the explanatory materials developed by the Council for Exceptional Children and the tables previously referred to be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1970 APPROPRIATIONS FOR EDUCATIONAL IMPROVEMENT OF THE HANDICAPPED

In January, 1969, before leaving office, President Lyndon Johnson presented the proposed budget of the United States to the Congress and thus began the yearly process of hearings and Congressional consideration to determine the amount of fiscal resources that will be devoted to various federal programs. The budget is a very broad and complex document; its billions of dollars stagger the imagination. However, within its context is a small line item titled "Educational Improvement of the Handicapped." It is this small line item that provides the main source of federal assistance to programs for handicapped children.

In 1958, the Congress passed Public Law 85–926 to prepare personnel to teach handicapped children. Since that date Congress has become increasingly active and has established over eleven new programs for the education of the handicapped. In 1958 appropriations in this area were less than one million dollars. Today the figure is $79 million.

However, this progress is tempered by the fact that two-thirds of the over five million handicapped children are presently not receiving special education services. Federal programs have helped, but the task is still great. The failure of the budget proposals for fiscal year 1970 to significantly increase funds for these programs severely threatens their growth.

Attached you will find a breakdown of the 1970 budget requests for "Educational Improvement of the Handicapped" showing the relationships between these requests and their authorizations. You should note that an authorization represents an indication of the sum of money that the Congress when passing the law felt was necessary to assure its effectiveness. There is usually a gap between authorization and appropriation.

For example, the budget request for fiscal year 1970 for all of the Elementary and Secondary Education Act amounts to 51.4% of the sums authorized, while the budget request for "Educational Improvement of the Handicapped" is only 27% of the amount authorized. The distinction between authorization and appropriation is important to consider carefully since many times the Administration has argued that programs for the handicapped have had consistent increases while other programs have been held to previous year's levels. For example, this year's budget request for "Educational Improvement of the Handicapped" is $85.85 million, a $6.85 million increase over fiscal year 1969. While this on the surface looks like a reasonable increase, the historically low level of funding makes the increase insignificant. It is similar to the man who had a nickel and received a 50% increase but still could not afford a cup of coffee.

The following programs have been particularly hard hit by the FY 1970 budget requests:

1. Title VI of the Elementary and Secondary Education Act is a grant-in-aid program to the states to assist them in initiating and expanding special education services within the state. For fiscal year 1970, the Congress has authorized $200 million. The President's budget only requests the 1969 level of $29.25 million. This represents less than 15% of the Congressionally determined authorization, and only $5.85 per handicapped child. Title VI was passed by the Congress in 1966 as the major support program to assist states in attacking the problems of the handicapped. The first several years were primarily devoted to planning. The states have completed their plans and are now ready to develop major programs. However, the funds have not been adequate to initiate such programs for the handicapped. In fiscal year 1969 over one-half of the states received less than $500,000; thirteen states received less than $150,000; and six states received only $100,000. You will find the projected fiscal year 1970 state allocations for Title VI attached.

2. Public Law 85–926 has been one of the most successful programs the Congress has established. This law provides fellowships and traineeships to prepare professional personnel for the education of the handicapped. Money is provided to colleges and universities and state departments of education for this purpose. Since the passage of the law in 1958 the program has helped double the number of special education personnel. But the task is still great. Evidence now shows that over 300,000 teachers are needed, with only 83,000 now available.

Administrative changes within the Office of Education may be recommending increasing fellowship stipends. This, coupled with natural increases due to long-term program development grants will mean a decrease in training potential available for fiscal year 1970 if the budget proposal is not increased. In addition, the Division of Training in the Bureau of Education for the Handicapped has been working with colleges and universities through special projects to develop prototypes for increasing manpower training potential. Without additional funding, these prototypes may never get off the ground. The budget request for personnel training is $29.7 million, the same as the amount appropriated for fiscal year 1969, although $55 million has been authorized.

3. The 90th Congress passed with strong support Public Law 90–538, the Handicapped Children Early Education Assistance Act. This law represents a bold new venture into providing grants for research and demonstration programs relating to preschool education for handicapped children. This reflects the belief that an intensive thrust in this area may prevent or ameliorate many handicapping conditions and thus enable many children to eventually profit from a normal educational program. Congress saw fit in the fiscal year 1969 to single this program out for initiation by granting an appropriation of $1 million, in the hope that planning could quickly be developed so that a full scale program would be operative by 1970. For fiscal year 1970, the President has only requested $3 million although $10 million was authorized. This small request will again delay the ability for this program to effectively stimulate state and local action in this area.

4. During the first session of the 90th Congress, amendments were passed to Title VI of the Elementary and Secondary Education Act to add three new authorities crucial to program development in special education. The first was the establishment of regional resource centers to provide additional evaluation and programming for handicapped children. For fiscal year 1970 $10 million was authorized and only $1.5 million requested. The second program was to provide for the establishment of centers for children who are both deaf and blind. Because of the limited number of such children within any single local school population, but the large number of such children nationally due to the rubella epidemic, such centers are probably the only means by which deaf-blind children can receive an education. Seven million dollars was authorized for fiscal year 1970 and only $2 million requested. The third new authority was the development of a national recruitment program to bring people into the field of special education and to disseminate information on existing programs to the public. One million dollars is authorized, but only one-half million dollars requested for 1970. The consistent low level of funding of these three programs may prohibit them from becoming a reality beyond planning.

5. Realizing the dire need for educational programs for the handicapped, Congress has continued to expand the base of programs to be administered by the Bureau of Education for the Handicapped. However, the urgency of the Congress has not been met by the willingness of the Budget Bureau to provide the staff positions necessary to administer the programs effectively. For example, under the Handicapped Children Early Education Assistance Act, P.L. 90–538, not one staff position has been allotted. The Bureau of Education for the Handicapped has attempted to fulfill its mandates from the Congress by internally transferring staff from one program to another. Such an approach does not facilitate good administration. Staff positions for the authorities passed by the Congress in the past several years are urgently needed.

The preceding are concerns stimulated by the failure of the fiscal year 1970 budget proposals to reflect the needs of handicapped children as mandated by the Congress. The attached budget breakdown shows clearly the sharp diversity between authorizations and appropriations. It is hoped that Congress will, during the appropriations process, consider these programs carefully in light of national concerns and its commitments to handicapped children.

During the next several months Congress will be giving deep consideration to the provisions contained within the budget request. You will find attached a description of how a bill travels through the Congress. You should note especially that appropriations bills always originate in the House of Representatives. The budget will be brought before the appropriate subcommittees in the House of Representatives and the Senate. After passage there, they will be considered by the full Appropriations Committees. A list of members of these committees is attached. It is during the committee hearings that the possibility of increases will have to be determined. The degree to which this can be achieved will be reflected in the extent to which the constituents of these lawmakers express their desire for such increases. In addition, members of committees are very sympathetic to the interests and concerns of other Congressmen. For this reason, all Congressmen can have an important role to play in urging increased support for the handicapped regardless of their committee assignment.

The most common vehicle for communicating with a Congressman is a letter expressing your personal opinion about the matter. You will find attached some guidelines concerning Congressional letter writing. Another vehicle you can use are articles in local newspapers and other communications media discussing the problems of the handicapped child and giving indication of Congressional interest. Particular attention and publicity should be given to those people who have gone out of their way to help. Congressmen really have little to gain by helping the exceptional child other than good publicity. Anything you can do in this regard would be most helpful.

You will also find attached some guidelines under the title "Accentuate the Positive" for activity that can be undertaken at home to communicate the needs of handicapped children to your legislative representatives.

Often people believe that as an individual they have very little influence. This is not the case when large numbers of individuals become active. For this reason, support should be given not only on a personal basis, but also through organizational affiliations. This need not be just from interested groups for the handicapped, but from civic organizations such as the Lions, Kiwanis, American Legion, PTA, women's clubs, etc. as well. Working jointly, people and organizations can help legislators in a decision making capacity see more clearly the needs of the handicapped child and guide the passage of effective legislation.

Please feel free to contact The Council for Exceptional Children for any additional information you may need in this regard.

FISCAL YEAR 1970 BUDGET FOR EDUCATIONAL IMPROVEMENT OF THE HANDICAPPED

Program	Authority	Purpose	1969 appropriation	1970 budget request	1970 increase	1970 authorization	Percent of authorization requested
Grants to States	Public Law 89-10 (title VI), as amended by 89-750.	Grants to States to initiate, expand, and improve programs and projects for education of the handicapped.	$29.25	$29.25	$0.0	$200	14
Regional resource centers	Public Law 89-10 (title VI), as amended by 90-247.	To create regional resource centers to provide educational evaluation and assistance in developing educational strategies for handicapped children.	.5	2.0	1.5	10	20
Education of deaf-blind children	Public Law 89-10 (title VI), as amended by 90-247.	To provide for the establishment and operation of centers for children who are both deaf and blind.	1.0	2.0	1.0		28
Recruitment and information	Public Law 89-10 (title VI), as amended by 90-247.	To provide programs to recruit personnel in special education and to disseminate information on programs in the field and the public.	.25	.5	.25	1	50
Educational media for the handicapped.	Public Law 85-905 as amended by 90-247.	Originally to provide films and other educational media for the deaf, loan service of materials, and research and training in the use of media. Now expanded to all areas of the handicapped.	4.75	4.75	.0	10	48
Personnel training	Public Law 85-926 as amended.	To provide fellowships, traineeships, and institutes for the training of professional personnel for education of the handicapped.	29.7	29.7	.0	55	54
Research and demonstration	Public Law 88-164 (title III) as amended.	To support research and demonstration projects on the education of handicapped children.	12.8	14.05	1.25	18	78
Training and research in physical education and recreation.	Public Law 88-164 as amended by 90-170 (title V).	To provide a system of personnel training and research in physical education and recreation for handicapped children.	.6	.6	.0	3	20
Preschool education	Public Law 90-538	To provide grants for research and demonstrations project relating to preschool and early childhood education.	1.0	3.0	2.0	10	30

EDUCATIONAL IMPROVEMENT FOR THE HANDICAPPED

Grants to States for preschool and school programs—Title VI-A ESEA

State and outlying areas	Fiscal year 1967	Fiscal year 1968	Fiscal year 1969	Fiscal year 1970
Total	$2,425,000	$14,250,000	$29,250,000	$29,250,000
Alabama	43,642	263,547	571,028	571,028
Alaska	20,000	100,000	100,000	100,000
Arizona	20,000	103,733	224,757	224,757
Arkansas	22,763	137,460	297,836	297,836
California	183,244	1,106,581	2,397,629	2,397,629
Colorado	21,802	131,656	285,258	285,258
Connecticut	28,237	170,519	369,463	369,463
Delaware	20,000	100,000	100,000	100,000
District of Columbia	20,000	100,000	100,397	100,397
Florida	56,269	339,800	736,246	736,246
Georgia	52,158	314,971	682,447	682,447
Hawaii	20,000	100,000	113,023	113,023
Idaho	20,000	100,000	116,982	116,982
Illinois	113,791	687,167	1,488,885	1,488,885
Indiana	56,955	343,940	745,215	745,215
Iowa	33,084	199,790	432,885	432,885
Kansas	25,884	156,308	338,673	338,673
Kentucky	38,976	235,368	509,972	509,972
Louisiana	43,627	263,453	570,824	570,824
Maine	20,000	100,000	153,967	153,967
Maryland	37,745	227,938	493,874	493,874
Massachusetts	57,380	346,508	750,780	750,780
Michigan	96,963	585,544	1,268,699	1,268,699
Minnesota	42,236	255,057	552,633	552,633
Mississippi	30,547	184,471	399,693	399,693
Missouri	49,051	296,211	641,800	641,800
Montana	20,000	100,000	112,296	112,296
Nebraska	20,000	100,364	217,458	217,458
Nevada	20,000	100,000	100,000	100,000
New Hampshire	20,000	100,000	100,000	100,000
New Jersey	66,249	400,066	866,823	866,823
New Mexico	20,000	100,000	175,883	175,883
New York	178,177	1,075,982	2,331,331	2,331,331
North Carolina	61,539	371,623	805,195	805,195
North Dakota	20,000	100,000	109,151	109,151
Ohio	116,164	701,492	1,519,923	1,519,923
Oklahoma	28,043	169,344	366,917	366,917
Oregon	21,328	128,794	279,058	279,058
Pennsylvania	127,793	771,722	1,672,090	1,672,090
Rhode Island	20,000	100,000	127,696	127,696
South Carolina	34,302	207,146	448,822	448,822
South Dakota	20,000	100,000	113,577	113,577
Tennessee	45,287	273,483	592,555	592,555
Texas	122,201	737,950	1,598,917	1,598,917
Utah	20,000	100,000	165,614	165,614
Vermont	20,000	100,000	100,000	100,000
Virginia	50,464	304,744	660,289	660,289
Washington	34,544	208,605	451,985	451,985
West Virginia	24,004	144,955	314,074	314,074
Wisconsin	47,801	288,659	625,438	625,438
Wyoming	20,000	100,000	100,000	100,000
Outlying areas and BIA	72,750	415,049	851,942	851,942

FEDERAL FUNDS: STATE ALLOTMENTS FOR FUNDED PROGRAMS, FISCAL YEAR 1969

Of the $3.9 billion available during fiscal year 1969 for U.S. Office of Education administered programs, more than $3.5 billion is distributed to the States on the basis of formulas prescribed in the basic laws. The accompanying charts do not include those funds allotted on an individual project basis.

Some $2 billion—over half of the total distributed to States by allotment—supports elementary and secondary school activities. Higher education receives the second largest share, over $615 million. About $225 million will go into vocational education, and library and community service activities get $95 million. For the first time, under the new Education Professions Development Act, $15 million is available to States to recruit and train persons for careers as elementary and secondary teachers and teacher aides.

Although they must comply with the intent of the acts, States have a good deal of leeway in the way they may distribute their funds to best meet their own individual State and local educational needs.

The New York State education department, for instance, used some of its Elementary and Secondary Education Act title I funds to compile its *Annotated Bibliography: Educating the Disadvantaged,* which is useful not only to New Yorkers but to educators across the country.

California is using part of its Library Services and Construction Act title I allotment to fund a two-year demonstration project to attract the hard-to-reach segment of 13–19 year olds—the dropouts, the disadvantaged, and those who never had used libraries. Now, young adults can check out such varied items as psychedelic posters, rock-and-roll music or mod jazz, films, musical instruments, typewriters, sports equipment, and, of course, books. The books are paperback and are loaned on the honor system.

This is but the briefest of introductions to the many ways States are putting Federal money to their own good interests. For further information on use of funds listed here, contact your State department of education.

State	Elementary and secondary education: Educationally deprived children (ESEA I): Grants to State and local educational agencies [1]	Educationally deprived children (ESEA I): Administration	School library resources, textbooks, and other institutional materials (ESEA II)	Supplemental Centers and services (ESEA III) (ESEA V)	Strengthening State educational departments	Equipment and minor remodeling (NDEA III): Grants to States [2]	Equipment and minor remodeling (NDEA III): Loans to nonprofit private schools [3]	Equipment and minor remodeling (NDEA III): Administration
Total	$1,109,722,412	$13,404,588	$50,000,000	$164,876,000	$28,262,500	$75,680,000	$2,098,636	$2,000,000
Alabama	34,985,664	349,908	840,259	2,927,740	531,860	1,888,098	10,007	35,243
Alaska	1,725,848	150,000	66,568	547,744	242,131	106,156	818	13,333
Arizona	9,380,743	150,000	422,604	1,516,112	368,490	784,359	11,366	16,488
Arkansas	21,806,285	218,117	453,532	1,713,497	388,193	991,055	4,368	18,499
California	80,215,617	802,900	4,786,011	14,182,781	1,908,448	5,335,635	148,480	174,462
Colorado	8,911,750	150,000	541,044	1,744,119	410,474	806,722	14,921	19,340
Connecticut	8,698,660	150,000	717,392	2,333,909	449,925	724,973	41,130	26,250
Delaware	2,520,451	150,000	134,057	715,180	261,718	165,504	6,777	13,333
District of Columbia	5,655,271	150,000	167,514	874,098	273,711	177,226	7,660	13,333
Florida	32,012,107	320,928	1,358,173	4,530,189	709,479	2,281,979	30,967	53,121
Georgia	34,744,894	347,488	1,089,383	3,625,930	628,796	2,239,316	9,660	44,018
Hawaii	2,215,107	150,000	193,833	874,776	281,390	301,047	9,947	13,333
Idaho	2,945,733	150,000	180,728	858,909	283,917	358,140	3,048	13,333
Illinois	44,407,826	444,130	2,681,475	8,223,590	1,056,099	3,085,357	181,758	99,990
Indiana	15,013,815	150,191	1,286,642	3,980,987	664,602	1,950,699	46,525	48,185
Iowa	14,591,735	150,000	722,942	2,292,489	461,077	1,119,359	32,966	26,323
Kansas	9,783,868	150,000	556,782	1,942,094	414,425	898,921	16,871	21,680
Kentucky	30,191,775	301,923	759,127	2,622,860	477,508	1,581,651	30,784	30,673
Louisiana	30,427,822	304,314	954,621	3,074,668	535,430	2,016,264	46,970	37,949
Maine	3,351,971	150,000	253,111	1,031,142	303,881	439,486	10,385	13,333
Maryland	14,445,385	150,000	936,620	2,955,164	529,969	1,312,943	45,596	34,987
Massachusetts	16,810,925	168,132	1,296,227	4,152,189	626,114	1,557,326	84,803	48,222
Michigan	32,388,788	324,175	2,326,201	6,801,512	990,466	3,421,788	116,400	86,061
Minnesota	18,633,330	186,360	996,022	2,976,706	544,185	1,563,031	53,582	35,901
Mississippi	36,593,942	366,015	589,397	2,072,827	437,838	1,320,102	7,100	24,641
Missouri	22,894,858	228,982	1,144,401	3,576,532	596,859	1,655,991	57,967	41,641
Montana	3,459,155	150,000	185,736	857,962	282,290	335,693	6,285	13,333
Nebraska	5,668,814	150,000	374,367	1,355,131	340,817	580,126	19,509	13,673
Nevada	887,582	150,000	113,689	648,828	259,550	114,394	1,583	13,333
New Hampshire	1,441,049	150,000	168,878	815,216	269,677	259,469	11,799	13,333
New Jersey	24,484,252	245,001	1,652,599	5,248,181	738,898	1,807,039	107,781	61,712
New Mexico	9,792,738	150,000	288,109	1,112,240	319,982	588,214	8,085	13,333
New York	120,384,848	1,204,063	4,090,893	13,257,957	1,474,815	4,198,623	297,429	156,767
North Carolina	49,385,824	493,970	1,186,993	4,011,337	669,081	2,543,076	7,435	48,734
North Dakota	4,033,581	150,000	162,589	815,806	273,216	331,874	6,378	13,333
Ohio	33,370,827	333,804	2,661,889	8,124,450	1,110,464	4,089,849	125,565	101,489
Oklahoma	16,785,719	167,913	596,823	2,039,599	441,825	1,034,408	6,094	22,411
Oregon	8,094,552	150,000	485,416	1,723,476	492,527	745,867	11,645	18,609
Pennsylvania	46,084,616	460,885	2,767,349	8,707,724	1,071,500	3,992,360	197,976	104,487
Rhode Island	3,427,736	150,000	210,946	950,675	280,536	283,347	16,737	13,333
South Carolina	29,996,824	300,015	647,442	2,247,084	462,194	1,435,659	5,414	26,798
South Dakota	5,384,852	150,000	181,001	839,155	280,643	353,360	6,114	13,333
Tennessee	32,040,222	320,413	887,491	3,110,281	548,312	1,880,219	11,689	36,486
Texas	73,314,190	734,549	2,723,308	8,478,187	1,214,477	5,083,507	52,815	106,791
Utah	3,013,489	150,000	296,752	1,113,987	329,967	562,511	2,067	13,333
Vermont	1,654,401	150,000	104,377	637,800	251,499	187,862	5,612	13,333
Virginia	27,068,572	270,742	1,057,993	3,581,329	604,339	1,960,992	20,808	42,701
Washington	11,514,239	150,000	819,428	2,506,213	513,297	1,111,709	19,521	29,065
West Virginia	16,156,273	161,563	420,151	1,615,011	374,730	897,323	4,845	17,219
Wisconsin	14,387,918	150,000	1,153,770	3,404,272	565,995	1,730,053	89,253	41,056
Wyoming	1,363,916	150,000	87,394	580,075	249,634	145,138	1,334	13,333
Outlying areas	30,622,053	298,107	1,219,951	4,946,280	565,250	1,344,200	24,007	35,000
Reserve	550,000							

State	Elementary and secondary education: Guidance, counseling, and testing (NDEA V-A)	Preschool and school programs for the handicapped (ESEA VI)	School assistance to federally affected areas: Operations (Public Law 874)	School assistance to federally affected areas: Construction (Public Law 815) [4]	Vocational education: Vocational Education Act of 1963	Vocational education: George-Barden and supplemental acts	Vocational education: Smith-Hughes Act	Education professions, attracting and training classroom personnel
Total	$17,000,000	$29,250,000	$505,900,000	$72,790,745	$198,225,000	$49,990,823	$7,161,455	$15,000,000
Alabama	315,250	571,028	9,530,000	681,900	4,614,302	1,140,849	143,330	262,781
Alaska	50,000	100,000	13,379,000	2,616,200	248,662	259,576	30,000	112,896
Arizona	147,487	224,757	9,059,000	1,417,300	1,854,445	279,450	51,789	181,870
Arkansas	165,473	297,836	2,696,000	571,300	2,521,671	797,790	85,107	187,861
California	1,560,552	2,397,629	78,042,000	11,047,600	14,922,781	2,549,008	534,067	1,027,178
Colorado	172,995	285,258	13,291,000	2,525,300	2,017,684	434,455	66,744	204,815
Connecticut	234,802	369,463	3,429,000		2,172,944	461,753	92,547	238,978
Delaware	50,000	100,000	1,922,000	898,900	390,613	232,631	30,000	125,971
District of Columbia	59,191	100,397	5,984,400	908,400	546,924	228,058		132,452
Florida	475,164	736,246	17,351,000	2,615,300	6,176,783	967,146	187,558	363,114
Georgia	393,735	682,447	16,421,000	3,172,400	5,814,837	1,291,071	172,456	311,043
Hawaii	66,059	113,023	9,117,000	1,785,000	770,673	230,196	31,661	137,551
Idaho	64,750	116,982	2,656,000	138,100	867,516	335,250	39,430	135,012
Illinois	894,406	1,488,885	12,724,000	934,000	8,170,538	2,130,336	360,319	619,473
Indiana	431,016	745,215	4,391,000	157,900	4,730,738	1,440,031	193,488	349,257
Iowa	235,456	432,885	2,605,000	240,500	2,778,374	1,327,878	122,556	240,053
Kansas	193,924	338,673	8,534,000	642,400	2,304,812	784,270	91,385	207,864
Kentucky	274,372	509,972	8,731,000	328,800	4,134,806	1,324,728	143,135	247,063
Louisiana	339,449	570,824	3,431,000	1,087,700	4,540,971	912,068	134,293	284,936
Maine	82,737	153,967	3,049,000	25,500	1,180,574	310,388	48,182	149,034
Maryland	312,960	493,874	24,846,000	520,300	3,299,377	666,815	118,672	281,448
Massachusetts	431,343	750,780	15,743,000	621,900	4,550,020	833,089	179,411	351,113
Michigan	769,811	1,268,699	4,574,000	183,300	7,485,612	1,798,634	297,765	550,647
Minnesota	321,136	552,633	2,923,000		3,629,968	1,312,235	141,929	292,956
Mississippi	220,413	399,693	2,615,000	120,300	3,135,370	1,163,305	107,308	214,182
Missouri	372,479	641,800	8,386,000	1,701,000	4,518,813	1,390,638	173,605	321,701
Montana	64,096	112,296	4,444,000	831,000	816,523	299,881	38,665	135,982
Nebraska	122,306	217,458	4,429,000	543,000	1,492,576	642,728	64,271	172,525
Nevada	50,000	100,000	3,457,000	233,700	337,994	228,058	30,000	122,025
New Hampshire	55,921	100,000	2,138,000	6,400	713,245	228,058	34,050	132,716
New Jersey	552,014	866,823	11,933,000	798,300	5,370,458	876,457	201,903	420,152
New Mexico	100,396	175,883	10,127,000	779,200	1,301,356	245,693	43,107	155,814
New York	1,402,273	2,331,331	17,641,000	1,994,400	13,747,518	2,700,384	575,316	892,515
North Carolina	435,921	805,195	11,198,000	1,451,100	6,717,387	2,032,505	221,793	329,952
North Dakota	58,864	109,151	2,501,000	600	836,196	434,084	42,740	131,498

State	Elementary and secondary education: Guidance, counseling, and testing (NDEA V–A)	Preschool and school programs for the handicapped (ESEA VI)	School assistance to federally affected areas: Operations (Public Law 874)	School assistance to federally affected areas: Construction (Public Law 815)[4]	Vocational education: Vocational Education Act of 1963	Vocational education: George-Barden and supplemental acts	Vocational education: Smith-Hughes Act	Education professions, attracting and training classroom personnel
Ohio	907,814	1,519,923	10,561,000	567,200	9,805,752	2,201,568	369,365	615,679
Oklahoma	200,465	366,917	12,140,000	230,400	2,963,910	735,384	96,258	215,621
Oregon	166,454	279,058	2,535,000		1,995,016	508,946	73,613	194,038
Pennsylvania	934,630	1,672,090	8,953,000		11,264,655	2,343,066	437,176	636,109
Rhode Island	69,983	127,696	3,578,000	125,400	855,836	231,350	37,901	140,866
South Carolina	239,707	448,822	8,446,000	1,583,100	3,617,426	973,362	114,757	225,427
South Dakota	61,480	113,577	3,587,600	593,100	835,145	436,475	42,940	135,065
Tennessee	326,368	592,555	6,566,000	227,000	4,958,986	1,426,595	159,386	271,931
Texas	955,233	1,598,917	29,659,000	5,347,300	12,579,049	2,357,417	359,602	627,577
Utah	100,395	165,614	6,901,000	2,093,700	1,211,106	228,854	38,478	157,489
Vermont	50,000	100,000	119,000		476,650	228,058	33,318	120,221
Virginia	381,962	660,289	34,531,000	4,709,700	5,406,574	1,294,292	173,136	304,962
Washington	259,983	451,985	12,938,000	2,508,500	2,887,280	723,517	113,306	258,745
West Virginia	154,028	314,074	413,000		2,405,400	604,758	91,340	181,395
Wisconsin	367,246	625,438	2,252,000	99,700	4,083,226	1,364,517	162,247	323,516
Wyoming	50,000	100,000	1,600,000		362,756	228,058	30,000	116,931
Outlying areas	297,500	851,942	7,823,000	10,126,569	3,803,172	1,815,109		450,000
Reserve				3,000,076				

State	Higher education: Land-grant colleges: Morrill-Nelson Act	Land-grant colleges: Bankhead-Jones Act	Undergraduate institute equipment and resources: TV equipment	Undergraduate institute equipment and resources: Other equipment	Construction (HEFA): Public community college and technical	Construction (HEFA): Other undergraduate	Construction (HEFA): State administration[5]	Construction (HEFA): State planning[6]	Educational opportunity grants (HEA IV–A)[7]
Total	$2,600,000	$11,949,980	$1,500,000	$13,000,000	$83,000,000	$133,000,000	$3,000,000	$4,000,000	$15,836,721
Alabama	50,000	224,435	24,867	215,514	2,007,067	2,092,086	52,985	44,953	224,391
Alaska	50,000	152,468	840	7,279	74,015	116,613	18,000	15,660	6,759
Arizona	50,000	177,936	17,220	149,241	804,224	1,228,671	41,808	27,611	178,162
Arkansas	50,000	189,394	14,120	122,370	1,079,144	1,167,862	42,239	32,105	150,096
California	50,000	519,125	163,143	1,413,903	6,678,961	14,504,916	183,020	194,951	1,588,745
Colorado	50,000	188,629	21,941	190,161	935,812	1,691,038	45,031	35,061	231,045
Connecticut	50,000	207,121	16,879	146,288	875,107	1,784,439	46,319	45,229	197,003
Delaware	50,000	157,678	2,708	23,467	163,085	316,172	30,023	17,453	30,112
District of Columbia	50,000	165,197	10,522	91,194	143,332	746,653	34,837	29,314	133,639
Florida	50,000	264,313	41,188	356,966	2,308,003	3,533,473	66,164	59,727	374,882
Georgia	50,000	240,444	26,117	226,345	2,056,751	2,476,634	57,468	56,292	267,016
Hawaii	50,000	162,092	6,038	52,328	327,314	547,034	32,501	19,021	55,757
Idaho	50,000	162,907	6,772	58,696	400,064	546,443	33,215	22,079	65,716
Illinois	50,000	385,726	64,956	562,951	3,299,943	6,640,145	102,040	112,980	779,496
Indiana	50,000	257,471	37,301	323,277	2,031,939	3,386,105	66,461	56,960	438,919
Iowa	50,000	212,383	25,328	219,507	1,378,575	2,136,021	52,323	51,706	306,769
Kansas	50,000	198,680	21,853	189,393	1,027,111	1,725,656	47,169	47,341	268,352
Kentucky	50,000	219,025	24,159	209,378	1,794,599	1,968,929	51,125	47,029	246,033
Louisiana	50,000	224,205	28,237	244,718	1,817,845	2,317,459	55,295	41,578	295,639
Maine	50,000	170,056	6,130	53,126	548,214	595,828	34,638	28,075	63,601
Maryland	50,000	220,505	22,076	191,319	1,341,538	2,241,212	51,709	50,076	233,692
Massachusetts	50,000	268,977	52,529	455,250	2,156,180	4,253,422	73,097	90,218	582,486
Michigan	50,000	332,282	65,171	564,809	3,291,573	6,116,396	95,632	91,464	716,081
Minnesota	50,000	227,918	33,203	287,760	1,840,248	2,847,115	60,269	55,709	374,817
Mississippi	50,000	198,669	18,680	161,898	1,239,700	1,464,096	45,013	43,854	189,348
Missouri	50,000	249,360	35,574	308,305	1,967,078	2,975,596	62,307	64,552	403,904
Montana	50,000	163,086	6,169	53,470	365,857	520,832	33,056	22,297	71,212
Nebraska	50,000	180,520	12,981	112,500	694,437	1,082,752	39,789	31,283	152,162
Nevada	50,000	153,867	1,506	13,055	118,399	216,563	21,759	15,480	18,450
New Hampshire	50,000	161,480	6,371	55,213	326,110	509,125	32,518	25,634	65,894
New Jersey	50,000	290,710	26,400	228,801	2,248,021	3,425,890	66,511	57,132	279,458
New Mexico	50,000	169,625	8,073	69,973	595,008	720,943	35,677	23,702	84,501
New York	50,000	544,335	121,064	1,049,219	5,073,163	11,355,730	152,753	175,154	1,246,151
North Carolina	50,000	254,954	37,701	326,746	2,646,459	3,145,253	65,883	66,144	374,672
North Dakota	50,000	162,084	7,358	63,772	388,321	538,486	33,107	23,257	77,737
Ohio	50,000	376,856	67,777	587,407	4,271,348	6,588,302	106,846	98,929	767,624
Oklahoma	50,000	202,223	25,175	218,184	1,262,585	1,865,480	49,816	42,589	269,910
Oregon	50,000	188,978	20,531	177,930	972,067	1,641,185	45,006	39,831	208,625
Pennsylvania	50,000	415,033	76,387	662,021	5,326,884	7,301,223	113,560	128,814	794,694
Rhode Island	50,000	167,458	7,822	67,789	366,701	626,354	34,183	24,230	89,654
South Carolina	50,000	203,508	15,097	130,842	1,467,164	1,428,479	45,302	39,155	149,781
South Dakota	50,000	163,222	7,298	63,247	424,274	551,808	33,314	25,319	75,986
Tennessee	50,000	231,544	30,354	263,063	1,917,695	2,381,394	57,203	52,954	323,298
Texas	50,000	373,856	84,675	733,856	4,418,353	7,073,695	108,267	109,154	870,300
Utah	50,000	168,195	19,610	169,951	605,607	1,213,583	39,499	25,450	190,328
Vermont	50,000	156,343	4,537	39,318	217,106	336,685	30,641	23,474	50,152
Virginia	50,000	241,008	27,682	239,906	1,908,903	2,548,584	56,060	53,914	256,960
Washington	50,000	214,648	32,342	280,299	1,372,312	2,618,385	54,702	46,538	329,238
West Virginia	50,000	191,149	14,062	121,868	1,177,790	1,177,342	42,780	33,010	149,995
Wisconsin	50,000	240,649	36,587	317,090	1,996,287	3,199,080	63,488	64,310	396,136
Wyoming	50,000	154,927	2,934	25,425	169,890	247,470	27,199	18,015	33,772
Outlying areas	50,000	202,726	11,955	103,612	1,081,837	1,265,363	52,929	70,935	107,571
Reserve							77,464	1,282,298	

State	Higher education: Student aid: Contribution to loan funds (NDEA II)	Student aid: Advances for reserve funds	Student aid: College work-study (HEA IV–C)	Libraries and community service: Grants for public libraries (LSCA I)	Interlibrary cooperation (LSCA III)	State institutional services (LSCA IV–A)	Services for handicapped (LSCA IV–B)	Public library construction (LSCA II)	University community service (HEA I)	Adult education	State total
Total	$190,000,000	$12,500,000	$145,500,000	$35,000,000	$2,281,000	$2,094,000	$1,334,000	$9,185,000	$9,500,000	$36,000,000	$3,052,642,860
Alabama	2,769,059	240,462	3,563,082	633,492	42,892	39,509	25,251	168,825	175,958	1,072,101	72,495,148
Alaska	83,411	25,000	123,734	136,935	40,200	39,509	25,017	86,150	105,733	131,891	20,888,146
Arizona	2,198,575	95,735	1,339,632	312,656	41,153	39,509	25,100	115,407	134,680	346,188	33,189,768
Arkansas	1,852,231	122,516	2,140,576	391,716	41,581	39,509	25,138	28,570	142,316	631,826	41,279,893

See footnotes at end of table.

State	Higher education: Student aid: Contribution to loan funds (NDEA II)	Higher education: Student aid: Advances for reserve funds	Higher education: Student aid: College work-study (HEA IV-C)	Libraries and community service: Grants for public libraries (LSCA I)	Libraries and community service: Interlibrary cooperation (LSCA III)	Libraries and community service: State institutional services (LSCA IV-A)	Libraries and community service: Services for handicapped (LSCA IV-B)	Libraries and community service: Public library construction (LSCA II)	Libraries and community service: University community service (HEA I)	Libraries and community service: Adult education	State total
California	18,603,955	1,079,211	11,874,064	2,666,778	53,915	39,509	26,210	507,365	506,766	1,908,201	282,197,887
Colorado	2,851,175	127,164	1,603,919	386,437	41,553	39,509	25,135	127,691	142,295	255,893	40,586,110
Connecticut	2,431,081	146,810	1,505,555	514,029	42,244	39,509	25,195	148,935	162,263	457,836	28,983,568
Delaware	371,592	29,209	293,787	172,884	40,395	39,509	25,034	92,135	111,098	155,845	9,839,321
District of Columbia	1,649,155	63,305	707,424	224,762	40,676	39,509	25,059	100,773	117,437	216,690	19,868,113
Florida	4,626,170	325,297	3,910,790	908,640	44,384	39,509	25,381	214,637	227,490	1,040,045	88,586,313
Georgia	3,295,074	306,131	3,976,902	743,951	43,491	39,509	25,304	187,217	196,164	1,352,356	86,611,640
Hawaii	328,050	56,820	481,321	203,338	40,560	39,509	25,049	97,206	115,728	235,281	19,165,543
Idaho	810,958	46,098	549,749	208,959	40,591	39,509	25,051	98,141	115,079	146,680	12,573,555
Illinois	9,619,251	642,626	6,321,681	1,746,355	48,925	39,509	25,776	354,115	333,347	1,460,494	120,092,498
Indiana	5,416,413	324,610	3,352,294	861,433	44,128	39,509	25,359	206,777	207,111	568,749	53,275,107
Iowa	3,785,633	180,209	2,425,315	550,334	42,441	39,509	25,212	154,980	159,710	284,335	39,459,883
Kansas	3,311,557	147,214	1,840,588	455,789	41,929	39,509	25,168	139,238	149,218	260,619	36,868,353
Kentucky	3,036,124	227,722	3,130,019	596,161	42,690	39,509	25,234	162,610	168,818	910,457	64,639,798
Louisiana	3,648,290	238,413	3,569,906	631,904	42,883	39,509	25,251	168,561	178,251	1,266,373	63,583,596
Maine	784,864	67,789	703,264	258,291	40,858	39,509	25,075	106,355	121,158	192,097	14,441,619
Maryland	2,423,641	209,577	2,166,864	606,374	42,745	39,509	25,239	164,310	178,121	615,676	61,824,293
Massachusetts	7,188,071	335,071	3,731,151	940,815	44,558	39,509	25,396	219,994	216,889	750,102	69,678,359
Michigan	8,836,678	502,588	5,595,807	1,377,606	46,926	39,509	25,602	292,719	283,198	991,837	92,699,737
Minnesota	4,625,373	223,911	2,935,632	657,518	43,022	39,509	25,263	172,826	177,277	360,302	49,200,646
Mississippi	2,336,615	167,857	3,012,946	455,712	41,928	39,509	25,168	139,226	150,559	831,474	59,999,685
Missouri	4,984,316	286,755	3,526,985	805,469	43,824	39,509	25,333	197,459	198,738	742,562	64,670,893
Montana	878,783	44,594	564,130	210,196	40,597	39,509	25,052	98,347	115,187	156,723	15,491,994
Nebraska	1,877,727	91,696	1,237,427	330,484	41,249	39,509	25,109	118,375	131,132	207,912	22,643,345
Nevada	227,677	25,000	182,457	146,589	40,253	39,509	25,022	87,757	109,324	121,076	8,361,479
New Hampshire	813,149	41,218	457,694	199,116	40,537	39,509	25,047	96,503	114,625	153,033	9,750,587
New Jersey	3,448,601	345,575	3,091,504	1,090,767	45,371	39,509	25,467	244,961	249,254	1,057,036	71,675,538
New Mexico	1,042,767	74,322	918,722	255,312	40,842	39,509	25,073	105,859	121,677	289,178	29,871,913
New York	15,377,924	1,010,476	9,750,536	2,840,719	54,858	39,509	26,292	536,326	493,850	2,946,251	239,194,442
North Carolina	4,623,581	375,909	5,091,502	844,066	44,033	39,509	25,351	203,886	207,608	1,495,891	101,457,451
North Dakota	959,306	43,942	661,478	203,285	40,560	39,509	25,049	97,197	113,911	168,753	13,598,023
Ohio	9,472,745	639,023	6,464,602	1,685,152	48,593	39,509	25,747	343,925	324,216	1,208,203	109,633,442
Oklahoma	3,330,779	166,372	2,264,220	480,232	42,061	39,509	25,179	143,308	153,588	482,882	49,157,839
Oregon	2,574,499	111,571	1,451,453	388,844	41,566	39,509	25,136	128,092	142,684	225,639	25,847,363
Pennsylvania	9,806,789	700,372	7,462,074	1,948,566	50,021	39,509	25,872	387,784	350,978	1,758,365	127,026,569
Rhode Island	1,106,358	65,219	632,631	240,363	40,761	39,509	25,066	103,370	119,427	228,181	14,535,418
South Carolina	1,848,346	205,254	2,761,976	489,102	42,109	39,509	25,183	144,785	156,011	938,021	60,949,655
South Dakota	937,693	44,682	721,956	211,135	40,602	39,509	25,052	98,504	114,690	157,733	16,799,864
Tennessee	3,989,604	270,825	3,757,566	682,542	43,158	39,509	25,275	176,992	183,638	1,111,779	68,952,327
Texas	8,509,789	705,733	8,655,045	1,664,458	48,481	39,509	25,737	340,480	332,502	2,505,509	181,841,318
Utah	1,221,118	70,182	1,022,006	245,448	40,788	39,509	25,069	104,217	121,786	146,169	21,897,258
Vermont	618,888	27,932	356,835	163,671	40,345	39,509	25,030	90,601	108,892	131,267	6,643,357
Virginia	3,170,977	322,213	3,373,306	747,843	43,512	39,509	25,305	187,865	196,597	1,132,973	96,692,508
Washington	4,062,906	191,187	2,244,596	565,959	42,526	39,509	25,220	157,581	165,768	305,785	49,604,489
West Virginia	1,850,986	126,142	1,831,616	403,825	41,647	39,509	25,143	130,586	139,136	497,755	31,855,451
Wisconsin	4,888,455	251,701	2,993,747	745,365	43,498	39,509	25,304	187,452	190,150	543,151	47,072,166
Wyoming	416,758	25,000	257,934	153,903	40,292	39,509	25,025	88,975	106,901	124,625	7,087,123
Outlying areas	1,076,483	305,760	2,910,000	614,720	82,248	79,041	45,195	229,050	161,066	720,000	73,392,631
Reserve											4,909,838

[1] In ESEA, title 1, $550,000 is reserved to establish a migrant transfer record system.
[2] Includes arts and humanities grants to States.
[3] Includes arts and humanities loans to nonprofit schools.
[4] $3,000,076 is reserved for major disasters.
[5] Includes $77,464 of undistributed moneys.
[6] Includes $1,282,298 for special facility planning projects.
[7] Amounts represent initial-year awards only.

Note: Discrimination prohibited—Title VI of the Civil Rights Act of 1964 states: "No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance." All programs cited in this article, like every other program or activity receiving financial assistance from the Department of Health, Education, and Welfare, operate in compliance with this law.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his Secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate sundry messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE LOCATION, NATURE, AND ESTIMATED COST OF AN ADDITIONAL FACILITIES PROJECT PROPOSED TO BE UNDERTAKEN FOR THE ARMY RESERVE

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), reporting, pursuant to law, a report of the location, nature and estimated cost of an additional facilities project proposed to be undertaken for the Army Reserve, Miller Field, Staten Island, N.Y.; to the Committee on Armed Services.

REPORT OF CURRENT WORKING ESTIMATES WITH RESPECT TO CERTAIN CONSTRUCTION PROJECT PROPOSED TO BE UNDERTAKEN FOR THE ARMY NATIONAL GUARD

A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), reporting, pursuant to law, a report of current working estimates with respect to certain construction projects proposed to be undertaken for the Army National Guard within the uncommitted balance of lump sum authorization provided by section 701(1) of Public Law 89–188; to the Committee on Armed Services.

REPORT TO THE CONGRESS ON THE STRATEGIC AND CRITICAL MATERIALS STOCKPILING PROGRAM

A letter from the Director of Office of Emergency Preparedness, Executive Office of the President, transmitting pursuant to law, the semiannual report to the Congress on the strategic and critical materials stockpiling program for the period July 1 to December 31, 1968 (with an accompanying report); to the Committee on Armed Services.

REPORT OF THE BOARD OF GOVERNORS ON THE FEDERAL RESERVE SYSTEM

A letter from the Vice Chairman, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report of the Board of Governors of the Federal Reserve System, covering operations during the year 1968 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF THE FEDERAL HOME LOAN BANK BOARD

A letter from the Chairman of the Federal Home Loan Bank Board, transmitting, pursuant to law, a report of the Federal Home Loan Bank Board for the calendar year 1968 (with an accompanying report); to the Committee on Banking and Currency.

A REPORT TO THE CONGRESS OF GRANTS APPROVED BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE SOCIAL AND REHABILITATION SERVICE

A letter from the Secretary of Health, Education, and Welfare, transmitting, pursuant to law, a report of the grants approved as required by section 1120 of the Social Security Act, for the period January 1, 1969, to March 31, 1969 (with an accompanying report); to the Committee on Finance.

REPORT TO CONGRESS OF THE U.S. INFORMATION AGENCY

A letter from the Deputy Director of the U.S. Information Agency, transmitting, pursuant to law, a report to the Congress of the U.S. Information Agency, July to December 1968 (with an accompanying report); to the Committee on Foreign Relations.

PROPOSED CONCESSION CONTRACT TO CONTINUE TO PROVIDE ACCOMMODATIONS, FACILITIES, AND SERVICES FOR THE PUBLIC IN GRAND TETON NATIONAL PARK, WYO.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a

proposed concession contract under which Mrs. Louise M. Bertschy, Harold M. Turner, John F. Turner, Jr., and Donald M. Turner, operating jointly as Triangle X Ranch, are authorized to continue to provide accommodations, facilities, and services for the public in Grand Teton National Park, Wyo., for a 5-year period from January 1, 1969, through December 31, 1973, when executed by the Director of the National Park Service (with accompanying papers); to the Committee on Interior and Insular Affairs.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION TO AUTHORIZE AN ADEQUATE WHITE HOUSE POLICE FORCE, AND FOR OTHER PURPOSES

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to authorize an adequate White House Police Force, and for other purposes (with accompanying papers); to the Committee on Public Works and the Committee on the Judiciary, jointly, by unanimous consent.

REFERRAL OF MESSAGE FROM SECRETARY OF THE TREASURY TO PUBLIC WORKS AND JUDICIARY COMMITTEES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a message received today from the Secretary of the Treasury transmitting a draft bill "to authorize an adequate White House police force, and for other purposes" be referred jointly to the Public Works Committee and the Judiciary Committee.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. STENNIS, from the Committee on Armed Services:

Daniel Z. Henkin, of Maryland, to be an Assistant Secretary of Defense.

Mr. STENNIS. Mr. President, from the Committee on Armed Services I report favorably the nominations of three general officers of the Army. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered placed on the Executive Calendar, are as follows:

Gen. Theodore John Conway, Army of the United States (major general, U.S. Army), to be placed on the retired list in the grade of general;

Lt. Gen. John Lathrop Throckmorton, Army of the United States (major general, U.S. Army), for appointment to the grade of general; and

Maj. Gen. Melvin Zais, Army of the United States (brigadier general, U.S. Army), for appointment to the grade of lieutenant general.

Mr. STENNIS. Mr. President, I also report 1,257 promotions in the Army in grade of colonel and below and 203 appointments in the Army in grade of major and below. Since these names have already appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the Secretary's desk are as follows:

David M. Schofield, for reappointment in the active list of the Regular Army of the United States, from the temporary disability retired list;

Homer G. Benton, and sundry other persons, for appointment in the Regular Army of the United States;

Thomas S. Bednarczyk, and sundry other distinguished military students for appointment in the Regular Army of the United States;

Marshall R. Cox, and several scholarship students, for appointment in the Regular Army of the United States;

Donald W. McAvoy, for promotion in the Regular Army of the United States; and

Louis E. Abele, and sundry other persons for promotion in the Regular Army of the United States.

By Mr. DODD, from the Committee on the Judiciary:

Stewart O. H. Jones, of Connecticut, to be U.S. attorney for the district of Connecticut; and

Richard K. Burke, of Arizona, to be U.S. attorney for the district of Arizona.

By Mr. SCOTT, from the Committee on the Judiciary:

Richard L. Thornburgh, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania.

By Mr. SPARKMAN, from the Committee on Banking and Currency:

Carl O. Kamp, Jr., of Missouri, to be a member of the Federal Home Loan Bank Board;

R. Alex McCullough, of South Carolina, to be a member of the Board of Directors of the Export-Import Bank of the United States; and

Nicolas G. Theodore, of Pennsylvania, to be Superintendent of the Mint of the United States at Philadelphia.

By Mr. RANDOLPH, from the Committee on Public Works:

Alfred E. France, of Minnesota, to be Federal Cochairman of the Upper Great Lakes Regional Commission.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDING OFFICER:

A Senate memorial adopted by the Florida Legislature; to the Committee on Agriculture and Forestry:

"SENATE MEMORIAL 188

"A memorial to the congress of the United States urging support of the U.S. department of agriculture and the defeat of H.R. 5865, introduced on February 3, 1969, by Congressman Udall, which would remove tomatoes from section 8(e) of the agricultural marketing agreement act of 1937, as amended

"Whereas, many erroneous news items have been published criticizing Florida tomato growers and the U.S. department of agriculture concerning the adoption and effects of the regulation on limitation of tomato shipments effective January 8, 1969; and

"Whereas, the recommendations of the Florida tomato committee, which have been promulgated by the secretary of agriculture, are designed to accomplish the declared policy of congress to establish and maintain such orderly marketing conditions for tomatoes in interstate commerce as will establish parity prices as defined in the agricultural adjustment act of 1938; and

"Whereas, any marketing order, issued pursuant to section 8(c) of the agricultural adjustment act of 1938, containing any terms or conditions regulating the grade, size, quality or maturity of tomatoes, produced in the United States, operates to prohibit the importation into the United States of any tomatoes during the period of time such order is in effect, unless they comply with the same grade, size, quality and maturity provisions required of the United States producers; and

"Whereas, a marketing policy was adopted October 3, 1968, pursuant to paragraph 966.50 of the tomato marketing order; and

"Whereas, Florida growers must dispose of their restricted tomatoes to the in-state market or leave them in the fields, while Mexico can and does dispose of their restricted tomatoes to the forty-five million in Mexico plus twenty million people in Canada; and

"Whereas, Florida is denied these markets due to the reciprocal trade agreement between the United States and Canada which will not permit Florida shipment to that country in violation of the secretary's import regulation and Mexico is not a member of the general agreement on tariffs and trade and refuses to open her markets to outside competition during the time her farmers are in production; and

"Whereas, the Florida tomato industry is the predominant domestic producer of fresh tomatoes during its seven-month season and the restrictions on the imports are the same as are on the Florida growers; and

"Whereas, Florida's hundred million dollar tomato industry will be taken over by foreign producers unless uniform policies are maintained, Now, Therefore, be it

"Resolved by the Legislature of the State of Florida:

"That we do hereby petition the members of the congress to defeat H.R. 5865 and do hereby urge the members to commend the U.S. department of agriculture for maintaining a fair and uniform policy in the tomato industry.

"Be it further resolved that copies of this memorial be dispatched to the president of the United States, to the president of the United States senate, to the speaker of the United States house of representatives, and to each member of the Florida delegation to the United States congress.

"Filed in Office Secretary of State May 9, 1969.

"TOM ADAMS,
"Secretary of State."

A Senate memorial, adopted by the Florida Legislature; to the Committee on Finance:

"SENATE MEMORIAL 173

"A memorial to the Congress of the United States to request amendment of the Sugar Act to allow the mainland cane sugar area to fill a portion of the unused Puerto Rican quota

"Whereas, Florida sugarcane farmers and processors face a drastic and disastrous cane acreage reduction unless they are granted the right to sell more sugar, and

"Whereas, prospects for these drastic restrictions on the Florida sugar industries come at a time when:

"(1) Foreign producers are allowed to increase their sugar sales to the United States, and

"(2) Other domestic sugar areas are producing and selling sugar without restriction, and

"Whereas, if the impending additional cane acreage cuts are imposed upon Florida, many cane farmers and some processors will be forced out of business since there are no substitute crops they can grow or process, and

"Whereas, for many years Puerto Rico has been unable to produce enough sugar to fill its annual sugar marketing quota, a logical solution to the Florida problem could be Congressional action to allow the Mainland Cane Sugar Area to fill a portion of the unused Puerto Rican quota, enough at least to prevent Florida farmers from having to take another drastic acreage cut, and

"Whereas, the Sugar Act now provides that the unused Puerto Rican quota must be allocated to the Philippines and Western Hemisphere and in 1967, the Philippines could not use its share of the Puerto Rican deficit, and it all went to Western Hemisphere countries, and

"Whereas, most of these Western Hemisphere countries had already been granted, by the 1965 Sugar Act Amendments, the right to greatly increase their sugar sales to the United States, and in all probability, with the size of the Puerto Rican deficit tending to become larger each year, these foreign countries would still receive additional quota each year even if a portion of the deficit went to help Florida, and

"Whereas, granting the Mainland Cane Sugar Area the right to fill part of the unused Puerto Rican deficit will not harm any domestic sugar producing area or the cane sugar refiners, and

"Whereas, increased marketing rights for Florida sugar would contribute to the national interest since the United States balance-of-payments position would be improved, as less dollars would be sent abroad to buy foreign sugar, and

"Whereas, increasing international tensions accentuate the need for larger, rather than less, production of sugar in the continental United States, and

"Whereas, a further speedup in the exodus of farm workers to cities would be avoided, and

"Whereas, any critical shortage of shipping would be alleviated, and

"Whereas, a reduction in taxes paid to local, state, and federal governments would be avoided and, if the increased marketing rights are not granted, the Florida sugarcane industry will be reduced in size, resulting in less income and less taxes paid by those in the sugar industry and those in the many allied businesses, and

"Whereas, the current sugarcane crisis is a vivid and specific example of an important United States agricultural industry being seriously crippled through quota restrictions when at the same time foreign production shipped to the United States is allowed to increase, Now, therefore, be it

"Resolved by the Legislature of the State of Florida, That the Congress of the United States is urged to amend the Sugar Act to allow the Mainland Cane Sugar Area to fill a portion of the Unused Puerto Rican quota, enough at least to prevent the Florida sugarcane growers from having to take another drastic cut; be it further

"Resolved, That copies of this Memorial be dispatched to the President of the United States, to the President of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Florida delegation to the United States Congress.

"Filed in Office Secretary of State May 9, 1969.

"TOM ADAMS,
"Secretary of State."

A resolution adopted by the National Academy of Sciences, concerning the administration of Selective Service Regulations; to the Committee on Armed Services.

A resolution adopted at the 1969 meeting of the General Assembly of the Presbyterian Church in the United States on the subject of "Alternative to Combat Service"; to the Committee on Armed Services.

A resolution adopted by the Oklahoma Library Association, praying for the enactment of legislation to create as a permanent Federal Commission the National Library Commission; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DIRKSEN (for Mr. EASTLAND), from the Committee on the Judiciary, without amendment:

S. 620. A bill for the relief of Richard Vigil (Rept. No. 91–175);

H.R. 2948. An act for the relief of Maria Priscilla Caramanzana (Rept. No. 91–176); and

H.R. 3464. An act for the relief of Maria Balluardo Frasca (Rept. No. 91–177).

By Mr. DIRKSEN (for Mr. EASTLAND), from the Committee on the Judiciary, with an amendment:

S. 564. A bill for the relief of Mrs. Irene G. Queja (Rept. No. 91–178); and

S. 797. A bill to fix the date of citizenship of Alfred Lorman for purposes of War Claims Act of 1948 (Rept. No. 91–179).

By Mr. DIRKSEN (for Mr. THURMOND), from the Committee on the Judiciary, without amendment:

S. 1002. A bill for the relief of Reddick B. Still, Jr., and Richard Carpenter (Rept. No. 91–180).

By Mr. JORDAN of North Carolina, from the Committee on Public Works, without amendment:

S. 1888. A bill to change the composition of the Commission for Extension of the U.S. Capitol (Rept. No. 91–173).

By Mr. SPARKMAN from the Committee on Banking and Currency, without amendment:

H.R. 8188. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the city of Wichita, Kans. (Rept. No. 91–174).

SENATE JOINT RESOLUTION 111—JOINT RESOLUTION TO AUTHORIZE TEMPORARY ADVANCES BY THE COMMODITY CREDIT CORPORATION TO THE EMERGENCY CREDIT REVOLVING FUND—REPORT OF A COMMITTEE (REPT. NO. 91–181)

Mr. McGOVERN, from the Committee on Agriculture and Forestry, reported an original joint resolution (S.J. Res. 111) to authorize temporary advances by the Commodity Credit Corporation to the Emergency Credit Revolving Fund, which joint resolution was placed on the calendar, as follows:

S.J. RES. 111

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commodity Credit Corporation is authorized to advance up to a total of $25,000,000 to the Emergency Credit Revolving Fund (7 U.S.C. 1966) under the authority of this resolution. Such advances, together with interest at a rate which will compensate Commodity Credit Corporation for its cost of money during the periods in which the advances are outstanding, shall be repaid out of appropriations to the fund hereafter made.

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD of West Virginia:

S. 2174. A bill to amend title II of the Social Security Act to provide a more equitable standard in determining disability in the case of certain individuals who have attained age 55, and to reduce certain time requirements which are applicable in determining whether an individual qualifies for benefits based on disability or for the disability freeze; to the Committee on Finance.

By Mr. SPONG:

S. 2175. A bill to authorize the Secretary of the Navy to convey to the city of Portsmouth, State of Virginia, certain lands situated within the Crawford urban renewal project (Va–53) in the city of Portsmouth, in exchange for certain lands situated within the proposed Southside neighborhood development project; to the Committee on Armed Services.

By Mr. MAGNUSON (by request):

S. 2176. A bill to implement the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, and for other purposes; and

S. 2177. A bill to amend the act of September 7, 1950 (relating to the construction of a public airport in or near the District of Columbia), to authorize arrests for offenses committed on Federal lands acquired to provide access to the airport, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bills, which appear under separate headings.)

By Mr. METCALF:

S. 2178. A bill for the relief of Tommaso Napoli;

S. 2179. A bill for the relief of Antonio Di Leonardo;

S. 2180. A bill for the relief of Domenico Di Leonardo; and

S. 2181. A bill for the relief of Giuseppe Di Leonardo; to the Committee on the Judiciary.

By Mr. YARBOROUGH (for himself, Mr. CRANSTON, Mr. EAGLETON, Mr. HUGHES, Mr. KENNEDY, Mr. MONDALE, Mr. NELSON, Mr. PELL, Mr. RANDOLPH, and Mr. WILLIAMS of Delaware):

S. 2182. A bill to amend the Public Health Service Act to revise, extend, and improve the program established by title VI of such act, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. GURNEY:

S. 2183. A bill to authorize the Secretary of the Interior to convey certain reserved phosphate, mineral, and petroleum interests of the United States in certain lands located in the State of Florida to the record owner or owners of such lands; to the Committee on Interior and Insular Affairs.

By Mr. PROUTY (for himself, Mr. COTTON, and Mr. SCOTT):

S. 2184. A bill to amend part B of title XVIII of the Social Security Act to include prescribed drugs among the items and services covered under the supplementary medical insurance program for the aged; to the Committee on Finance.

(See the remarks of Mr. PROUTY when he introduced the above bill, which appear under a separate heading.)

By Mr. TYDINGS (for himself, Mr. BIBLE, Mr. SPONG, Mr. EAGLETON, Mr. PROUTY, Mr. GOODELL, and Mr. MATHIAS):

S. 2185. A bill to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89–774 (80 Stat. 1324); to the Committee on the District of Columbia.

(See the remarks of Mr. TYDINGS, when he

introduced the above bill, which appear under a separate heading.)

By Mr. LONG:

S. 2186. A bill to amend chapter 19, United States Code, so as to provide dismemberment insurance coverage under the servicemen's group life insurance program; to the Committee on Finance.

(See the remarks of Mr. LONG when he introduced the above bill, which appear under a separate heading.)

By Mr. HART:

S. 2187. A bill for the relief of Bernardita M. Balagot; to the Committee on the Judiciary.

By Mr. EAGLETON:

S. 2188. A bill for the relief of Dr. Walter Ling (Wisalaya Luknakul); and

S. 2189. A bill for the relief of Leonidez Vinbollo Galang; to the Committee on the Judiciary.

By Mr. SPARKMAN (for himself, Mr. BIBLE, Mr. CANNON, Mr. HARRIS, Mr. HATFIELD, Mr. MCGEE, Mr. MCGOVERN, Mr. METCALF, Mr. MONTOYA, Mr. NELSON, Mr. PROUTY, Mr. TALMADGE, Mr. COOPER, Mr. ERVIN, Mr. MILLER, Mr. MONDALE, and Mr. TOWER):

S. 2190. A bill to require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. SPARKMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

(S. 2191. A bill to amend the provisions of chapter 5 of title 5, United States Code, relating to administrative procedure; to the Committee on the Judiciary.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. PERCY:

S. 2192. A bill to provide an incentive for private employers to employ and train unskilled individuals certified by the Secretary of Labor by allowing an income tax credit for wages paid to such individuals; to the Committee on Finance.

(See the remarks of Mr. PERCY when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey (for himself, Mr. KENNEDY, Mr. MONDALE, and Mr. YARBOROUGH):

S. 2193. A bill to authorize the Secretary of Labor to set standards to assure safe and healthful working conditions for working men and women; to assist and encourage States to participate in efforts to assure such working conditions; to provide for research, information, education, and training in the field of occupational safety and health, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. WILLIAMS of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey:

S. 2194. A bill for the relief of Po Fat Cheng;

S. 2195. A bill for the relief of Kwan Li; and

S. 2196. A bill for the relief of Ka Wai Lau; to the Committee on the Judiciary.

By Mr. BENNETT:

S. 2197. A bill to establish fee programs for entrance to and use of areas administered for outdoor recreation and related purposes by the Secretary of the Interior and the Secretary of Agriculture, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BENNETT when he introduced the above bill, which appear under a separate heading.)

By Mr. WILLIAMS of New Jersey:

S. 2198. A bill for the relief of Muck Sang Mok; to the Committee on the Judiciary.

By Mr. MCGOVERN:

S.J. Res. 111. A joint resolution to authorize temporary advances by the Commodity Credit Corporation to the emergency credit revolving fund; placed on the calendar.

(See reference to the above joint resolution when reported by Mr. MCGOVERN, which appears under a separate heading.)

S. 2176—INTRODUCTION OF A BILL TO IMPLEMENT THE CONVENTION ON OFFENSES AND CERTAIN OTHER ACTS COMMITTED ON BOARD AIRCRAFT, AND FOR OTHER PURPOSES

Mr. MAGNUSON. Mr. President, I introduce, by request of the Secretary of Transportation, a bill to amend the Federal Aviation Act of 1958, "to implement the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, and for other purposes." This bill is designed to provide the domestic legislation necessary for U.S. implementation of the Convention signed at Tokyo on September 14, 1963. On May 12 the Senate voted to ratify the Tokyo Convention.

I ask unanimous consent that the provisions of the bill and the letter of transmittal to the Vice President from the Secretary of Transportation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and the letter will be printed in the RECORD.

The bill (S. 2176) to implement the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 2176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) A new subsection (32) be inserted in Section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301) as follows:

"(32) The term 'special aircraft jurisdiction of the United States' includes the following aircraft while in flight—

"(a) civil aircraft of the United States;

"(b) aircraft of the National Defense Forces of the United States; and

"(c) any other aircraft—

"(i) within the United States, or

"(ii) outside the United States which has its next scheduled destination or last point of departure in the United States provided that in either case it next actually lands in the United States.

"For the purpose of this definition, an aircraft is considered to be in flight from the moment when power is applied for the purpose of take-off until the moment when the landing run ends."

(2) Existing subsection (32), (33), (34) and (35) are renumbered (33), (34), (35) and (36), respectively.

(3) Subsections 902(i), (j) and (k) of such Act [49 U.S.C. 1472(i), (j) and (k)] are amended by deleting the words "in flight in air commerce" wherever they appear in those subsections and substituting therefor the words "within the special aircraft jurisdiction of the United States."

The material, presented by Mr. MAGNUSON, follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., April 25, 1969.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: I have the honor to submit to the Senate a draft bill to amend the Federal Aviation Act of 1958, "To implement the Convention on Offenses and Certain Other Acts Committed on Board Aircraft, and for other purposes."

The principal purpose of this draft bill is to provide the legislation necessary for the United States to implement the provisions of the Convention on Offenses and Certain Other Acts Committed on Board Aircraft signed at Tokyo on September 14, 1963. For several years the United States has supported the development of a multilateral convention dealing with crimes, and other acts jeopardizing safety, committed on board aircraft engaged in international aviation. Since aircraft in international air transportation may traverse sovereign airspace at great speeds, and in some cases travel between national borders in a matter of a few minutes, continuity of jurisdiction with respect to crimes and offenses committed on such aircraft is particularly necessary. Presently, there is no widely accepted rule establishing such continuity of jurisdiction.

At its Sixth Session in June 1950, the Legal Committee of the International Civil Aviation Organization (ICAO) initiated a study regarding the possibility of negotiating a treaty which would establish jurisdictional rules in respect of treatment of crimes committed on board aircraft and related matters. During the ensuing 13 years the attendant problems were discussed fully and their resolutions negotiated. The United States of America was a major supporter of this Convention and when it was opened for signature in 1963, the United States Delegation was authorized to sign it. The Convention has been signed by 32 States and, to date, has been ratified by 8.

Several features make the Tokyo Convention a desirable international agreement. First, a positive rule of international law is established between contracting States which provides that the State in which an aircraft is registered is competent to exercise jurisdiction over offenses committed aboard that aircraft when it is in flight, or on the surface of the high seas or any other area outside the territory of any State. The Tokyo Convention does not establish a rule of exclusive jurisdiction; rather, it assures that at least the State of registration will have the competence to exercise its jurisdiction while permitting the exercise of concurrent jurisdiction by other countries, depending upon their respective interests in the offence and the applicability of the traditional rules of international law regarding assertion of jurisdiction.

Second, the Convention provides for an element of certainty in the powers and authority of the aircraft commander. Without the applicable provisions, the actions of the commander is apprehending or "offloading" an offender are subject to the laws of the country in which he lands; the correctness of his decisions also may be judged in accordance with the national law of the country overflown. Additionally, any other member of the crew, any passenger, the owner or operator of the aircraft and the person on whose behalf the flight was performed, will be immunized legally if their actions are reasonable and in accordance with the provisions of the Convention. Such immunity will create attitudes and actions, where necessary, that will significantly contribute to maintain the safety of flight in international aviation.

Third, the Convention provides for rules and procedures for the disembarkation of an offender which may be utilized by the commander in the territory of any State in which the aircraft lands. Provision is also made in the Convention for the right

of the aircraft commander to deliver certain persons to the competent authorities of a contracting State in which he lands. Further, the receiving State is obliged to take delivery of an offender and, upon being satisfied that the circumstances so warrant, to take custody or other measures to ensure the presence of such a suspected offender. The Convention contains several provisions designed to protect the rights of an alleged offender and to ensure expeditious legal disposition of the case.

Fourth, the Convention contains an important provision relating to "hijacked" aircraft. This provision imposes a positive obligation on contracting States to take all appropriate measures to restore control of the aircraft to its lawful commander, or to preserve his control of the aircraft.

The enclosed draft bill would amend the Federal Aviation Act of 1958 to permit the United States to implement certain provisions of the Tokyo Convention. Section 101 of the Act is amended to create the "special aircraft jurisdiction of the United States" which would include, while in flight, all civil aircraft of the United States, aircraft of the National Defense Forces of the United States, and any other aircraft within the United States or, under specified circumstances, outside the United States. Subsections 902 (i), (j), and (k) of the Act (which provide criminal penalties for aircraft piracy, interference wtih flight crew members, and certain other acts) are then amended to substitute the "special aircraft jurisdiction" for the jurisdiction presently conferred by the term "in flight in air commerce". The effect of these amendments is to extend the criminal provisions to all aircraft within the special aircraft jurisdiction of the United States as defined by the amended section 101. While this redefinition of jurisdiction is necessary to conform with the purposes of the Tokyo Convention, it still falls wholly within the jurisdiction of the Federal Government under the Constitution.

Inclusion of aircraft of the National Defense Forces of the United States within the special aircraft jurisdiction is not essential to the legislative implementation of the Tokyo Convention. However, they are included at the request of the Department of Defense because such coverage is consistent with the spirit of that Convention and because it closes a jurisdictional gap. There would otherwise be serious doubt as to U.S. jurisdiction over crimes committed by individuals who are not subject to the uniform code of military justice (primarily U.S. military dependents and civilian employees of the Department of Defense in time of peace) while on board U.S. military aircraft flying over foreign territory.

The clause in the legislation referring to the period when the enumerated subsections are applicable is the statement usually employed internally for similar purposes; i.e., "from the moment when power is applied for the purpose of take-off until the moment when the landing run ends".

The Bureau of the Budget advises that there is no objection to the submission of the legislation for the consideration of the Congress from the standpoint of the Administration's program.

Sincerely,

JOHN A. VOLPE.

S. 2177—INTRODUCTION OF A BILL TO AUTHORIZE ARRESTS FOR OFFENSES COMMITTED ON FEDERAL LANDS ACQUIRED TO PROVIDE ACCESS TO THE AIRPORT, AND FOR OTHER PURPOSES

Mr. MAGNUSON. Mr. President, I introduce, by request of the Secretary of Transportation, a bill to amend the act of September 7, 1950 (relating to the construction of a public airport in or near the District of Columbia), to authorize arrests for offenses committed on Federal lands acquired to provide access to the airport, and for other purposes.

I ask unanimous consent that the bill and the letter of transmittal to the Vice President from the Secretary of Transportation be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately received; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2177) to amend the act of September 7, 1950, relating to the construction of a public airport in or near the District of Columbia, to authorize arrests for offenses committed on Federal lands acquired to provide access to the airport, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, referred to the Committee on Commerce, and ordered to be printed in the RECORD, as follows:

S. 2177

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 11 of the Act entitled "An Act to authorize the construction, protection, operation, and maintenance of a public airport in or in the vicinity of the District of Columbia", approved September 7, 1950 (64 Stat. 770, Ch. 905), is amended to read as follows:

"SEC. 11. As used in sections 4, 5, 6, 7, 8, 9, and 12, the word "airport" includes rights of way or easements for roads, trails, pipe lines, power lines, railroad spurs, and other similar facilities acquired and retained under section 3. Unless the context otherwise requires, the definitions of other words or phrases used in this Act shall be the definitions assigned to such words and phrases by the Federal Aviation Act of 1958, as amended."

The material presented by Mr. MAGNUSON follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., May 9, 1969.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a draft of a bill "To amend the Act of September 7, 1950 (relating to the construction of a public airport in or near the District of Columbia), to authorize arrests for offenses committed on Federal lands acquired to provide access to the airport, and for other purposes."

It is recommended that the bill be enacted by the Congress.

The Act of September 7, 1950 (64 Stat. 770), authorized and directed the Administrator of the Federal Aviation Agency to construct and operate a public airport within or in the vicinity of the District of Columbia. Under that authority, a site for the airport (subsequently named Dulles International Airport) was chosen at Chantilly, Virginia, and the FAA acquired lands for construction of the airport and for construction of an access highway connecting the airport terminal and United States route number 66. Concurrent jurisdiction over the lands acquired for the airport and the access road was accepted by the Federal Aviation Agency on behalf of the United States, and the airport was opened on November 17, 1962. Under the Department of Transportation Act, the functions, powers, and duties of the FAA Administrator with respect to the administration of the airport were transferred to and vested in the Secretary of Transportation.

The Act of September 7, 1950, leaves to the discretion of the Secretary of Transportation whether highways constructed to provide access to the airport from established streets and highways shall be retained by the Department or transferred to the State or political subdivision in which the highways are located. The Secretary, and the FAA Administrator before him, has retained control over the lands acquired for construction of the highway connecting the airport terminal and route number 66.

The Act provides that the Secretary shall have control over and responsibility for the care, operation, maintenance, improvement, and protection of the airport, together with the power to make and amend such rules and regulations as he may deem necessary for the proper exercise thereof. The Department considers the access road to be a part of the airport property and exercises the same degree of control over the care and protection of the highway as it does over the airfield itself. It maintains the highway, provides police protection along its course, and prescribes traffic and other regulations governing its use.

However, in a case decided in December 1965 by the United States District Court for the Eastern District of Virginia, the Court ruled that an arrest on the access highway by an FAA airport police officer was unlawful, and the Court set aside the conviction of a motorist who had exceeded the speed limit prescribed for the highway by FAA. (See enclosed copy of the Court's Order.) The arrest was made under section 8 of the Act. That section, in part, authorizes designated airport employees to arrest without warrant any person committing any offense against the laws of the United States, or against any rule or regulation prescribed under the Act, where the offense is committed within the limits of the airport and in the presence of the employee. For the purposes of making arrests under the Act, the Court concluded that the point on the highway where the offense was committed was not "within the limits of the airport."

We continue in the belief that Congress intended that the word "airport" in section 8 include federally-owned access roads, but due to the ruling of the Court in the abovementioned case, we think that it is appropriate that Congress should reaffirm its original intent by amending the Act to clarify the definition of "airport" to preclude any future doubt as to its meaning. The proposed legislation would do that. It adds to section 11 of the Act a definition of the word "airport" providing that lands and interests in lands acquired and retained under section 3 of the Act for roads, pipe lines, power lines, railroad spurs and other similar facilities necessary or desirable for the construction or operation of the airport are considered to be a part of the airport. In addition to resolving the problem with respect to making arrests on access highways and similar facilities, this amendment clarifies the authority of the Secretary to issue regulations applicable to such facilities, and to exercise general control over their care and protection.

A perfecting amendment has also been made to section 11 to replace an out-of-date reference to the Civil Aeronautics Act of 1938 with a reference to the Federal Aviation Act of 1958.

The Bureau of the Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this proposed legislation to the Congress.

Sincerely,

JOHN A. VOLPE.

UNITED STATES OF AMERICA *v.* PIERRE J. LAFORCE

ORDER

This is an appeal from a judgment of the United States Commissioner upholding

the authority of the airport police to make arrests of persons charged with violating the speed limits proscribed by the Administrator (Federal Aviation Agency) for the access road to the Dulles International Airport. The facts are not in dispute.

The defendant was arrested on the access road, some miles outside the airport proper, for an alleged violation of the speed limit. The arrest was made and a summons was issued by an airport police officer.

The Commissioner based his determination on the premise that the access road was a part of the airport. 14 C.F.R. § 159.35 (1964).

When read with the statutory grant creating the airport (Act of September 7, 1950, 64 Stat. 770), the Court does not so read the regulation.

Section 8(a) of the Act empowers designated employees—here the airport police—

"(1) to arrest under a warrant within the limits of the airport any person accused of having committed within the boundaries of the airport any offense against the laws of the United States, or against any rule or regulation prescribed pursuant to this Act; (2) to arrest without warrant any person committing any such offense within the limits of the airport, in his presence; or (3) to arrest without warrant within the limits of the airport any person whom he has reasonable grounds to believe has committed a felony within the limits of the airport."

Nothing therein authorizes the airport police to make arrests beyond the boundaries of the airport.

The land encompassed within the airport was acquired by condemnation proceedings instituted on January 29, 1958 in this court in Civil Action No. 1638–M.

The lands for building the access highway to the airport were acquired by condemnation proceedings instituted on March 31, 1959 in this court in Civil Action No. 1902–M.

Concurrent jurisdiction over the lands mentioned in both condemnation suits was accepted by the Federal Aviation Agency on behalf of the United States on November 14, 1961; acknowledged and received by the Governor of Virginia on November 15, 1961.

Regulations promulgated by the Administrator of the Federal Aviation Agency state that "the access road to Dulles International Airport from the terminal building to its terminus at United States route number 66 constitutes a part of the airport property."

In so doing the Administrator permitted private vehicles to enter upon the road only for the purpose of going to or leaving the airport. (14 C.F.R. § 159.35.)

This regulation refers to the ownership of and the right of the public to use the access road.

The Administrator's holding that the access road is a part of the airport property does not enlarge the power of the airport police to make arrests beyond the boundaries of the airport.

The Act creating the airport limits the authority of the airport police to make arrests within the airport. The arrest in this case, having been made some miles beyond the limits of the airport by an airport police officer, being unlawful, the conviction should be set aside, and it is so ordered.

The Clerk will forward a copy of this order to the United States Attorney for this District, the United States Commissioner, and to the defendant.

DECEMBER 22, 1965.

———— ————,
U.S. District Judge.

S. 2182—INTRODUCTION OF HOSPITAL AND MEDICAL FACILITIES CONSTRUCTION AND MODERNIZATION AMENDMENTS OF 1969

Mr. YARBOROUGH. Mr. President, hospitals are the major means of bringing the benefits of modern medicine to the people of our country. Many hospitals are also centers for research and clinical testing, and for education and training of medical manpower—doctors, nurses, and numerous kinds of technicians and paramedical personnel.

In seeking to provide high quality patient care and to meet broader community responsibilities, many hospitals and hospital centers, in addition to providing general medical and surgical care, are expanding their services to encompass extended care, rehabilitation, psychiatric and social services, home care, prevention, diagnostic, ambulatory and emergency services, and health education. The establishment of specialized facilities for the treatment of a particular disease or disability, and the development of satellite hospitals, and neighborhood health centers as an extension of the hospital into the community are other attempts by hospitals to discover and demonstrate more effective, more efficient, and less costly ways of delivering health services. We should encourage these initiatives.

No single general hospital is likely to meet all the health needs of all the people in its area, and a special responsibility rests on hospitals to support and fulfill their essential role in comprehensive health planning to meet community needs. Recognizing this, the American Hospital Association in January of this year affirmed its advocacy of local and areawide planning focused on services, manpower, equipment, and facilities. This is surely a step in the right direction, toward the goal of optimum health services for all our people.

I congratulate the hospitals of America as they mark the 17th National Hospital Week, May 11–17.

Since this is National Hospital Week, it is most appropriate that I am introducing a bill today that will permit us to continue our progress in making modern hospitals and health care facilities accessible to all the people of this country. This legislation provides for a number of innovations to encourage a better utilization of our limited health resources, improve the delivery of health services and reduce the soaring costs of medical care.

The cost of medical care is a problem that concerns all of us. All of our citizens are entitled to adequate health services—not as a privilege, but as a basic right.

The cost of these health services is rising rapidly. In some hospitals across the country, the per diem rate exceeds $100. The national average for 1968 was over $65 a day, an increase of 12 percent over the preceding year.

Despite these rising charges, hospitals are badly in need of substantial financial assistance for construction and modernization. The States report urgent needs for the construction of new health facilities at an estimated cost of $6 billion, and urgent needs for the modernization or replacement of obsolete health care facilities at an estimated cost of $10.5 billion.

I have learned from the Department of Health, Education, and Welfare that in my own State of Texas the cost to construct needed health facilities is estimated at $469 million, and to modernize obsolete health facilities $383 million. As opposed to the above figures, Texas received only about $17 million per year for both modernization and construction for each of the last 3 years.

These costs cannot be met without assistance in the form of grants, guaranteed loans, and direct loans from the Federal Government. That is why the legislation that I am proposing provides increased financial assistance through grants, insured loans, and direct loans for the badly needed construction and modernization of health care facilities.

In summary, the Hospital and Medical Facilities Construction and Modernization Amendments of 1969, in title I, authorizes a 5-year program of grants to the States to pay for part of the cost of new construction and modernization of public and other nonprofit hospitals, extended care facilities, outpatient facilities, public health centers, and rehabilitation facilities. Total authorization is $390 million for 1971, $420 million for 1972, $440 million for 1973, $460 million for 1974, and $480 million for 1975. The total authorization for 1970 under existing legislation is $295 million.

There are separate authorizations for each of the categories of health facilities, but the liberal transfer provisions under existing law would be retained. The present appropriations allotment formula to the States is also retained.

There are several changes in existing law that will contribute to better health care. First of all, there is a provision under the existing law that prohibits financial assistance for the construction of outpatient facilities unless they are owned by a public agency or by a private, nonprofit hospital. This restriction would be relaxed to permit any private, nonprofit group to construct or modernize an outpatient facility. Priority would be given to projects where comprehensive health services are provided, particularly projects for prepaid group health practice. States may give priority to rural communities.

Priority would be given to construction or modernization projects of general hospitals where there is provision for the services of an extended care facility. This change would assist in reducing the costs of medical care since it can cost twice as much per day to care for a patient in a general hospital as compared to costs in an extended care facility. Another priority has been added in the case of projects for construction and modernization of facilities which provide training in health professions.

To prevent duplication in the construction of expensive health care facilities, the bill would require existing State agencies to consult with the appropriate areawide health planning agency prior to approval of a project for construction or modernization assistance.

To contribute to reducing the cost of health care, the legislation would give the States the option of increasing the Federal share of construction costs by up to 20 percent in the case of projects that offer potential for reducing health care costs through shared services, interfacility cooperation or dispersed ambulatory care centers.

This legislation also extends for 5 additional years section 304(d) of the Public Health Service Act, which authorizes health services research and demonstration programs. Major problems requiring solutions are rising costs, unequal utilization of services, and differences in availability and quality of service. The increased authorizations are $80 million for 1971, $85 million for 1972, $90 million for 1973, $95 million for 1974, and $100 million for 1975. Present authorization for 1970 is $60 million.

In title II, the bill would authorize a new program of loan guarantees to cover up to 90 percent of the cost of modernization and construction of private, nonprofit hospitals and other health care facilities. A similar provision was passed by the Senate last year but was dropped in conference. The total amount of principal of loans which may be guaranteed would be divided between modernization and new construction by the Secretary and allocated among the States on the basis of each State's relative population, financial need, and need for modernization and construction, respectively. The Federal Government would pay one-half of the first 6 percent of interest charges plus one-third of the remainder. The cumulative total of principal of the guaranteed loans outstanding will be $2 billion over 5 years, but not more than $400 million per year.

Title III would also authorize a new program of direct Federal loans to cover up to 90 percent of the cost of construction and modernization of public hospitals and other health care facilities. The amounts available for loans would be allocated among the States on the basis of population, financial need, and the extent of need for new construction and modernization. There would be authorized to be appropriated not to exceed $750 million over the 5 fiscal years beginning with the fiscal year ending June 30, 1971. The loans would be repaid over a maximum period of 25 years. The interest rate would be 3 percent.

Title IV would authorize a new program for grants for the modernization of emergency rooms of general hospitals. The authorization is for $10 million each year for the next 5 years. These special project grants would be administered by the Secretary of Health, Education, and Welfare, after consultation with the existing State agency, for projects for which adequate assistance is not readily available from other sources to assist in providing modern, efficient, and effective emergency room services needed to care for victims of highway, industrial, agricultural or other accidents and to handle other medical emergencies, and to assist in providing such services in geographical areas which have special need.

In conclusion, this bill has $5.4 billion in authorizations over the next 5 years, $2.7 billion in grants, $2 billion in loan guarantees, and $750 million in direct loans. In no year are there less than $1 billion in authorizations.

Mr. President, I introduce the Hospital and Medical Facilities Construction and Modernization Amendments of 1969 for myself and Senators RANDOLPH, WILLIAMS of New Jersey, PELL, KENNEDY, NELSON, MONDALE, EAGLETON, CRANSTON, and HUGHES, and ask that it be appropriately referred.

I ask unanimous consent that the bill and a short explanation be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and explanation will be printed in the RECORD.

The bill (S. 2182) to amend the Public Health Service Act to revise, extend, and improve the program established by title VI of such act, and for other purposes, introduced by Mr. YARBOROUGH, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 2182

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hospital and Medical Facilities Construction and Modernization Amendments of 1969".

TITLE I—GRANTS FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

PART A—EXTENSION OF GRANT PROGRAM

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION GRANTS

SEC. 101. (a) Section 601 of the Public Health Service Act (42 U.S.C. 219a) is amended—

(1) by striking out "next five" in paragraph (a) and inserting in lieu thereof "next ten";

(2) (A) by striking out "$70,000,000" in subparagraph (1) of paragraph (a) and inserting in lieu thereof "$100,000,000",

(B) by striking out "$20,000,000" in subparagraph (2) of such paragraph and inserting in lieu thereof "$40,000,000", and

(C) by striking out "$10,000,000" in subparagraph (3) of such paragraph and inserting in lieu thereof "$15,000,000"; and

(3) by striking out in paragraph (b) "and $195,000,000 for the fiscal year ending June 30, 1970." and inserting in lieu thereof "$195,000,000 for the fiscal year ending June 30, 1970, $160,000,000 for the fiscal year ending June 30, 1971, $170,000,000 for the fiscal year ending June 30, 1972, $180,000,000 for the fiscal year ending June 30, 1973, $190,000,000 for the fiscal year ending June 30, 1974, and $200,000,000 for the fiscal year ending June 30, 1975; and".

(b) The amendments made by subsection (a) shall take effect with respect to appropriations made under such section 601 for fiscal years beginning after June 30, 1970.

AUTHORIZATION OF APPROPRIATIONS FOR MODERNIZATION GRANTS

SEC. 102. (a) Effective with respect to appropriations made under section 601 of the Public Health Service Act for fiscal years beginning after June 30, 1970, such section is further amended—

(1) by striking out in paragraph (b) the following: "and for grants for modernization of such facilities and the facilities referred to in paragraph (a)";

(2) by adding after paragraph (b) the following new paragraph:

"(c) for grants for modernization of the facilities referred to in paragraphs (a) and (b), $75,000,000 for the fiscal year ending June 30, 1971, $95,000,000 for the fiscal year ending June 30, 1972, $105,000,000 for the fiscal year ending June 30, 1973, $115,000,000 for the fiscal year ending June 30, 1974, and $125,000,000 for fiscal year ending June 30, 1975."; and

(3) by inserting "AND MODERNIZATION" after "CONSTRUCTION" in the section heading.

(b) Effective with respect to allotments from appropriations made under such section 601 for fiscal years beginning after June 30, 1970, section 602(a) of such Act (42 U.S.C. 291b) is amended—

(1) by striking out "the new hospital portion of" the first time it appears in paragraph (1),

(2) by striking out the last sentence of paragraph (1), and

(3) by amending paragraph (2) to read as follows:

"(2) For each fiscal year beginning after June 30, 1970, the Secretary shall, in accordance with regulations, make allotments among the States for grants for modernization of the facilities referred to in section 601. Such allotments shall be made from the sums appropriated under paragraph (c) of section 601, and shall be made among the States on the basis of the population, the financial need, and the extent of the need for modernization of such facilities, of the respective States."

(c) Effective with respect to allotments from appropriations made under such section 601 for fiscal years beginning after June 30, 1970, paragraph (2) of section 602(e) of such Act is amended by striking out "; except that" and all that follows in such paragraph and inserting in lieu thereof a period.

PART B—OPERATION OF GRANT PROGRAM

PRIORITY OF PROJECTS

SEC. 110. Effective with respect to applications approved under title VI of the Public Health Service Act after June 30, 1970, section 603(a) of such Act (42 U.S.C. 291c) is amended—

(1) by striking out "rural communities and areas with relatively small financial resources" in clause (1), and inserting in lieu thereof "areas with relatively small financial resources and, at the option of the State, rural communities",

(2) by striking out "and" at the end of clause (2), and

(3) by adding after clause (3) the following new clauses:

"(4) in the case of projects for construction or modernization of general hospitals, to any general hospital with respect to which there is reasonable assurance that services of a long-term care facility will be available, either through a facility of the applicant for the project or a facility with which the applicant is affiliated (to the extent and in the manner determined in accordance with regulations), to patients of such hospital who no longer need care in such hospital but require the services of a long-term care facility;

"(5) in the case of projects for construction or modernization of outpatient facilities, to any outpatient facility that will be located in, and provide services for residents of, an area determined by the Secretary to be a metropolitan area with low per capita income;

"(6) to projects for facilities which, alone or in conjunction with other facilities, will provide comprehensive health care, including outpatient and preventive care as well as hospitalization, particularly projects for facilities which will serve a defined population; and

"(7) in the case of projects for construction or modernization of facilities, to facilities which provide training in health professions;".

AREAWIDE HEALTH PLANNING AGENCIES

SEC. 111. Effective with respect to applications approved under title VI of the Public Health Service Act after June 30, 1970, clause (4) of the first sentence of section 605(b) of such Act (42 U.S.C. 291e) is amended (1) by inserting after "the application has been approved and recommended by the State agency" the following: ", opportunity has been provided, prior to such approval and

recommendation, for consideration of the project by the public or nonprofit private agency or organization (if any) which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 314(b) covering the area in which such project is to be located,"; and (2) by inserting "the application is for a project which" immediately before "is entitled".

PORTION OF ALLOTMENT AVAILABLE FOR STATE PLAN ADMINISTRATION

SEC. 112. Effective with respect to expenditures under a State plan approved under title VI of the Public Health Service Act which are made for administration of such plan during any fiscal year beginning after June 30, 1970—

(1) the first sentence of subsection (c) (1) of section 606 of such Act (42 U.S.C. 291f) is amended (A) by striking out "2 per centum" and inserting in lieu thereof "4 per centum" and (B) by striking out "$50,000" and inserting in lieu thereof "$100,000"; and

(2) paragraph (2) of subsection (c) of such section 606 is amended by striking out "June 30, 1964" and inserting in lieu thereof "June 30, 1970".

FEDERAL SHARE

SEC. 113. Effective with respect to applications approved under title VI of the Public Health Service Act after June 30, 1969, paragraph (b) of the section of such Act redesignated (by section 201 of this Act) as section 655 is amended by adding at the end thereof the following new sentence: "Notwithstanding the provisions of subparagraphs (1) and (2) of this paragraph, the Federal share shall at the option of the State agency, be equal to the per centum provided under such subparagraphs plus an incentive per centum (which shall not exceed 20 per centum) specified by the State agency in the case of projects that offer potential for reducing health care costs through shared services among health care facilities, interfacility cooperation, or dispersed ambulatory care centers."

DEFINITION OF HOSPITALS

SEC. 114 (a) Effective with respect to applications approved under title VI of the Public Health Service Act after June 30, 1970, paragraph (c) of the section of such Act redesignated (by section 201 of this Act) as section 655 is amended—

(1) by inserting after "nurses' home facilities," the following: "extended care facilities, facilities related to programs for home health services, self-care units,"; and

(2) by inserting a comma immediately before "operated" and inserting immediately before "but does not include" the following: "and also includes education or training facilities for health professions personnel operated as an integral part of a hospital,".

(b) Effective July 1, 1970, section 604(a)(3) of such Act is amended—

(1) by inserting "(A)" after "shall include", and

(2) by inserting after "rehabilitation services, and" the following: "representatives particularly concerned with education or training of health professions personnel, and (B)".

CHANGE IN NAME AND CLARIFICATION OF FUNCTIONS OF DIAGNOSTIC TREATMENT CENTER

SEC. 115. (a) Sections 601(a)(2) and 602(b)(1)(B) of the Public Health Service Act (42 U.S.C. 291a, 291b) are each amended by striking out "diagnostic or treatment centers" and inserting in lieu thereof "outpatient facilites".

(b) Section 604(a)(4)(C) of such Act (42 U.S.C. 291d) is amended by striking out "diagnostic or treatment centers" and inserting in lieu thereof "outpatient facilities" and by striking out "such centers" and inserting in lieu thereof "such facilities".

(c) Section 604(a)(5) of such Act (42 U.S.C. 291d) is amended by striking out "diagnostic or treatment centers" and inserting in lieu thereof "outpatient facilities".

(d) Section 609(b) of such Act (42 U.S.C. 291i) is amended by striking out "diagnostic or treatment center" and inserting in lieu thereof "outpatient facility".

(e) Section 605(e) of such Act (42 U.S.C. 291e) is amended to read as follows: "In the case of public or other nonprofit outpatient facilities which are not a part of a general hospital, reasonable assurance that the services of a general hospital will be made available."

(f) Paragraph (f) of the section of the Public Health Service Act redesignated (by section 201 of this Act) as section 655 (42 U.S.C. 291o) is amended—

(1) by striking out "diagnostic or treatment center" and inserting in lieu thereof "outpatient facility",

(2) by inserting after "means a facility" the following: "(located in or apart from a hospital)", and

(3) by inserting after "ambulatory patients" the following: "(including ambulatory inpatients)".

(g) The amendment made by paragraphs (2) and (3) of subsection (f) of this section shall apply with respect to applications approved under title VI of such Act after June 30, 1970.

DEFINITION OF FACILITY FOR LONG-TERM CARE

SEC. 116. Effective with respect to applications approved under title VI of the Public Health Service Act after June 30, 1970, paragraph (h) of the section of such Act redesignated (by section 201 of this Act) as section 655 (42 U.S.C. 291o) is amended by inserting after "means a facility" the following: "(including an extended care facility)".

INCLUSION OF COST OF ACQUISITION OF LAND

SEC. 117. Effective with respect to projects approved under title VI of the Public Health Service Act after June 30, 1970, so much of paragraph (1) of the section of such Act redesignated (by section 201 of this Act) as section 655 (42 U.S.C. 291o) as follows the semicolon is amended to read: "including architect's fees and the cost of the acquisition of land, but excluding the cost of offsite improvements."

GRANTS FOR EQUIPMENT

SEC. 118. Effective with respect to projects approved under title VI of the Public Health Service Act after June 30, 1970, paragraph (1) of the section of such Act redesignated (by section 201 of this Act) as section 655 (42 U.S.C. 291o) is further amended by inserting before the semicolon "and, in any case in which it will help to provide a service not previously provided in the community, equipment of any buildings".

TITLE TO SITE

SEC. 119. Effective with respect to projects approved under title VI of the Public Health Service Act after June 30, 1970, paragraph (1) of the section of such Act redesignated (by section 201 of this Act) as section 655 (42 U.S.C. 291o) is further amended by striking out "for a period of not less than fifty years" and inserting in lieu thereof the following: ", for not less than the period specified in section 609 (or, in the case of a loan guaranteed under part B or a loan made under part C which is for a longer period, for not less than that longer period),".

INCLUSION OF THE TRUST TERRITORY OF THE PACIFIC ISLANDS

SEC. 120. (a)(1) Subparagraphs (A), (B), and (C) of paragraph (1) of subsection (b) of section 602 of the Public Health Service Act (42 U.S.C. 291b) are each amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(2) Paragraph (2) of such subsection is amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(b) Paragraph (1) of subsection (c) of such section is amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(c) Paragraphs (1) and (2) of subsection (d) of such section are each amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(d) The section of such Act redesignated by section 201 of this Act) as section 655(a)(42 U.S.C. 291o) is amended by inserting "the Trust Territory of the Pacific Islands," after "American Samoa,".

(e) The amendments made by this section shall apply with respect to allotments (and grants therefrom) under part A of title VI of the Public Health Service Act for fiscal years ending after June 30, 1970, and with respect to loan guarantees under part B and loans under part C of such title made after June 30, 1970.

PART C.—RESEARCH AND DEMONSTRATIONS; AND MISCELLANEOUS

RESEARCH AND DEMONSTRATIONS RELATING TO HEALTH FACILITIES AND SERVICE

SEC. 130. Section 304(d) of the Public Health Service Act (42 U.S.C. 242b) is amended by inserting after "June 30, 1970" the following: ", $80,000,000 for the fiscal year ending June 30, 1971, $85,000,000 for the fiscal year ending June 30, 1972, $90,000,000 for the fiscal year ending June 30, 1973, $95,000,000 for the fiscal year ending June 30, 1974, and $100,000,000 for the fiscal year ending June 30, 1975."

WAIVING OF RIGHT OF RECOVERY

SEC. 131. Section (3)(b) of the Hospital and Medical Facilities Amendments of 1964 (Public Law 88–443) is amended by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon, and by adding after such paragraph the following new paragraph:

"(6) the provisions of clause (b) of section 609 of the Public Health Service Act, as amended by this Act, shall apply with respect to any project whether it was approved, and whether the event specified in such clause occurred, before, on, or after the date of enactment of this Act, except that it shall not apply in the case of any project with respect to which recovery under title VI of such Act has been made prior to the enactment of this paragraph."

TITLE II—LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

LOAN GUARANTEES FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

SEC. 201. Title VI of the Public Health Service Act is amended by redesignating part B as part E; by redesignating sections 621 through 625 (42 U.S.C. 291k–291o), and all references thereto, as sections 651 through 655, respectively; and by inserting after section 610 (42 U.S.C. 291j) the following new part:

"PART B—LOAN GUARANTEES FOR MODERNIZATION AND CONSTRUCTION OF HOSPITALS AND OTHER MEDICAL FACILITIES

"AUTHORIZATION OF LOAN GUARANTEES

"SEC. 621. (a) In order to assist nonprofit private agencies to carry out needed projects for the modernization or construction of private nonprofit hospitals, facilities for long-term care, outpatient facilities, and rehabilitation facilities, the Secretary, during the period July 1, 1970, through June 30, 1975, may guarantee in accordance with this part to non-Federal lenders making loans to such agencies for such projects, payment when due of the principal of and interest on loans approved under this part.

"(b) No loan guarantee under this part with respect to any modernization or construction project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under part A with respect to such project, exceeds 90 per centum of the cost of such project.

"(c) The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this part as will promote efficiency and economy thereof.

"LOAN GUARANTEE ALLOTMENTS

"SEC. 622. (a) For each fiscal year, the Secretary shall determine (1) the total amount of principal of loans which may be guaranteed under this part in such fiscal year, and (2) the portion of such total amount which shall be available for allotments with respect to loans for modernization of facilities referred to in section 621 and the portion thereof which shall be available for allotments with respect to loans for construction of such facilities. Each such portion shall then be allotted among the States, in accordance with regulations, on the basis of each State's relative population, financial need, and need for modernization and for construction, respectively, of facilities referred to in section 621.

"(b) Any amount allotted under subsection (a) to a State, other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, for a fiscal year ending before July 1, 1975, and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next fiscal year (and for such year only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year; except that, with the consent of the State, any such amount remaining unobligated at the end of the first six months of such next fiscal year may be reallotted (on such basis as the Secretary deems equitable and consistent with the purposes of this title) to other States which have need therefor. Any amount so reallotted to a State shall be available for the purposes for which made until the close of such next fiscal year and shall be in addition to the amount allotted and available to such State for the same period. Any amount allotted under subsection (a) to the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands for a fiscal year ending before July 1, 1975, and remaining unobligated at the end of such year shall remain available to it, for the purposes for which made, for the next two fiscal years (and for such years only), and any such amount shall be in addition to the amounts allotted to it for such purpose for each of such next two fiscal years; except that, with the consent of the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands, as the case may be, any such amount remaining unobligated at the end of the first of such next two fiscal years may be reallotted (on such basis as the Secretary deems equitable and consistent with the purposes of this title) to any other of such four States which have need therefor. Any amount reallotted to a State under the preceding sentence shall be available for the purposes for which made until the close of the second of such next fiscal years and shall be in addition to the amounts allotted and available to such State for the same period.

"(c) Any amount allotted or reallotted to a State under this section for a fiscal year shall not, until the expiration of the period during which it is available for obligation, be considered as available for allotment for the next fiscal year.

"(d)(1) Transfers between the allotments of a State under this section shall be made as follows: If any State agency (designated under section 604(a)) applies to the Secretary to have all or part of its construction loan allotment transferred to its modernization loan allotment or to have all or part of its modernization loan allotment transferred to its construction loan allotment, the Secretary shall adjust the allotments of such State in accordance with such application if such application is accompanied by a certification by such State agency that the need (determined in accordance with objective criteria established by regulation of the Secretary) for projects to be assisted by loans guaranteed under the allotment to which a transfer is requested is greater than the need for the projects to be assisted by loans guaranteed under the allotment from which a transfer is requested.

"APPLICATIONS AND CONDITIONS

"SEC. 623. (a) For each project for which a loan guarantee is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by a nonprofit private agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall (1) set forth all of the descriptions, plans, specifications, assurances, and information which are required by the third sentence of section 605 (a) (other than clause (6) thereof) with respect to applications submitted under that section, (2) contain such other information as the Secretary may require to carry out the purposes of this part, and (3) include a certification by the State agency of the total cost of the project and the amount of the loan for which a guarantee is sought under this part.

"(b) The Secretary may approve such application only if—

"(1) there remains sufficient balance in the allotment determined for such State pursuant to section 622 to cover the amount of the loan for which a guarantee is sought in such application,

"(2) he makes each of the findings which are required by clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (except that, in the case of the finding required under such clause (4) of entitlement of a project to a priority established under section 603 (a), such finding shall be made without regard to the provisions of clauses (1) and (3) of such section),

"(3) he finds that there is compliance with section 605(e),

"(4) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and

"(5) he also determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interest of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

"(c) No application under this section shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"(e)(1) The United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any guarantee under this part, unless the Secretary for a good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(2) Guarantees under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

"(f) Any guarantee made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other persons.

"PAYMENT OF INTEREST ON GUARANTEED LOANS

"SEC. 624. The Secretary shall pay to each holder of a loan guaranteed under this part, for and on behalf of the hospital or other medical facility for which such loan was made, an amount equal to one-half of so much of the interest on the portion of the loan so guaranteed as does not exceed the amount of the interest payable on such portion at a rate of 6 per centum per annum, plus one-third of the remainder (if any) of interest payable on such portion.

"LIMITATION ON AMOUNT OF LOANS GUARANTEED

"SEC. 625. The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued under this part may not exceed the lesser of—

"(1) such limitations as may be specified in appropriations Acts, or

"(2) in the case of loans covered by allotments for the fiscal year ending June 30, 1971, $400,000,000; for the fiscal year ending June 30, 1972, $800,000,000; for the fiscal year ending June 30, 1973, $1,200,000,000; $1,600,000,000 for the fiscal year ending June 30, 1974; and $2,000,000,000 for the fiscal year ending June 30, 1975.

"LOAN GUARANTEE FUND

"SEC. 626. There is hereby established in the Treasury a loan guarantee fund (hereinafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation to enable him to discharge his responsibilities under any guarantee issued by him under this part and for payment of interest on the loans so guaranteed. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund."

TITLE III—LOANS FOR CONSTRUCTION AND MODERNIZATION OF PUBLIC HOSPITALS AND OTHER PUBLIC MEDICAL FACILITIES

LOANS FOR CONSTRUCTION AND MODERNIZATION OF PUBLIC HOSPITALS AND OTHER PUBLIC MEDICAL FACILITIES

SEC. 301. Title VI of the Public Health Service Act is further amended by adding after part B (added by section 201 of this Act) the following new part:

"PART C—LOANS FOR CONSTRUCTION AND MODERNIZATION OF PUBLIC HOSPITALS AND OTHER PUBLIC MEDICAL FACILITIES

"AUTHORIZATION OF LOANS

"SEC. 631. (a) In order to assist public agencies to carry out needed projects for the construction or modernization of facilities referred to in paragraphs (a) and (b) of section 601, the Secretary is authorized to loan funds, in accordance with this part, to such agencies for the purpose of carrying out such projects.

"(b) No loan under this part to carry out any project may, when added to the amount

of any grant or loan under part A with respect to such project, exceed 90 per centum of the cost of such project.

"ALLOCATION AMONG THE STATES

"SEC. 632. (a) The Secretary shall allot among the States the amounts available for each fiscal year for the making of loans under this part. The allotments under this part shall be made among the States on the basis of the population, the financial need, and the extent of the need for construction and modernization of the facilities referred to in paragraphs (a) and (b) of section 601, of the respective States.

"(b) Any sum allotted to a State for a fiscal year and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next fiscal year (and for such year only), and any such sum shall be in addition to the sums allotted to such State for such purpose for such next fiscal year. Any sum so allotted to a State for a fiscal year shall not (even though remaining unobligated at the close thereof) be considered as available for allotment among the States for the next fiscal year.

"APPLICATIONS

"SEC. 633. (a) For each project for which a loan is sought under this part, there shall be submitted to the Secretary, through the State agency designated in accordance with section 604, an application by the State or a political subdivision thereof or by any other public agency. If two or more such agencies join in the project, the application may be filed by one or more such agencies. Such application shall (1) set forth all of the descriptions, plans, specifications, assurances, and information which are required by clauses (1) through (5) of section 605(a) with respect to applications submitted under that section, (2) contain such other information as the Secretary may require to carry out the purposes of this part, and (3) include a certification by the State agency of the total cost of the project and the amount of the loan sought under this part.

"(b) The Secretary may approve such application only if—

"(1) there remains sufficient balance in the allotment determined for such State pursuant to section 632 to make the loan applied for,

"(2) he makes each of the findings which are required by clauses (1) through (4) of section 605(b) for the approval of applications for projects thereunder (except that, in the case of the finding required under such clause (4) of entitlement of a project to a priority established under section 603(a), such findings shall be made without regard to clauses (1) and (3) of such section),

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and

"(4) he also determines that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments are reasonable and in accord with regulations.

"(c) No application shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

"(d) Amendment of an approved application shall be subject to approval in the same manner as an original application.

"RECOVERY

"SEC. 634. If any of the events specified in clause (a) or clause (b) of section 609 occurs with respect to any facility for which a loan has been made under this part, before the termination of the period during which a loan made by the Secretary under this part is outstanding, the balance of any loan made by the Secretary under this part shall become immediately due and payable, unless the Secretary for good cause determines to waive the provisions of this section.

"GENERAL PROVISIONS FOR LOAN PROGRAM

"SEC. 635. Loans made under this part shall—

"(1) be repayable in equal periodic installments over a period of not to exceed twenty-five years,

"(2) bear interest at the rate of 3 per centum per annum, and

"(3) be secured by such evidence of financial obligation as the Secretary shall determine to be necessary or desirable to protect the interests of the United States against failure on the part of the borrower to repay the principal and interest on such loan in accordance with the terms thereof.

"REVOLVING LOAN FUND

"SEC. 636. (a) There is hereby created within the Treasury a separate fund (hereafter in this section referred to as the 'fund') for loans for the construction and modernization of the facilities referred to in paragraphs (a) and (b) of section 601. The fund shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of this part. The total of any loans made from the fund in any fiscal year shall not exceed such limitations as may be specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849) for wholly owned Government corporations.

"(b)(1) The Secretary, when authorized by an appropriation Act, may transfer to the fund available appropriations provided under section 637 to provide capital for the fund. Amounts received by the Secretary as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this part, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund, shall be deposited in the fund, in such amounts as may be authorized from time to time in appropriation Acts.

"(2) All loans, expenses, and payments pursuant to operations of the Secretary under this part shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this part. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this part or available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

"APPROPRIATION AUTHORIZATION

"SEC. 637. There are authorized to be appropriated to the Secretary over a period of five fiscal years, beginning with the fiscal year ending June 30, 1971, such sums as may be necessary for transfers to the revolving fund established under section 636, but not to exceed in the aggregate $750,000,000. Of the sums authorized to be appropriated under this section not more than $150,000,000 is authorized to be appropriated for the fiscal year ending June 30, 1971.

"DURATION OF LOAN PROGRAM

"SEC. 638. No loans shall be made under this part after June 30, 1975."

AMENDMENT TO FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT

SEC. 302. Section 302(c)(2)(B) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(B) The Department of Health, Education, and Welfare, but only with respect to loans (i) made by the Commissioner of Education for construction of academic facilities, and loans to help finance student loan programs, and (ii) made under part B of title VI of the Public Health Service Act for the modernization of hospitals and other health facilities."

TITLE IV—GRANTS FOR MODERNIZATION OF EMERGENCY ROOMS OF GENERAL HOSPITALS

SEC. 401. Title VI of the Public Health Service Act is further amended by adding after part C (added by section 301 of this Act) the following new part:

"PART D—MODERNIZATION OF EMERGENCY ROOMS

"AUTHORIZATION

"SEC. 641. In order to assist in the provision of adequate emergency room service in various communities of the Nation for treatment of accident victims and handling of other medical emergencies through special project grants for the modernization of emergency rooms of general hospitals, there are authorized to be appropriated $10,000,000 each for the fiscal year ending June 30, 1971, and the next four fiscal years.

"ELIGIBILITY FOR GRANTS

"SEC. 642. Funds appropriated pursuant to section 641 shall be available for grants by the Secretary for not to exceed 50 per centum of the cost of modernization of emergency rooms of public or other nonprofit general hospitals. Such grants shall be made by the Secretary only after consultation with the State agency designated in accordance with section 604(a)(1) of the Public Health Servict Act. In order to be eligible for a grant under this part, the project, and the applicant therefor, must meet such criteria as may be prescribed by regulations. Such regulations shall be so designed as to provide aid only with respect to projects for which adequate assistance is not readily available from other Federal, State, local, or other sources, and to assist in providing modern, efficient, and effective emergency room service needed to care for victims of highway, industrial, agricultural, or other accidents and to handle other medical emergencies, and to assist in providing such service in geographical areas which have special need therefor.

"PAYMENTS

"SEC. 643. Grants under this part shall be paid in advance or by way of reimbursement, in such installments and on such conditions, as in the judgment of the Secretary will best carry out the purposes of this part."

The material presented by Mr. YARBOROUGH follows:

SUMMARY: HOSPITAL AND MEDICAL FACILITIES CONSTRUCTION AND MODERNIZATION AMENDMENTS OF 1969

GRANT PROGRAMS

The existing categorical grant program, with affirmative changes, would be extended and expanded by Title I for a five year period, commencing in Fiscal Year 1971. Grants for the construction and modernization of hospitals and other medical facilities would have a total five-year authorization of $2,190

million. Of this amount $515 million would be available for the modernization of health facilities.

LOAN GUARANTEES WITH INTEREST SUBSIDIES

Title II would provide for, commencing in Fiscal Year 1971, a new five-year program of loan guarantees to aid in the construction and modernization of health facilities. The total authorization would permit $400 million annually or a total of $2 billion in guarantees. The amounts to be guaranteed would be allotted to the States on the basis of the relative financial need, relative population, and relative need for additional health facilities and the relative need for the modernization of existing health facilities. As in the grant program, the amount allotted to the given State would be available to be used as guarantees for a two fiscal year period.

In addition, the loan guarantee program provides for interest subsidies to be paid by the Federal government at a rate of ½ of the interest up to 6% and ⅓ of the interest thereafter. The loan guarantee program would be available to sponsors representing privately owned nonprofit health facilities.

FEDERAL LOANS

Title III of the bill would provide a five year authority, commencing in Fiscal Year 1971, to administer a new program of direct Federal loans for the construction and modernization of publicly owned health facilities. This loan program, which would be administered through the designated State agency as in the grant and loan guarantee programs, provides for a maximum five year authorization of $750 million, not to exceed $150 million in Fiscal Year 1971. The loans would bear an interest rate of 3% annually and would be available for a term not to exceed 25 years. The maximum Federal loan or combination of loan and grant could not exceed 90% of the cost of the project.

ADDITIONAL PROVISIONS

Title IV would provide a new five-year program of Federal project grants to assist in the modernization of needed emergency rooms of general hospitals. $10 million annually would be authorized for the five-year period.

The existing grant category of assistance entitled diagnostic treatment centers would be retitled out-patient facilities and at the same time redefined to permit privately owned nonprofit facilities other than general hospitals to receive this assistance. The existing law limits grant assistance under the diagnostic treatment center category to public agencies and to sponsors representing privately owned nonprofit general hospitals.

The bill would also permit, at the option of the State agency, an increase in the Federal share by 20% in the case of any project which would assist in reducing the costs of delivering care or otherwise improve the capabilities to deliver health care. This incentive provision would be applicable to such circumstances as a hospital providing services on a shared basis with another hospital, special inter-facility agreements, etc.

The priority for considering projects to be approved under the program would be revised to make the rural area priority permissive, i.e., at the option of the State, as well as providing special priority consideration to hospitals making adequate provision for long-term care services. Special priority consideration would also be given to outpatient facilities which would provide services for residents of metropolitan low-income areas, as well as special priority consideration for projects which will provide comprehensive health services to a defined population group. Special priority consideration would also be given to facilities which provide training in the health professions.

Federal assistance would be available under the bill to assist in the purchase of a site upon which a health facility will be located as well as assisting in the purchase of equipment for health facilities without necessitating construction or modernization within the same project.

The bill would also extend for a five-year period, commencing in Fiscal Year 1971, Section 304(d) of the Public Health Service Act by providing a total five-year authorization of $450 million to assist in projects relating to research and demonstration to improve health facilities and services.

S. 2184—INTRODUCTION OF A BILL TO INCLUDE PRESCRIBED DRUGS AMONG THE ITEMS AND SERVICES COVERED UNDER THE SUPPLEMENTARY MEDICAL INSURANCE PROGRAM FOR THE AGED

Mr. PROUTY. Mr. President, in 1965 when medicare was enacted, 20 million older Americans felt that economic drain on their already minuscule pocketbooks would be curtailed. For a number of reasons, including unchecked inflation, this has not been the case. I am therefore convinced we must take a second look at the policies we in this country have followed and in particular the effect of those policies on our older citizens.

In this respect the first priority must be the effective curtailment of inflation because inflation continues to be the primary deterrent to economic security for older Americans on fixed incomes. For example, social security benefit increases which were enacted a little over a year ago have almost completely been eroded by inflation. In December 1967, Congress enacted a 13-percent increase in social security benefits. However, the consumer price index has increased from 118.2 at that time to 125.6 in March 1969 indicating that over 69 percent of the beneficial effect of the increase had already been eliminated.

Since January 20 I have seen hopeful signs that we are beginning to get control over inflation. President Nixon's budget cuts have been the most visible signs that our national leadership is now determined to fight against inflation. In addition, there are a number of less visible signs that the administration is determined to win its battle to gain control over inflation. Presently numerous studies which are designed to take an objective look at Federal program effectiveness on a program-by-program basis. I am convinced that through this comprehensive combination approach of responsible fiscal and monetary policies coupled with objective program evaluation to insure maximum benefits for taxpayer's dollars spent we will be able to end the adverse effects of overall inflation.

However, Mr. President, we must recognize that curing inflation will not be enough to sufficiently ease the economic hardships facing older Americans. If we ended inflation tomorrow, we would still need a substantial social security benefit increase in order to make up for the economic harm created by past inflation to citizens on fixed incomes. In addition, we must look to the structural deficiencies of our income distribution system so as to provide equity for retired Americans who, during their years of employment have provided the basis for our great affluence in this country.

In 1965, Mr. President, we recognized that Americans age 65 and over were more likely to have need for hospitalization and medical care than their fellow citizens.

We recognized, Mr. President, that this fact created an unconscionable burden on all older Americans and their families through no fault of their own.

However, Mr. President, we all recognize that medicare was not comprehensive enough to accomplish its avowed purpose—namely to assure medical attention for all older Americans irrespective of their ability to pay. Perhaps the greatest weakness of the medicare law is that there is no reimbursement for drugs which, by the way, have been credited by many as the greatest single contributor to the advances we have made in being able to preserve and protect man's good health. In many cases older Americans spend several hundred dollars a year on drugs which are essential to their continued life and well being.

As a matter of fact, Mr. President, unreimbursed drug expenses facing older Americans were one of the prime reasons former Senator George Smathers and I introduced an amendment to the Social Security Amendments of 1967 for the purpose of restoring the special medical expense tax deduction afforded taxpayers age 65 or over prior to the Medicare Act of 1965. The fact that our amendment easily passed the Senate indicates to me that most Senators share my concern that additional economic relief must be given to older Americans if they are to be able to get necessary medical attention without facing unconscionable economic hardship. Our amendment restoring the special tax deduction for those age 65 or over would have helped to ease the economic barriers now standing in the way of necessary medical care for older Americans. Unfortunately it was deleted from the social security amendments of 1967 during the conference with the House.

Today, Mr. President, I am introducing a bill with Senator SCOTT and Senator COTTON, a bill which squarely faces up to the basic deficiency of medicare by extending part B, title XVIII of the Social Security Act to cover prescription drugs.

I ask unanimous consent, Mr. President, that the text of our bill be printed in the RECORD immediately following my remarks.

Mr. President, I was disappointed when the House refused to accept our amendment to the social security bill of 1967 which would have restored the special medical expenses tax deduction for taxpayers age 65 or over. That bill would have afforded some relief to older Americans who continued to be faced with heavy out-of-the-pocket medical expenses. I must admit, however, that the special medical expense tax deduction did not go far enough toward solving the deficiencies in medicare coverage because not all citizens age 65 or over are currently taxpayers. This bill, on the other hand, would apply to each and every American enrolled in part B of medicare.

As you know, part B provides the plan by which our citizens over 65 years of

age may voluntarily contribute monthly payments matched by similar payments from the Government to cover the cost of specified medical services. This bill would simply include prescription drugs as a covered service under the same conditions as now applied to other covered professional services.

In addition, this bill would raise the present deduction of $50 to $75, but the covered patient would be allowed to commingle the charges for professional services and for prescription drugs in order to meet the minimum deduction. As with the present plan, covering professional services, 80 percent of the expenditure over the minimum would be reimbursed to the physician, the pharmacist, or the patient.

Those experienced in the administration of insured plans often refer to the fact that coverage of small claims adds materially to the costs of administering the plans. By raising the deductible to $75, we are eliminating many of the small claims that would be made against the program at such a high administrative cost. By having the patient pay 20 percent of the costs over the minimum, we have a built-in incentive for the patient and the physician not to abuse the plan by overusage or by the purchase of high-priced drugs when one of lesser cost is suitable.

However, Mr. President, under our proposal, there is no restriction on the physician in prescribing for elderly patients. Our aged citizens will not be relegated to second-class health citizens where the attending physician is restricted to prescribing a drug which is not his first choice. The bill has incentive through its coinsurance feature for physician and patient to obtain the lowest cost drug available, consistent with the best health of the patient, but there is no mandate to prescribe a product which the physician may think is less suitable.

Moreover, this bill has the added advantage of not requiring a new system for receiving claims or for reimbursement of claims made. It is proposed that expenditures for drugs will be forwarded to the disbursement agent through the same channels that are now used for the forwarding of bills for professional services. Since claims for professional services and for prescription drugs can be commingled to meet the minimum deduction, there will be little necessity for separate handling. As a matter of fact, this commingling of claims should expedite and simplify the payment of claims by the agency since the minimum requirements will be satisfied at a faster pace.

Mr. President, we have for too long discussed the increasing needs of our aged population for relief from the burdens of health services. By bringing those prescription drugs which the attending physician feels are needed for the best health care of his patients, under part B of title XVIII, we are taking a tremendous step forward in meeting the needs of our senior citizens. Few pieces of legislation will be up for our consideration which should have higher priority. I hope that the appropriate committee will immediately hold hearings on this bill so that we may extend this benefit to our senior citizens in this session of the Congress.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2184) to amend part B of title XVIII of the Social Security Act to include prescribed drugs among the items and services covered under the supplementary medical insurance program for the aged, introduced by Mr. PROUTY (for himself, Mr. COTTON, and Mr. SCOTT), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 2184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1832(a)(1) of the Social Security Act is amended to read as follows:

"(1) entitlement to have payment made to him or on his behalf (subject to the provisions of this part) for—

"(A) medical and other health services; and

"(B) prescribed drugs, except those described in paragraph (2)(B); and".

(b) Section 1832(a)(2)(B) of such Act is amended by inserting immediately before "furnished by a provider" the following: ", and prescribed drugs,".

(c) Section 1832(a) of such Act is further amended by adding at the end thereof (after and below paragraph (2)(B)) the following new sentence: "As used in this part (and in part C to the extent that it relates to this part), the term 'services', unless the context otherwise indicates, includes prescribed drugs."

SEC. 2. Section 1833(b) of the Social Security Act is amended by striking out "$50" and inserting in lieu thereof "$75".

SEC. 3. (a) Section 1835(a)(2)(B) of the Social Security Act is amended by striking out ", such services" and inserting in lieu thereof "or prescribed drugs, the services".

(b) Section 1835(a) of such Act is further amended by adding at the end thereof the following new sentence: "In the case of prescribed drugs, the certification requirement of paragraph (2)(B) shall be satisfied by the physician's prescription."

SEC. 4. Section 1861(m)(5) of the Social Security Act is amended by striking out "(other than drugs and biologicals)" and inserting in lieu thereof "(including prescribed drugs, but not including any other drugs and biologicals)".

SEC. 5. Section 1861(s)(2) of the Social Security Act is amended by striking out "(including drugs and biologicals which cannot, as determined in accordance with regulations, be self-administered)" each place it appears and inserting in lieu thereof "(including drugs and biologicals)".

SEC. 6. (a) Section 1861(t) of the Social Security Act is amended by adding at the end thereof the following new sentence: "The term 'prescribed drugs' means drugs and biologicals which require a prescription of a physician for the use of an individual."

(b) The heading of such section 1861(t) is amended to read as follows: "DRUGS AND BIOLOGICALS; PRESCRIBED DRUGS".

S. 2185—INTRODUCTION OF A BILL TO PROVIDE FUNDS FOR CONSTRUCTION OF A RAPID RAIL TRANSIT SYSTEM FOR THE DISTRICT OF COLUMBIA AND THE WASHINGTON METROPOLITAN AREA

Mr. TYDINGS. Mr. President, I am introducing legislation today to provide funds for construction of a rapid rail transit system for the District of Columbia and the Washington metropolitan area. I am joined in the introduction of this bill by the entire Senate Committee on the District of Columbia; the distinguished Senators from Nevada (Mr. BIBLE); Virginia (Mr. SPONG); Missouri (Mr. EAGLETON); Vermont (Mr. PROUTY); New York (Mr. GOODELL); and Maryland (Mr. MATHIAS).

This legislation has been submitted by the administration and carries the explicit endorsement of the President. In his message of April 28 on the District of Columbia the President said:

BALANCED TRANSPORTATION SYSTEM

The National Capital needs and deserves a mass transit system that is truly metropolitan, unifying the central city with the surrounding suburbs. As a part of its responsibility for the National Capital Region, the Federal Government should support deliberate action, based upon effective planning, to meet the future transportation needs of the Region. The surrounding areas in Maryland and Virginia, as Congress rightly recognized, include the most rapidly growing areas of population and job opportunities, potentially of rich benefits to the inner city.

The proposed legislation fulfills the Congressional mandate in a 1966 Act, which directed the Washington Metropolitan Area Transportation Authority to plan, develop, finance and provide for the operation of a full regional rapid rail system for the National Capital area.

The 97-mile system would relieve downtown congestion; increase employment; make educational, cultural and recreational facilities more accessible; reduce air pollution; stimulate business, industry, and tourism; broaden tax bases; and promote orderly urban development of the Nation's Capital.

I urge that Congress promptly appropriate the necessary authorizing legislation for the 97-mile system.

Enactment of the legislation I introduce today will fulfill the commitment Congress made in 1966 to help finance a modern and urgently needed new addition to the transportation system in Washington.

The need to start this rapid transit system now is desperate. Inflation increases the eventual cost of the system by the incredible sum of a quarter of a million dollars a day. Every year's delay adds $90 million to the cost of the system. Meanwhile, the cost of alternative modes of transit also continues to skyrocket. Urban highways in Washington cost upward of $18 million a mile just to construct, not taking into account upkeep and the damage these new roads do to neighborhoods, the city landscape, and the tax base.

Even at today's prices, this rapid transit system is the best possible transportation bargain our country could provide for its National Capital.

The legislation I am introducing today will fulfill Congress' decade-old commitment to create this rapid mass transit system. That commitment dates from 1960 with congressional creation of the National Capital Transportation Agency whose mission it was to plan this transit system. Then, in 1966, after the NCTA had completed its work, Congress authorized the Washington Metropolitan Area Transit Authority to plan and construct the 97-mile transit system, whose construction now can begin within weeks of

a congressional green light. The local money has been assured, the plans are drawn, the routes selected, and the necessary approvals have been obtained. Now Congress must grant the Federal share of the money.

The President's proposal I am introducing today provides for three-way financing of the Washington rapid transit system. Less than half of the cost of the system will be borne directly by the Federal Government. The transit funding has three parts:

First, the jurisdictions of the Washington metropolitan area, the District of Columbia and the Maryland and Virginia suburbs, will provide $573,522,000 for construction. The citizens of these suburbs have overwhelmingly voted to authorize their governments to issue bonds for financing this local share of the subway and rapid transit system costs. This money is available as soon as Congress gives the final go-ahead.

The second source of funds will be the farebox. These transit revenues will be of sufficient magnitude to enable the authority to raise $835 million through bonds.

Third, the remaining 46 percent of construction cost, amounting to $1,147,044,000, will be provided by Federal grants. This includes the Federal grant of $100 million authorized by the Congress in 1965 and the $1,047,044,000 authorized by the bill I am introducing today.

Providing the Federal share through capital grants is the most economical method of funding the Federal share of the project cost. This method of funding is estimated to produce a saving of at least $250 million in interest charges compared to the debt service grant approach recommended by the previous Administration.

Despite the setbacks and delays of the past, I am optimistic that now with the support of President Nixon we can at last get started with this long overdue and desperately needed element in the Washington transportation system.

It has taken nearly 17 years for the Congress to move within sight of the construction of the National Capital's rapid transit system. And now, as the construction crews and engineers stand ready to begin, the intricate system of regional compacts, public funding, community approval, route alignment and planning is threatened with collapse through the evasion of inflation.

The enormous efforts so far cannot be allowed to have been in vain. We can never recapture the time delayed, but we can and must prevent further delay. The transit system must begin this year.

I ask that the bill I have introduced plus the letter in its support submitted by the Administration to the President of the Senate be reprinted at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 2185) to authorize a Federal contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89–774 (80 Stat. 1324) introduced by Mr. TYDINGS (for himself and other Senators), was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

S. 2185

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. That this Act may be cited as the "National Capital Transportation Act of 1969".

DEFINITIONS

SEC. 2. For the purposes of this Act—

(a) "Transit Authority" means the Washington Metropolitan Area Transit Authority established by title III of the Washington Metropolitan Area Transit Regulation Compact (80 Stat. 1324).

(b) "Adopted Regional System" means that system described in the Transit Authority's report entitled "Adopted Regional Rapid Rail Transit Plan and Program, March 1, 1968 (revised February 7, 1969)", as the same may hereafter be altered, revised, or amended in accordance with Public Law 89–774 (80 Stat. 1324).

AUTHORIZATION FOR FEDERAL CONTRIBUTIONS

SEC. 3. (a) In order to provide for the Federal share of the cost of the Adopted Regional System, which System supersedes that heretofore authorized by the Congress in the National Capital Transportation Act of 1965, as amended, the Secretary of the Department of Transportation is authorized to make annual contributions to the Transit Authority under this Section in amounts sufficient to finance in part the construction of the Adopted Regional System by the Transit Authority; Provided, that the aggregate amount of such Federal contributions shall not exceed the lower amount of $1,047,044,000 or two-thirds of the net project cost of the Adopted Regional System less the $100,000,000 authorized to be appropriated in Section 5(a)(1) of the Act of September 8, 1965 (Public Law 89–173; 79 Stat. 663).

(b) Such Federal contributions shall be subject to the following limitations and conditions:

(1) The work for which appropriations are authorized herein shall be subject to the provisions of Public Law 89–774 and shall be carried out substantially in accordance with the plans and schedules for the Adopted Regional System.

(2) The aggregate amount of such Federal contributions on or prior to the last day of any given fiscal year shall be matched by the local participating governments by payment of the local share of capital contributions required for the period ending with the last day of such year in a total amount not less than 50 per centum of the amount of such Federal contributions.

SEC. 4. There is hereby authorized to be appropriated to the Department of Transportation, without fiscal year limitation, not to exceed $1,047,044,000 to carry out the purposes of this Act; *Provided,* That the appropriations authorized herein shall be in addition to the appropriations authorized in section 5(a)(1) of the National Capital Transportation Act of 1965 (79 Stat. 665).

CONSTRUCTION APPROVALS

SEC. 5. (a) No portion of any rail rapid transit line or related facility authorized hereunder shall be constructed within the United States Capitol Grounds except upon approval of the Commission for Extension of the United States Capitol.

(b) All construction pursuant to this Act in, on, under or over public space in the District of Columbia under the jurisdiction of the Commissioner of the District of Columbia shall, in the interest of public convenience and safety, be performed in accordance with schedules agreed upon between the Transit Authority and the Commissioner of the District of Columbia, to the end that such construction work will be coordinated with other construction work in such public space, and the Commissioner shall so exercise his jurisdiction and control over such public space as to facilitate the Transit Authority's use and occupation thereof for the purposes of this Act.

REPAYMENT FROM EXCESS REVENUES

SEC. 6. To the extent that revenues or other receipts derived from or in connection with the ownership or operation of the Adopted Regional System other than Service Payments under Transit Service Agreements executed between the Transit Authority and local political subdivisions, the proceeds of bonds or other evidences of indebtedness; and capital contributions received by the Transit Authority), are excess to the amounts necessary to make all payments and deposits, including debt service, operating and maintenance expenses and deposits in reserves, required or permitted by the terms of any contract of the Transit Authority with or for the benefit of holders of its bonds, notes or other evidences of indebtedness issued for any purpose relating to the transit system, other than extensions thereof, two-thirds of such excess revenues shall, at the end of each fiscal year, beginning with the fiscal year in which the Adopted Regional System (exclusive of extensions) is first put into substantially full revenue service, be paid into the Treasury of the United States as miscellaneous receipts.

DISTRICT OF COLUMBIA AUTHORIZATIONS

SEC. 7. (a) To finance the District of Columbia share of the cost of the Adopted Regional System, the Commissioner of the District of Columbia is authorized to contract with the Transit Authority to make annual capital contributions under this Section aggregating not to exceed $216,500,000, and there is hereby authorized to be appropriated out of the general fund of the District of Columbia such amounts necessary to carry out the purposes of this Section, and to remain available until expended.

(b) Section 9–220(b)(3) of the District of Columbia Code is amended by striking the first clause of the last sentence and inserting in lieu thereof the following: "$216,500,000 of the principal amount of the loans authorized to be made to the Commissioner under this subsection shall be utilized to carry out the purposes of the National Capital Transportation Act of 1969; *Provided,* That the District of Columbia may exceed by an amount not more than $166,500,000, the limitation on the aggregate indebtedness established pursuant to this Act;".

(c) The appropriations authorized in subsection (a) of this Section shall be in addition to the appropriations authorized on behalf of the District of Columbia in Section 5(a)(2) of the National Capital Transportation Act of 1965.

(d) The Commissioner of the District of Columbia is further authorized to contract with the Transit Authority for the service to be provided by the Adopted Regional System and to pay in accordance with the terms thereof the District of Columbia's share of any operating deficiency of the Adopted Regional System.

REPEAL AND AMENDMENT OF EXISTING LAWS

SEC. 8. (a) The following laws are repealed:

(1) The Act of December 20, 1967 (Public Law 90–220; 81 Stat. 670).

(2) Sections 3, 4 and 5(b) of the Act of September 8, 1965 (Public Law 89–173; 79 Stat. 664–6–).

(3) The Act of July 14, 1960 (Public Law 86–669, 74 Stat. 537).

(b) Section 5(a) of the Act of September 8, 1965 (Public Law 89–173; 79 Stat. 665) is amended by striking the phrase "authorized in Section 3 hereof" and inserting in lieu thereof the following: "of the Adopted Regional System".

The material presented by Mr. TYDINGS follows:

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., May 8, 1969.

Hon. SPIRO T. AGNEW,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: On January 16, 1969, the District of Columbia Government and the Washington Metropolitan Area Transit Authority jointly transmitted to the President of the Senate for the consideration of the 91st Congress, a draft bill "To authorize a Federal Contribution for the effectuation of a transit development program for the National Capital region, and to further the objectives of the National Capital Transportation Act of 1965 (79 Stat. 663) and Public Law 89–774 (80 Stat. 1324)." This proposed legislation was thereafter referred to the Committee on the District of Columbia.

Subsequently, this legislation has been reviewed in terms of the objectives of the new Administration and in the light of the Authority's most recent engineering and financial studies. Accordingly, a revised draft is submitted for the consideration of the Congress. While the objectives of the revised draft remain the same, its primary difference is that the Federal share would be provided through Federal capital grants rather than through federally supported bonds as previously proposed. Authorization of regular capital grants, rather than debt service grants, is considered the most economical method of funding the two-thirds Federal share of the net project cost. Other changes reflect a decrease in the additional Federal share requirement from $1,051,000,000 to $1,047,044,000 and an increase in the District of Columbia share from $208,700,000 to $216,500,000. These latter changes represent the refinement of cost allocations resulting from more recent financial studies. The funds would be appropriated to the Department of Transportation which would disburse the Federal share to the Transit Authority.

This proposed legislation would support a 97 mile system which, as stated by the President, would "relieve downtown congestion; make educational, cultural and recreational facilities more accessible; reduce air pollution; stimulate business, industry, and tourism; broaden tax bases; and promote orderly urban development of the Nation's Capital."

A rapid transit system for the Washington Metropolitan Area will do much to improve the quality of urban life throughout the National Capital region. Enactment of this legislation would be a major step in achieving the President's objective of making the Capital City a "proud symbol of the quality of American life." Accordingly, the Bureau of the Budget has advised us that enactment of legislation as proposed in the attached draft bill would be in accord with the program of the President.

Sincerely,

JOHN A. VOLPE,
Secretary of Transportation.
THOMAS W. FLETCHER,
Assistant to the Commissioner.
(For Walter E. Washington, Commissioner)
FREDERICK A. BABSON,
Chairman, Board of Directors, Washington Metropolitan Area Transit Authority.

S. 2186—INTRODUCTION OF A BILL TO PROVIDE FOR DISMEMBERMENT INSURANCE FOR SERVICEMEN

Mr. LONG. Mr. President, my colleagues are aware of my longstanding interest in providing adequate insurance for servicemen and veterans. I have already introduced two bills on this subject this year, one to provide double indemnity servicemen's group life insurance for servicemen on active duty in combat areas, and another to provide GI insurance for Vietnam era veterans.

Today I am introducing a bill to include, as part of servicemen's group life insurance, lump sum payments to a serviceman who loses a hand, a foot, or an eye. Under my bill, a serviceman losing any one of these members would receive an indemnity payment equal to one-half of the face value of his servicemen's group life insurance. If the serviceman loses more than one of these members, he would receive an amount equal to the full face value of his servicemen's group life insurance.

Mr. President, I have purposely patterned this bill on the dismemberment insurance provided under present law to civil service employees under the Federal employees group life insurance program. I believe that our servicemen, who certainly face a much greater risk of dismemberment, deserve the same kind of protection as our Federal civilian employees.

As the bill is drafted, it does not cover the case of a permanently paralyzed serviceman. This is because I followed the provisions of the Federal employees group life insurance program. But as a matter of fact, I feel that the permanently paralyzed serviceman should be covered by servicemen's group life insurance on the same basis as a serviceman who suffers loss of limb. I intend to so change my bill in the Committee on Finance.

Though my bill would require the serviceman to pay for this additional cost based on the average civilian risk, the Veterans' Administration estimates that the cost to the veteran would be nominal, and that dismemberment insurance could be provided with no increase in the present premium of $2 per month for $10,000 of servicemen's group life insurance.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2186) to amend chapter 19, United States Code, so as to provide dismemberment insurance coverage under the Servicemen's Group Life Insurance program introduced by Mr. LONG, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD as follows:

S. 2186

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 767 of title 38, United States Code, is amended by adding at the end thereof a new subsection as follows:

"(c) Each policy purchased under this subchapter shall, subject to such terms and conditions as the Administrator may approve, provide dismemberment insurance coverage as follows: (1) for the loss of one hand or of one foot or the loss of sight of one eye, the insured shall be paid an amount equal to one-half of the face value of the insurance; and (2) for the loss of two or more of such members, the insured shall be paid an amount equal to the full face value of the insurance. Dismemberment insurance shall be paid to an insured who suffers the loss of one or more limbs or the sight in one or both eyes if such loss occurs as the direct result of and within a period of 90 days after a bodily injury has been suffered by such insured. The total amount of insurance paid under any policy of Servicemen's Group Life Insurance on account of any one accident shall not exceed the face value of such policy. No payment shall be made under this subsection for the loss of a limb or loss of eyesight as the result of an intentionally self-inflicted injury."

SEC. 2. The second sentence of section 769(b) of title 28, United States Code, is amended to read as follows: "Such cost shall be determined by the Administrator on the basis of excess mortality and dismemberment suffered by members and former members of the uniformed services insured under this subchapter above that incurred by the male civilian population of the United States of the same age as the median age of members of the uniformed services (disregarding a fraction of a year) as shown by the records of the uniformed services, the primary insurer of insurers, and the Department of Health, Education, and Welfare, together with the most current estimates relating to mortality and dismemberment."

SEC. 3. This Act shall become effective on the first day of the second month following the month in which enacted.

S. 2190—INTRODUCTION OF THE AGRICULTURAL TRADE STATISTICS REPORTING ACT

Mr. SPARKMAN. Mr. President, on behalf of myself and other Senators, I am introducing a bill entitled "the Agricultural Trade Statistics Reporting Act." I ask that it be appropriately referred and that the text be reprinted in the RECORD following my remarks.

This legislation was first offered about 3 years ago, on June 16, 1966, being S. 3522 of the 89th Congress and S. 1940 in the 90th Congress.

The bill would have the Secretary of Agriculture deliver to the Congress an annual report in business-like form, containing a summary of the balance-of-payments impact on all U.S. agricultural trade. Included would be information along the following lines: The volume and dollar value of the Nation's foreign trade overall and in major agricultural commodities, the trends in imports and exports of these goods, and the net effect of trade and agricultural aid on our balance of payments position.

It was disappointing to me that no action was taken on this legislation during the past two Congresses. However, the passage of time and events have reinforced my belief that refinements in congressional consideration of agricultural trade statistics are needed more than ever in 1969.

AGRICULTURAL EXPORTS VITAL TO OUR FARMERS

The United States exports more agricultural products than any other nation, and is presently among the world's largest importers. Overseas sales have contributed significantly to the income of American farmers, food processors, and the general economy, as well as to U.S. balance-of-payments earnings.

For example, between 1961 and 1967, those sales of U.S. farm products in foreign markets totaled almost $33 billion. During the same years, the country suffered an overall payments deficit of $16.3 billion. Our agricultural exports for last year actually declined, to something like $6 billion, but they still accounted for almost a billion-dollar addition to the balance of payments.

The Department of Agriculture has said that export sales amount to about one-fifth of the total sales made by U.S. farmers. For six major products—rice, cotton, wheat, tallow, hides, and soybeans—export markets exceeded 40 percent and sometimes 50 percent of total sales. For certain regions and States, such as Alabama where the natural advantages favor farming, our future economic progress is linked strongly to the intelligent development of agricultural trade policy.

RESPONSIBILITY FOR RECORDKEEPING

Within the Agriculture Department, the Foreign Agriculture Service is the organization which does the bookkeeping, so our policymakers can remain informed of the latest developments in the world's agricultural trade. In the year FAS was formed, 1954, our agricultural trade was $3 billion. For the past 3 years, our farm exports ranged between $6 and $6.8 billion. With a further responsibility for collecting data in 96 foreign markets, the agricultural statistics effort is now considerable.

Despite dedicated efforts of the FAS, a January 1967 report by an outside consultant firm, Dunlap & Associates, stressed the need for FAS to revise its methods. It found the basic system established in 1954 unable to meet the greatly expanded demands.

A program was proposed by Secretary Freeman during 1967 to implement this report, including the installation of a modern computer-supported information management section. As described in the Department's Foreign Agriculture magazine, the proposed system would attempt to do the following:

First. Establish subsystems for the nine major types of information FAS deals with and centralize the processing of data by the use of ADP facilities;

Second. Consolidate in the Office of Reports and Statistics the responsibility for agricultural reporting; and

Third. Streamline the instructions for Agriculture attaché reporting.

When the new system is fully operative, it should allow more rapid and more effective use to be made of the agricultural trade data. It will undoubtedly be a step forward. I noted also that President Nixon instructed all Departments and Agencies to release the information they collect within 2 days of compilation.[1]

SHORTCOMINGS IN THE PRESENT SYSTEM OF AGRICULTURAL REPORTING

However, in order to translate this increased capacity to process data into the realm of policy, it must be combined with further improvements in reporting it to Congress and the public. The statistics of world and U.S. agricultural trade are the foundation upon which the Congress must decide and debate issues of trade and agricultural policies. At this critical time for our trade accounts and balance of payments, it is essential that Members and committees of Congress who are responsible for these trade policies receive this material in a readily understandable format.

Unfortunately, the agricultural trade inquiries in which I have participated have been characterized by difficulty in obtaining such information in useful form. In 1964, the Select Committee on Small Business, under my chairmanship, undertook a study of this Nation's export potential in beef products. At that time, there was no publication which meaningfully explained world trends in the exporting, importing, and trading of this commodity. Thereafter, several Senators introduced S. 2226—reintroduced as S. 2079 on May 8, 1969—the Agricultural Trade Conference Act, which would formally call for such a report. Such a study was finally published for the first time in 1966. Although the Department of Agriculture undertook to republish this survey at 2-year intervals, it did not do so in 1967 or 1968.

In that instance, we were dealing with commodities with an export potential to Western Europe alone estimated at up to a million metric tons, or $1 billion a year. Even so, it took the committee about 2 years to obtain a proper statistical analysis of this subject.

Similar inadequacies of data and presentation have shown up in trying to get an overall view of agricultural trade from year to year. The Agriculture Department publishes numerous and voluminous reports of agricultural trade, and many of these are of excellent quality.

But part of the difficulty is with the very multiplicity and detail of these statistical series. They appear at different times, in various forms, and in diffuse channels. The Department has pointed with pride to a 635-page volume on agricultural statistics which contains, among many other things, some excellent material on foreign trade. Yet it was not until August 1967 that the Small Business Committee, which had been actively concerned with these matters for 3 years, was made aware of this volume. Furthermore, I am not aware of where a similar report has been published before or since.

The major point is that Congress and the public, which can only spend limited amounts of time studying these matters, need a simple, uniform, periodic, and reliable guide which can inform them on the subject. Annual reports of businesses do this now, and provide a convenient model for what we would like to see. We, in the Senate, should be able to gain an understanding of the issues without necessarily becoming experts in the statistical process.

This Statistics Reporting Act offers hope that it can become easier for all Members of Congress and the public to come to grips with both the specific commodity problems and the larger overall issues of agricultural trade.

There would be an additional emphasis in the bill on reconciling the accounting practices of the several Government agencies who are concerned with agricultural trade, aid, barter, and donations. There could also be a reconcilation of the figures from year to year.

Differences in statistical concepts and methods have created discrepancies among the many Government publications on this subject. The bill seeks to resolve this problem by providing the Government departments and agencies involved with the opportunity to develop common statistical procedures in the course of preparing a single comprehensive annual report.

The report would also serve as a vehicle for collecting the agricultural statistics now scattered among a number of Government offices.

STATISTICS AS A BASIS FOR POLICY DECISIONS

During the past several Congresses, there has been considerable attention to U.S. trade policies. The surge of imports into this country, and a relatively slow advance in our export trade to which our committees have been calling attention over the years, have also become a subject of public discussion and concern. The 1968 surplus on the so-called trade surplus was a razor-thin $100. However, as one knowledgeable observer pointed out:

> Excluding AID-financed exports, the United States suffered a commercial deficit of $2.4 billion during the past calendar year.[2]

Restrictions abroad and the consequent halt in the growth of U.S. agricultural trade are a matter of serious concern. As one authority recently stated:

> American agricultural exports, for years a bouyant factor in the trade balance, are falling off just when that balance needs a stimulus. . . . the Kennedy round of tariff reductions did little for American farmers. Their political representatives will insist that they should be better served in any new round of trade negotiations.[3]

In the course of congressional attempts to reevaluate our trade policies and programs, however, considerable doubt has thus arisen over the state of our basic statistical information.

Congress faces major decisions of trade policy in future years. Such judgments should not be taken in an atmosphere of uncertainty over the present and past. The foundation for decisions on programs involving U.S. farm resources in international trade should be an easy and full access to the current information.

The sponsors of this bill therefore feel that it would benefit our consideration of agricultural trade policy by closing part of the "information gap" that now

[1] See "Agencies Directed to Make Statistics Available to Public Within 2 Days," by Hobart Rowen, *Washington Post*, Feb. 9, 1969, p. A17:1.

[2] "Perspective on World Business," World Business magazine published by the Chase National Bank, N.A., April 1969, p. 3.

[3] "A row of beans," The Economist, Apr. 26, 1969, p. 50: 1–2.

exists between the Administration, the Congress, the experts, and the general public.

CONCLUSION

Those of us who have watched our trade surplus steadily disappearing have recognized the need for modernized export policies for some time. Yet any improvements must come only with the broadest participation of general farm, commodity, and rural community organizations, universities, transportation firms, and all others who share an interest in the advancement of our agricultural trade. It is therefore essential during the cooperation and consultation which goes into these efforts that we speak a common language and can rely upon common facts and figures as our starting point.

The statistics reporting bill proposed in the 89th Congress was put forward as a basis for discussion and consideration. We have since sought the advice of private individuals and organizations, as well as several agencies of the executive branch involved in the areas of trade and statistics, so that these groups could contribute to the writing of this legislation.

The bill has been reviewed and revised in the light of these comments which we have received or been able to elicit. We believe some improvements have been made. We will certainly welcome further suggestions.

Accordingly, I intend to work for the passage of an agricultural trade statistics bill along the lines of this bill. I hope it will become a product of the labors of all who are concerned with agricultural trade. We are urging that others join in this effort, in the belief that only on the basis of modernized reporting of the facts can the Congress approach the demanding work of evaluating existing trade policies and programs and devising new ones to respond to changing conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2190) to require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities, introduced by Mr. SPARKMAN (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

S. 2190

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Statistics Reporting Act of 1969."

SEC. 2. In order that certain information pertaining to the import and export of agricultural commodities will be available to all Members of Congress, and especially to the congressional committees having responsibility for the trade and tariff policies of the United States, it is hereby declared to be in the public interest that the Secretary of Agriculture should compile and publish an annual standard reference work containing certain statistical information with respect to the volume and dollar value of this Nation's foreign trade in major agricultural commodities for the preceding calendar year, the trends in United States imports and exports of such commodities, and the effect of such trade upon the balance-of-payments position of the United States.

SEC. 3. (a) The Secretary of Agriculture (hereinafter referred to as the "Secretary") shall, not later than February 15 of each calendar year, submit to the appropriate committees of the Congress a report containing the information described in subsection (b) of this section and cause such report to be readily available to all other committees and Members of Congress, to all trade publications, and, upon request, to any other interested party.

(b) The information to be contained in any such report shall specifically disclose with respect to the immediately preceding calendar year—

(1) the quantity and dollar value of imports into the United States and exports from the United States of each major agricultural commodity;

(2) the extent to which such dollar value reflects or fails to reflect, in the case of each major agricultural commodity, costs attributable to transportation, insurance, and other expenses incident to handling;

(3) the extent to which, in the case of each major agricultural commodity, exports were paid for in dollars, other freely convertible currency, local currency not convertible, funds of the United States Government on a cash or credit basis, or were donations valued without reference to payment;

(4) what effect imports and exports of all agricultural commodities had on the balance-of-payments position of the United States Government; and

(5) the percentage of our total domestic production in the case of each major agricultural commodity, which was exported, the percentage of the total exports, in the case of each such commodity, which was paid for by each of the methods of financing described in paragraph (3); and the percentage of our total production and consumption, in the case of each such commodity, which was imported.

(c) Such report shall also set forth statistics and other information covering a period of prior years in sufficient detail to show, with respect to each major agricultural commodity, the prevailing trends in the import and export of the different types or classifications of that particular commodity.

(d) The Secretary shall include in such report such other pertinent information as he deems appropriate.

(e) The Secretary shall include in such report the citation of any public laws relevant to the subject matter being discussed.

(f) As used in this Act, the term "major agricultural commodity" shall include, for example, cotton, beef, pork, veal, live cattle, nonfat dry milk, cheese, butter, and poultry; and in providing the information specified in subsection (b)(1) of this section, the Secretary shall give separate statistics for each of those commodities.

SEC. 4. The Secretary shall coordinate the administration of this Act with other departments and agencies of the Government concerned therewith and with interested private organizations; and such departments and agencies of the Government are authorized and directed to cooperate with the Secretary in the administration of this Act, including the coordination of all procedures, forms, and means necessary or appropriate for carrying out the provisions of this Act. The Secretary shall include in his annual report such recommendations for legislation and administrative actions as he determines would facilitate the administration of this Act.

SEC. 5. (a) The Secretary, before submitting to the Congress the report referred to in section 3 of this Act, shall submit such report to the General Accounting Office for examination. The Comptroller General shall examine the report as he deems necessary, in order to determine:

(1) the extent to which such report is in conformity with or departs from generally accepted accounting principles;

(2) whether or not such report accurately reflects the effect of trade in agricultural commodities on the balance-of-payments position of the United States;

(3) except for the initial report, the extent to which such report was prepared on a basis comparable to that of the previous year;

(4) whether such report follows the reporting practices and procedures followed by major international trade organizations with which the United States is associated, including the General Agreement on Tariffs and Trade and the Organization for European Cooperation and Development.

(b) The opinion of the Comptroller General with respect to the matters referred to in subsection (a) of this section shall be included in the report.

SEC. 6. Not withstanding the reporting date prescribed in section 3 of this Act, the Secretary is authorized, in the case of any of the first four annual reports, to postpone the date of submission to any date not later than June 1 if he determines that the report for such year cannot be submitted prior to that date and notifies the Senate and the House of Representatives by letter of the necessity of such postponement and the reasons therefor.

SEC. 7. The Secretary shall submit the first report under this Act in the calendar year 1970 covering imports and exports during the calendar year 1969.

Mr. MONTOYA. Mr. President, I am pleased to join as a cosponsor of Senator SPARKMAN's two bills to assist farmers, ranchers, and the U.S. beef industry in expanding its export markets.

One of the bills, S. 2079, which was introduced on May 8, 1969, would provide for an annual conference between representatives of the beef industry, the Secretary of Agriculture, and representatives of other departments and agencies of the Federal Government to consider problems relating to the export of beef and beef products from the United States and related international trade problems.

The second bill, S. 2190, which we are introducing today, would require the Secretary of Agriculture to report to the Congress each year certain information relating to the import and export of agricultural commodities.

It was my privilege to participate in the 3-year investigation which gave rise to this legislation, and to preside as chairman of certain of the hearings, including the session on May 18, 1966, which marked the end of administrative efforts to restrict exports of cattle hides and skins. The Senator from South Dakota (Mr. MCGOVERN), who gave the key testimony on that occasion, will remember this well.

The Small Business Committee inquiry extended over 3 years, 5 days of public hearings, two reports, and considerable extra research throughout the country.

BENEFITS TO THE NATION

In my judgment, it has already accomplished significant results because, as the Senator from Alabama (Mr. SPARKMAN) has stated, U.S. quality beef products are now beginning to be exported commercially to Western Europe, Japan, and Scandinavia for the first time in 50 years. In nearby Mexico also, there

are indications that, "at present, demand for beef is rapidly outstripping supply and Mexico might increase purchases of U.S. choice beef for the hotel and restaurant trade." [4]

The Senator from Nevada (Mr. BIBLE) has correctly pointed out that there are 370 million consumers in Western Europe alone, and the standard of living is rising rapidly from year to year. I am glad that Senator BIBLE emphasized that consumers on the European continent traditionally buy meat that is a byproduct of dairy herds—veal and cow beef—supplemented mainly by Argentine imports which come from grass-fed cattle. Most Europeans, therefore, have had no experience, and only the dimmest idea of the delicious qualities of American table meats.

Our committee established that annual consumption of beef in the United States is now over 100 pounds per person. European statistics show about half of that level, but these figures are misleading because of the difference in the types of meat involved. The European housewife cannot broil or barbecue the meats on sale there because they are too dry.

That is why the Senators from Alabama and Nevada are right when they imply that there can be a bonanza for the balance of payments in the U.S. beef industry when the mass European, Japanese, and other markets, which amount to many times the population of this country, discover American quality beef products and start to use them regularly.

Our committee has attempted over the years, to spread the knowledge of these possibilities to small and family livestock producers and processors throughout the United States.

We feel that this information will best prepare them to gain a fair share of these profitable export markets. I, for one, am not in favor of leaving all these possibilities to the three or four giant meat-packing corporations, which also have production and facilities elsewhere in the world which can compete with American industry.

For these reasons, we on the committee have advocated the annual cattle conference proposed by S. 2079 in which every segment of our cattle and beef industry can take part. This conference would be preceded by a thorough study of the trends in world beef production and trade. At the conference there would be a detailed discussion of the implications of this trade for American industry, both the problems and potentials.

We envision, in the bill, that these conferences will be held each year at times and places which are convenient to those in the industry and that the leading economic authorities in the Government would attend in order to give our businessmen the benefit of their views. We have provided that there will be an equal industry cochairman for these conferences, so that the industry point of view will be represented at all stages, including the planning, the subject matter to be taken up, and the action which would follow these meetings.

It has been disappointing to me that no action was taken on the cattle conference bill during the 90th Congress. As I recall, the Department of Agriculture waited 11 months before reporting unfavorably on this bill, and it did not report at all on the companion agricultural statistics bill. The Agricultural Statistics Reporting Act, which I was pleased to support when it was first introduced in June 1966, would be a valuable tool for Members of the Senate and the House of Representatives in understanding the trends in agricultural trade. I know that there are piles of agricultural statistics, but as the Senator from Alabama (Mr. SPARKMAN) has said, we need to have a single, simple report which will tell us the story of agricultural exports and imports without having to become experts in the statistical process.

It is difficult to understand how action on these two worthwhile pieces of legislation can be put aside at a time when the U.S. balance of payments has been deteriorating and agricultural trade itself declining as in 1968.

BENEFITS TO NEW MEXICO

Mr. President, I want to point out just what trade in agricultural products, particularly meat products, means to the people of my State.

New Mexico is located in the Southwestern rangeland, and nearly 60 percent of its 78 million acres are in pastureland. It has traditionally been an area for the grazing of livestock, primarily cattle.

Accordingly, livestock products constitute the predominant element in the cash income of our farmers. In 1967, for instance, all livestock products, including wool, contributed $221 million, or 70 percent, to New Mexico farmers' income. Of this, cattle and calves alone amounted to 58 percent of total New Mexico farm cash receipts.

Over the past two decades, the cattle business in the Southwest has been characterized by three periods: First, in the early 1950's a severe drought brought cattle prices down to low levels; second, during the late 1950's there was a rapid growth of commercial feedlots, followed by the arrival of new packing plants in the Southwest and Colorado; and third, as a result, during the 1960's there have been new records for beef production each year.

What has been most encouraging to us in New Mexico is the movement toward an integrated beef industry with all of the operations taking place in our part of the country.

In the past, many thousands of feeder cattle were shipped to other parts of the Southwest and Midwest for feeding purposes. At the beginning of 1968, slightly more than half the cattle in New Mexico were more than 2 years old, indicating that the State's cattlemen were still largely cow-calf operators. However, during the 1960's cattle feeding has been developed, particularly in the Clovis-Amarillo area to a high degree, based on higher production of grain sorghum, hay, and silage. Thus, in 1967, New Mexico marketed 238,000 fed cattle. To provide the standard of comparison, the increase for the 11 Western States between 1960 and 1967 was 44 percent. For New Mexico the increase was an astonishing 111 percent over 1960.

Thus, if markets for quality beef products expand, at home and abroad, these favorable trends will continue, and New Mexico farmers and ranchers will benefit accordingly.

It is therefore clear that both the interests of New Mexico and the Nation call for legislation such as we are proposing to fully acquaint the U.S. beef industry with the possibilities of growing world markets.

I for one feel that action is overdue. As a former member of the Senate Committee on Agriculture, I plan to call upon my colleagues on that committee for early hearings on this legislation. I hope that the executive branch is prepared to cooperate with the Congress in advancing these proposals. In any event, however, I will be doing all I can to bring about the enactment of these and other measures which will assist small independent and family farmers, ranchers, and meat processors in the Southwest and around the country.

Mr. TOWER. Mr. President, the distinguished Senator from Alabama (Mr. SPARKMAN) has today reintroduced a bill requiring the Secretary of Agriculture to submit an annual report providing information on the import and export of agricultural commodities to the Congress of the United States. I have joined Senator SPARKMAN as a cosponsor of this measure, and I now rise to urge my colleagues to lend their support to this legislation which will greatly benefit the farming and ranching industry.

We are all aware of the serious dilemma confronting the agricultural industry today. Costs have continued to climb, yet the farmer today receives less for his produce than he did before World War II. He is so bound by strict and rigid controls that he can no longer operate his business on a sound economic basis.

The farmer today must be able to sell more of his produce in order to make a reasonable return on his investment. Modern technology and advancements have overwhelmingly increased agricultural production. At the same time, however, domestic demand has not met this supply. Thus, we find the Government in the odd position of paying the farmer not to plant a particular commodity so that the marketplace will not become glutted with excess production. Mr. President, we all know that it is just not good commonsense business for a farmer to have to operate in such an unusual way. Instead, it is an Alice in Wonderland situation where the farmer must run faster and faster just to stay in the same place.

It is time that the farmer and rancher once again be allowed to operate on sound economic principles like other businessmen. If this is to occur, the farmer and rancher must find a way out of his dilemma; he must get off the treadmill. This, of course, means that

[4] "Mexican Beef Feeders Battle Development Problems," *Foreign Agriculture Magazine*, May 12, 1969, p. 16.

a way must be found to improve the supply-demand situation the farmer faces. To do so, he must have an expanded market—the international market. In a world racked by hunger and fear of starvation, there must be a way to make full use of the great agricultural productive skills of the American farmer.

I think we would all agree that a good businessman is one who takes into account the many factors and conditions affecting both his specific business operation and his industry as a whole. He then reacts accordingly. A good businessman also plans ahead, basing his projections on indicative trends, various sets of statistical information, and recommendations. To do so, however, he must have access to data which is accurate, reliable, and detailed.

Mr. President, I believe that the farmer and rancher can expand into the international market, and I believe that they can be good businessmen. Senator SPARKMAN'S bill will provide them with one of the most necessary tools to achieve this goal. This measure will make readily available that accurate, reliable, and detailed data so vital to adequate planning. This measure will allow a more realistic projection of present and future world supply and demand for all major agricultural commodities.

With this information at hand, the farmers and ranchers will be in a position to choose for themselves what and how much to produce. The only limitation upon him will be an economic one: the total world demand for food. His decisions will be made with adequate knowledge of what that demand is, where it is, and how he can supply it. Mr. President, the world market exists. I know that our agricultural industry can be a significant part of it.

In this country, we have created an artificial market of sorts because potential supply far outweighs actual demand. Thus we have had to regulate and restrict. The industry can, however, increase its operations by expanding to the competitive world trade level. Senator SPARKMAN'S measure will allow it to do so on the basis of reasonable and realistic business information. The benefits, I believe, will not be limited to the agricultural industry.

If he is allowed to operate more as a businessman; if he is allowed to profit as a businessman, the farmer will inevitably become less and less dependent on government support and subsidy. Federal assistance can be greatly reduced. Within a reasonable amount of time, I think we will see a substantial reduction in Federal expenditures in the agricultural sphere. Mr. President, I believe that the farmer will not be the only man to find himself in a better position. I believe that, in the long run, the taxpayer will benefit as well.

Senator SPARKMAN'S bill alone obviously cannot bring about the situation I have just discussed. However, it is an important step in the right direction; it is a necessary means to an end; it is a vital tool. Mr. President, I urge my colleagues to support the Agricultural Trade Statistics Reporting Act of 1969.

S. 2191—INTRODUCTION OF A BILL TO MAKE THE FREEDOM OF INFORMATION ACT APPLICABLE TO THE DISTRICT OF COLUMBIA GOVERNMENT

Mr. KENNEDY. Mr. President, I am introducing today a bill to amend the provisions of chapter 5 of title 5, United States Code, relating to the Freedom of Information Act. The bill has a single objective: application of the Freedom of Information Act to the District of Columbia government.

The Freedom of Information Act became effective almost 2 years ago. It placed the Federal Government under an affirmative obligation to disclose documents and information, unless they fall under one of the specific statutory exemptions. In short, the act provided disclosure as a rule, secrecy as an exception.

The bill I am introducing would apply the same principle to the government of the District of Columbia.

An unqualified openness in the conduct of government goes a long way to promote public confidence in government. And in the District of Columbia it is important that we have the maximum confidence in our local officials. Disclosure of information concerning the operation of the District government should never be subject solely to the unlimited discretion of its officials.

This does not imply that District officials have not been doing their best to promote the free flow of information; if anything, their hands may have been tied by the lack of any positive statutory authority providing for disclosure of information. This bill supports the District government in its efforts to provide an open administration.

A similar bill was introduced before the 90th Congress and was referred to the Subcommittee on Administrative Practice and Procedure. As chairman of that subcommittee, I am planning to hold hearings on the present bill at the earliest opportunity. Representative Moss has introduced an identical bill and expects to expedite its progress in the House of Representatives.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2191) to amend the provisions of chapter 5 of title 5, United States Code, relating to administrative procedure, introduced by Mr. KENNEDY, was received, read twice by its title, and referred to the Committee on the Judiciary.

S. 2193—INTRODUCTION OF THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1969

Mr. WILLIAMS of New Jersey. Mr. President, on behalf of myself and other Senators, I am introducing a bill to mobilize the Federal and State Governments, labor, private industry, and the professions in a broad and vigorous attack upon the increasingly serious problem of occupational safety and health in this Nation.

The goal of this bill, the Occupational Safety and Health Act of 1969, is significant reduction of the tremendous human and economic loss caused by fatalities, illnesses and injuries on the job. This loss is felt in the health and the very lives of workers, as well as in their earning capacity. It is also felt in the loss of production and mounting workmen's compensation costs to management.

Every year more than 14,000 workers are killed in occupational accidents. The fatality rate from occupational accidents has remained virtually unchanged since 1956, while the rate for all disabling injuries was actually higher in 1968 than it was in 1956. It should be of interest to those of my colleagues who have from time to time expressed concern over the effects of work stoppages from strikes on our economy and national security, that in 1967 a total of 42.1 million man-days were lost from strikes, while 245 million man-days were lost from occupational injuries, a ratio of nearly 6 to 1.

The time is far overdue to raise the quality of the workplace environment to safe and healthy levels, and to keep it there. What is needed is a worker's health and safety bill of rights for the nearly 80 million working men and women who comprise 40 percent of the population and pay 60 percent of the taxes. These men and women should never be called upon to risk their health or their lives as the price for holding their jobs.

Mr. President, the resources of the Federal and State Governments and of private industry have been inadequately and poorly deployed to meet the occupational hazards created by major changes in technology and industry in America over the past half century. These rapid changes have brought increasingly serious and complex threats to the safety and health of workers.

The Federal Government today offers only a patchwork of obsolete and ineffective laws. The major law—the Walsh-Healey Act—was passed more than three decades ago. Its coverage is limited, and it is often honored more in the breach than in practice. Comprehensive protection under other Federal laws is restricted to a few specialized fields.

Only a few States have modern laws to protect the worker's health and safety. Most have no coverage or laws that are weak and deficient—reflecting a wide variation in safety standards, administered by inadequate and underpaid staffs.

A 1966–67 study by the Department of Health, Education, and Welfare of 1,700 industrial plants in six metropolitan areas, employing 142,000 workers, revealed that 65 percent of these workers were judged to be potentially exposed to toxic materials, harmful physical agents, severe noise or vibration. Only 25 percent of these workers were protected by controls over such exposure. The remaining 75 percent were unprotected or working under conditions which needed immediate attention.

Aside from the individual human tragedies that are represented by industrial accidents, as well as such occupationally incurred illnesses as emphysema, silicosis, coal workers' pneumoconiosis, tuberculosis, and lung cancer, industry

itself is also adversely affected. Over the Nation, a recent 10-year study period revealed, according to the Department of Health, Education, and Welfare, that the number of workers covered by workmen's compensaation increased from 41 to 51 million, or 24 percent. However, during the same period, benefits paid, rose from $916 million to $2.1 billion, or 130 percent. The increase in costs was five times greater than the increase in workers covered. It follows that every dollar wisely spent in accident and illness prevention means an increasingly greater saving in compensation per injury.

I, therefore, believe it imperative that a unified Federal focus of leadership, animated by a sound legislative policy and program, be created without further delay. It must be such as to generate full and affirmative cooperation of all levels of government involved, of private industry, labor, the health and medical professions, colleges and universities. We must mount an ever increasing attack on all the hazards of the occupational environment, at a scale commensurate with the magnitude and complexity of the problem. In my belief, the Occupational Safety and Health Act that I introduce today—which is identical to a bill which has been introduced in the House by Congressman O'HARA, of Michigan, and others—will take this Nation forward on this road and in the right direction.

The alternative is intolerable for a civilized nation. We must eliminate to the fullest extent possible both those major occupational disasters which from time to time shock the conscience of the Nation, as well as the little-noticed day-to-day toll of occupational deaths, accidents and illnesses that bring tragedy to thousands of American families each year.

Mr. President, I ask unanimous consent that the bill and an explanatory statement be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 2193), to authorize the Secretary of Labor to set standards to assure safe and healthful working conditions for working men and women; to assist and encourage States to participate in efforts to assure such working conditions; to provide for research, information, education, and training in the field of occupational safety and health, and for other purposes, introduced by Mr. WILLIAMS of New Jersey (for himself and other Senators), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 2193

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Occupational Safety and Health Act of 1969".

CONGRESSIONAL FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that personal injuries and illnesses arising out of work situations which result in death or disability impose a substantial burden upon, and are a hindrance to, interstate commerce in terms of lost production, wage loss, medical expenses, and disability compensation payments.

(b) The Congress declares it to be the purpose and policy, through the exercise by Congress of its powers to regulate commerce among the several States and with foreign nations and to provide for the general welfare, to assure so far as possible every working man and woman in the Nation safe and healthful working conditions—

(1) by establishing mandatory occupational safety and health standards applicable to businesses affecting commerce;

(2) by providing for the effective enforcement of such safety and health standards;

(3) by providing for research relating to occupational safety and health;

(4) by providing for training programs to increase and improve personnel engaged in the field of occupational safety and health;

(5) by more clearly delineating the responsibilities of the Federal Government and the States in their activities related to occupational safety and health;

(6) by providing grants to the States to assist them in identifying their needs and responsibilities in the area of occupational safety and health, to develop plans in accordance with the provisions of this Act, and to conduct experimental and demonstration projects in connection therewith; and

(7) by providing for appropriate accident and health reporting procedures which will help achieve the objectives of this Act.

STANDARDS

SEC. 3. (a) For purposes of this section:

(1) The term "occupational safety and health standard" means a standard which requires conditions, or the adoption or use of one or more practices, means, methods, operations, or processes, reasonably necessary to provide safe or healthful employment and places of employment.

(2) The term "national consensus standard" means any occupational safety or health standard adopted under a consensus method by a nationally recognized standards producing organization.

(3) The term "established Federal standard" means any occupational safety or health standard already established by any agency of the United States, or contained in any Act of Congress in force on the date of enactment of this Act, but before the exercise by the Secretary, with respect to the issues covered by such standards, of his authority under section 13.

(b) Except as provided in section 12(h) of this Act, each employer engaged in a business affecting commerce shall comply with occupational safety and health standards promulgated by the Secretary. Such standards shall be promulgated, modified or revoked by the Secretary by rule in accordance with subsection (c), (d), (e), or (f).

(c) The Secretary may by rule promulgate any occupational safety and health standard which is a national consensus standard. If the nationally recognized standards producing organization which adopted the national consensus standard upon which an occupational safety and health standard promulgated under this subsection was based modifies or revokes such national consensus standard under a consensus method, the Secretary may by rule modify or revoke the standard promulgated by him to the same extent. Section 553 of title 5, United States Code, shall not apply to any rule issued under this subsection.

(d) The Secretary may by rule promulgate any occupational safety and health standard which is an established Federal standard. Section 553 of title 5, United States Code, shall not apply to any rule issued under this subsection. Subsection (f) shall apply to the modification or revocation of any standard promulgated under this subsection.

(e) The Secretary may by rule promulgate an interim occupational safety and health standard which is a standard proposed by a nationally recognized standards producing organization by other than a consensus method, whenever he finds (and incorporates the finding and a brief statement of the reasons therefor in the rule issued) that such rule making without the notice and procedures provided by subsection (f) of this section and by section 553 of title 5, United States Code, is necessary in the public interest. Such a standard may remain in effect for not more than six months from its effective date, except that the Secretary may extend such interim standard for an additional twelve months if at the time he originally promulgates such a standard he commences (by appointing an advisory committee) a proceeding under subsection (f) dealing with the same subject matter as the interim standard, and such additional occupational safety or health issues as he deems relevant. If an interim standard is promulgated under this subsection, no additional standard dealing with the same subject may be promulgated except in the manner required by subsection (c), (e), or (f) of this section.

(f) The Secretary may, by rule, promulgate, modify or revoke any occupational safety and health standard in the following manner:

(1) Whenever the Secretary is of the opinion such a rule should be prescribed, he shall appoint an advisory committee under section 4(b) of this Act, which shall submit to him within two hundred and seventy days from its appointment or within such longer period as may be prescribed by the Secretary, its recommendations regarding the rule to be prescribed, which recommendations shall be published by the Secretary in the Federal Register, either as part of a subsequent notice of hearing or separately.

(2) After the submission of such recommendations, the Secretary shall schedule and give notice of a hearing on the recommendations of the advisory committee and any other relevant subjects and issues. In the event that the advisory committee fails to submit recommendations within two hundred and seventy days from its appointment (or such longer period as the Secretary has prescribed) he may schedule and give notice of a hearing on any proposal relevant to the purpose for which the advisory committee was appointed. In either case, notice of the time and place of any such hearing shall be published in the Federal Register thirty days prior to the hearing and shall contain the recommendations of the advisory committee or the proposal made in absence of such recommendation. Prior to the hearing interested persons shall be afforded an opportunity to submit comments upon the recommendations of the advisory committee or other proposal. Only persons who have submitted such comments shall have a right at such hearing to submit oral or written evidence, data, views, or arguments.

(3) Upon the entire record before him, including the advisory committee recommendations and any evidence, data, views, and arguments submitted in connection with the hearing, the Secretary may issue a rule promulgating, modifying, or revoking an occupational safety and health standard. The rule shall not become effective for at least thirty days after publication in the Federal Register.

(g) This Act shall not apply with respect to employment performed in a workplace within a foreign country or within territory under the jurisdiction of the United States other than the following: a State; Outer Continental Shelf lands defined in the Outer Continental Shelf Lands Act; American

Samoa; Wake Island; Eniwetok Atoll; Kwajalein Atoll; Johnston Island; and the Canal Zone.

ADMINISTRATION; ADVISORY COMMITTEES

SEC. 4. (a) In carrying out his responsibilities under this Act, the Secretary is authorized to—

(1) use, with the consent of any Federal agency, the services, facilities, and employees of such agency with or without reimbursement, and with the consent of any State or political subdivision thereof, accept and use the services, facilities, and employees of the agencies of such State or subdivision with or without reimbursement; and

(2) employ experts and consultants or organizations thereof as authorized by section 3109 of title 5, United States Code, except that contracts for such employment may be renewed annually; compensate individuals so employed at rates not in excess of $100 per diem, including traveltime; and allow them while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently, while so employed.

(b) The Secretary shall appoint advisory committees to recommend occupational safety and health standards under section 3(f)(1) of this Act. Each such advisory committee shall include among its members an equal number of persons qualified by experience and affiliation to present the viewpoint of the employers involved, and of persons similarly qualified to present the viewpoint of the workers involved, as well as one or more representatives of health or safety agencies of the States, one or more representatives of professional organizations of technicians or professionals specializing in occupational safety or health, and one or more representatives of nationally recognized standards producing organizations. An advisory committee may also include such other persons as the Secretary may appoint who are qualified by knowledge and experience to make a useful contribution to the work of the committee, but the number of persons so appointed to any advisory committee shall not exceed the number appointed to such committee as representatives of State agencies, professional organizations, and standards producing organizations. Persons appointed to advisory committees from private life shall be compensated in the same manner as consultants or experts under subsection (a)(2) of this section. The Secretary shall pay to any State which is the employer of a member of the committee who is a representative of the health or safety agency of that State, reimbursement sufficient to cover the actual cost of the State resulting from such representative's membership on the committee.

(c)(1) The Secretary shall appoint a National Advisory Committee on Occupational Safety and Health (hereafter in this subsection referred to as "Committee") consisting of sixteen members appointed without regard to the civil service laws and composed equally of representatives of management, labor, occupational safety and health professions, and the public. The Secretary shall designate one of the public members as Chairman. The members shall be selected upon the basis of their experience and competence in the field of occupational safety and health.

(2) The Committee shall advise, consult with, and make recommendations to, the Secretaries of Labor and Health, Education, and Welfare on matters relating to the administration of this Act. The Committee shall hold no fewer than two meetings during each calendar year.

(3) The members of the Committee shall be compensated in accordance with the provisions of subsection (a)(2) of this section.

(4) The Secretary shall furnish to the Committee an executive secretary and such secretarial, clerical, and other services as are deemed necessary to the conduct of its business.

INSPECTIONS AND INVESTIGATIONS

SEC. 5. (a) In order to carry out the purposes of this Act, the Secretary, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized—

(1) to enter upon at reasonable times any factory, plant, establishment, mine, construction site, or other area, workplace, or environment where work is performed by an employee of an employer or on a contract described in section 10(a); and

(2) to inspect and investigate during regular working hours and at other reasonable times, and within reasonable limits and in a reasonable manner, any such area, workplace, or environment, and all pertinent conditions, structures, machines, apparatus, devices, equipment, and materials therein, and to question any such employee.

(b) For the purpose of carrying out his duties under this Act, the Secretary may delegate his authority under this section to any agency of the Federal Government with or without reimbursement, and, with its consent and with or without reimbursement and under conditions the Secretary may prescribe, to any appropriate State agency or agencies designated by the Governor of the State.

SEC. 6. (a)(1) If, upon inspection or investigation, the Secretary determines that any employer has violated any standard promulgated under section 3 or that any person has violated any regulation prescribed under subsection (b) of this section or any contractual requirement of section 10(a), he shall hold a hearing (in accordance with section 554 of title 5, United States Code, but without regard to subsection (a)(3) of such section), and shall issue such orders, and make such decisions, based upon findings of fact, as are deemed to be necessary to enforce such standard, regulation, or requirement. The Secretary shall give such person the information required by section 554(b) of such title at least 15 days prior to hearing. The Secretary shall have the power to issue orders requiring the attendance and testimony of witnesses and the production of evidence under oath. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy, failure, or refusal of any person to obey such an order, any district court of the United States or the United States courts of any territory or possession, within the jurisdiction of which the inquiry is carried on, or within the jurisdiction of which such person is found, or resides or transacts business, upon the application by the Secretary, shall have jurisdiction to issue to such person an order requiring such person to appear to produce evidence if, as, and when so ordered, and to give testimony relating to the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof.

(2) If an inspection or investigation discloses (A) that an employer has violated a standard promulgated under section 3 or that any person has violated a contractual requirement of section 10(a), and (B) that conditions or practices in such place of employment are such that a danger exists which could reasonably be expected to cause death or serious physical harm immediately or before the imminence of such danger can be eliminated, the Secretary may (notwithstanding the provisions of paragraph (1) of this subsection) issue an order providing for the immediate cessation of such violation and for the prohibition of the employment of any individuals in locations or under conditions where such violations exist, except to correct or remove the violation. Such order may remain in effect during the pendency of any proceeding under paragraph (1) of this subsection.

(b) Each employer shall make, keep, and preserve, and make available to the Secretary such records concerning the requirements of section 3 of this Act, and shall make reports therefrom to the Secretary, as he may prescribe by regulation or order as necessary or appropriate for the enforcement of this Act.

JUDICIAL PROCEEDINGS

SEC. 7. (a) The distict courts of the United States shall have jurisdiction to enforce (by restraining order, injunction, or otherwise) any order of the Secretary under section 6(a) of this Act. Any person aggrieved by an order issued under section 6(a) may obtain review thereof by such courts based upon the record before the Secretary.

(b) If the Secretary arbitrarily or capriciously issues an order under section 6(a)(2) and the person to whom the order is directed is injured in his business or property by reason of such order, such person may bring an action against the United States in the Court of Claims in which he may recover the damages he has sustained.

CONFIDENTIALITY OF TRADE SECRETS

SEC. 8. In connection with any proceeding under this Act no witness or any other person shall be required to divulge trade secrets or secret processes.

PENALTIES

SEC. 9. (a) Any employer who violates any standard promulgated under section 3 of this Act or any person who violates any regulation prescribed under section 6 or any contractual requirement of section 10(a), may be assessed by the Secretary, pursuant to an order issued under section 6(a)(1) of this Act, a civil penalty of not more than $1,000 for each violation. Each violation shall be a separate offense. When the violation is of a continuing nature, each day during which it continues after a reasonable time specified in an order issued under section 6(a)(1) shall constitute a separate offense except during the time a review of the order under section 6(a)(1) may be taken, or such review is pending, and during the time allowed in the order under section 6(a)(1) for correction. The Secretary may compromise, mitigate, or settle any claim for civil penalties. In assessing the penalty, consideration shall be given to the appropriateness of the penalty to the size of the business of the person charged and the gravity of the violation.

(b) Any person who willfully violates or fails or refuses to comply with any order issued under section 6(a) of this Act shall be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than $5,000 or by imprisonment for not more than six months, or by both such fine and imprisonment; except that if the conviction is for a violation committed after a first conviction of such person, punishment shall be by a fine of not more than $10,000 or by imprisonment for not more than one year, or by both such fine and imprisonment.

(c) Any person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person while engaged in or on account of the performance of inspections or investigatory duties under this Act shall be fined not more than $5,000 or imprisoned not more than three years, or both. Whoever, in the commission of any such acts, uses a deadly or dangerous weapon, shall be fined not more than $10,000 or imprisoned not more than ten years, or both. Whoever kills any person while engaged in or on account of the performance of inspecting or investigating duties under this Act shall be punished by imprisonment for any term of years or for life.

(d) Any person who gives advance notice

of any inspection to be conducted under this Act, without authority from the Secretary, or his designees, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

GOVERNMENT CONTRACTS

SEC. 10. (a) Each contract exceeding $2,500 and requiring or involving the employment of any person (1) to which the United States or any agency or instrumentality thereof, or the District of Columbia is a party, (2) which is made for or on behalf of the United States, any agency or instrumentality thereof, or the District of Columbia, or (3) which is financed in whole or in part by loans or grants from, or loans insured or guaranteed by, the United States or any agency or instrumentality of the United States, shall include the requirement that no part of such contract (or any subcontract thereunder) will be performed in any place or under any conditions which do not meet the applicable occupational safety and health standards. The applicable occupational safety and health standards shall be the standards promulgated by the Secretary under section 3 of this Act, except that, to the extent that the contract will be performed in a State in which there is in effect a State plan approved under section 12(d) which provides for the development and enforcement of safety and health standards relating to one or more occupational safety or health issues, the applicable occupational safety and health standards relating to such issues shall be those developed and enforced under the State plan rather than those promulgated by the Secretary under section 3.

(b) In promulgating standards under section 3 of this Act, the Secretary shall to the extent feasible conform such standards to those occupational safety and health standards established under other laws administered by him.

(c) In addition to the remedies otherwise provided in this Act, the Secretary may declare ineligible to receive any contract described in subsection (a) of this section any person or firm, or any firm, corporation, partnership, or association in which such person or firm has a controlling interest, which is found to have disregarded its obligations under this section until such person or firm has satisfied the Secretary that it will comply with the requirements of this section.

(d) In addition to the remedies otherwise provided in this Act, the Secretary may recommend to the appropriate contracting agency that such agency cancel, terminate, suspend, or cause to be canceled, or suspended, any contract made by any contracting agency for the failure of the contractor to comply with an order of the Secretary issued under section 6(a)(1) of this Act for the breach or violation by such employer of the requirements under subsection (a) of this section.

VARIATIONS, TOLERANCES, AND EXEMPTIONS

SEC. 11. The Secretary may provide such reasonable limitations and may make such rules and regulations allowing reasonable variations, tolerances, and exemptions to and from any or all provisions of this Act as he may find necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business. The Secretary shall keep an appropriately indexed record of all variations, tolerances, and exemptions granted under this section, which shall be open for public inspection.

EFFECTIVE DATE: FEDERAL-STATE RELATIONSHIP

SEC. 12. (a)(1) Except as otherwise provided in this section, this Act shall be effective on the first day of the first month after the date of its enactment.

(2) Sections 6, 7, 9, and standards promulgated under section 3 shall not take effect until July 1, 1970. Section 10 shall not apply to contracts entered into before July 1, 1970.

(b) Nothing in this Act shall be deemed to prevent any State agency or court from asserting jurisdiction over any occupational safety or health issue with respect to which no standard is in effect under section 3.

(c) Any State which, at any time, desires to assume responsibility for development and enforcement in such State of occupational safety or health standards relating to any occupational safety or health issue with respect to which a Federal standard has been promulgated under section 3 shall submit a State plan for the development of such standards and their enforcement.

(d) The Secretary shall approve the plan submitted by a State under subsection (c), or any modification thereof, if such plan in his judgment—

(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State,

(2) provides for the development and enforcement of safety and health standards relating to one or more safety or health issues, which standards (and the enforcement of which standards) are or will be substantially as effective in providing safe and healthful employment and places of employment as the standards promulgated under section 3 which relate to the same issues,

(3) provides for the effective right of entry and inspection of all workplaces subject to the Act,

(4) contains satisfactory assurances that such agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards,

(5) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards, and

(6) provides that the State agency will make such reports to the Secretary in such form and containing such information, as the Secretary shall from time to time require.

(e) If the Secretary rejects a plan submitted under subsection (d), he shall afford the State submitting the plan, due notice and opportunity for a hearing.

(f) After the Secretary approves a State plan submitted under subsection (b), he may, but shall not be required to, exercise his authority under sections 5, 6, 7, and 9, with respect to comparable standards promulgated under section 3, for the period specified in the next sentence. The Secretary may exercise the authority referred to above until he determines, on the basis of actual operations under the State plan, that it meets the criteria set forth in subsection (d), but he shall not make such determination for at least one year after the plan's approval under subsection (d). Upon making the determination referred to in the preceding sentence, the provisions of sections 5, 6, 7, and 9, and standards promulgated under section 3 of this Act, shall not apply with respect to any occupational safety or health issues covered under the plan.

(g) The Secretary shall, on the basis of reports submitted by the State agency and his own inspections make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Whenever the Secretary finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan (or any assurance contained therein), he shall notify the State agency of his withdrawal of approval of such plan and upon receipt of such notice such plan shall cease to be in effect.

RELATIONSHIP TO OTHER FEDERAL PROGRAMS

SEC. 13. When the Secretary promulgates a set of occupational safety and health standards applicable to an industry and he determines (and so certifies) that such standards will be substantially as effective in providing safe and healthful employment and places of employment as other safety and health standards applicable to such industry which were promulgated under authority of other Federal laws, then such other standards shall be deemed repealed and rescinded on the effective date of the standards promulgated under this Act, except that proceedings already begun may be carried on to completion.

FEDERAL AGENCY SAFETY PROGRAMS AND RESPONSIBILITIES

SEC. 14. (a) It shall be the responsibility of the head of each Federal agency to establish and maintain an effective and comprehensive occupational safety and health program which is consistent with the standards promulgated by the Secretary under section 3. The head of each agency shall (after consultation with representatives of the employees thereof)—

(1) provide safe and healthful places and conditions of employment, consistent with the standards set under section 3;

(2) acquire, maintain, and require the use of safety equipment, personal protective equipment, and devices reasonably necessary to protect employees;

(3) keep adequate records of all occupational accidents and illnesses for proper evaluation and necessary corrective action; and

(4) make an annual report to the President with respect to occupational accidents and injuries and the agency's program under this section. Such report shall include any report submitted under section 7902(e)(2) of title 5, United States Code.

(b) The President shall transmit annually to the Senate and House of Representatives a report of the activities of each Federal agency under this section.

RESEARCH AND RELATED ACTIVITIES

SEC. 15. (a)(1) The Secretary of Health, Education, and Welfare, after consultation with the Secretary and with other appropriate Federal departments or agencies, shall conduct (directly or by grants or contracts) research, experiments, and demonstrations relating to occupational safety and health.

(2) The Secretary of Health, Education, and Welfare shall from time to time consult with the Secretary in order to develop specific plans for such research, demonstrations, and experiments as are necessary to produce criteria enabling the Secretary to meet his responsibility for the formulation of safety and health standards under this Act; and the Secretary of Health, Education, and Welfare, on the basis of such research, demonstrations, and experiments and any other information available to him, shall develop such criteria.

(b) The Secretary of Health, Education, and Welfare is authorized to make inspections as provided in section 5 of this Act in order to carry out his functions and responsibilities under this section.

(c) The Secretary of Labor is authorized to enter into contracts, agreements, or other arrangements with appropriate public agencies or private organizations for the purpose of conducting studies related to his responsibilities for establishing and applying occupational safety and health standards under section 3 of this Act. In carrying out his responsibilities under this subsection, the Secretary shall consult with the Secretary of Health, Education, and Welfare in order to avoid any duplication of efforts under this section.

(d) The Secretary, after consultation with the Secretary of Health, Education, and Welfare, and with the appropriate official in each State as duly designated by such State, shall establish such accident and health reporting systems for employers and for the States as he deems necessary to carry out his responsibilities under this Act.

TRAINING AND EMPLOYEE EDUCATION

SEC. 16. (a) The Secretary of Health, Education, and Welfare, after consultation with

the Secretary of Labor and with other appropriate Federal departments and agencies, shall conduct, directly or by grants or contracts (1) education programs to provide an adequate supply of qualified personnel to carry out the purposes of this Act, and (2) informational programs on the importance of and proper use of adequate safety equipment.

(b) The Secretary is also authorized to conduct (directly or by grants or contracts) short-term training of personnel engaged in work related to his responsibilities under this Act.

(c) The Secretary, in consultation with the Secretary of Health, Education, and Welfare, shall provide for the establishment and supervision of programs for the education and training of employers and employees in the recognition, avoidance, and prevention of unsafe or unhealthful working conditions in employments covered by this Act, and to consult with and advise employers as to effective means of preventing occupational injuries and illnesses.

GRANTS TO THE STATES

SEC. 17. (a) The Secretary is authorized, during the fiscal year ending June 30, 1969, and the two succeeding fiscal years, to make grants to the States to assist them (1) in identifying their needs and responsibilities in the area of occupational safety and health, (2) in developing State plans under section 12, or (3) in developing plans for—

(A) establishing systems for the collection of information concerning the nature and frequency of occupational injuries and diseases;

(B) increasing the expertise and enforcement capabilities of their personnel engaged in occupational safety and health programs; or

(C) otherwise improving the administration and enforcement of State occupational safety and health laws, including standards thereunder, consistent with the objectives of this Act.

(b) The Secretary is authorized, during the fiscal year ending June 30, 1969, and the two succeeding fiscal years, to make grants to the States for experimental and demonstration projects consistent with the objectives set forth in subsection (a) of this section.

(c) The Governor of the State shall designate the appropriate State agency, or agencies, for receipt of any grant made by the Secretary under this section.

(d) Any State agency, or agencies, designated by the Governor of the State, desiring a grant under this section shall submit an application therefor to the Secretary.

(e) The Secretary shall review the application, and shall, after consultation with the Secretary of Health, Education, and Welfare, approve or reject such application.

(f) The Federal share for each State grant under subsection (a) or (b) of this section may be up to 90 per centum of the State's total cost.

(g) The Secretary is authorized to make grants to the States to assist them in administering and enforcing programs for occupational safety and health contained in State plans approved by the Secretary pursuant to section 12 of this Act. The Federal share for each State grant under this subsection may be up to 50 per centum of the State's total cost.

(h) Prior to June 30, 1971, the Secretary shall, after consultation with the Secretary of Health, Education, and Welfare, transmit a report to the President and to Congress, describing the experience under the program and making any recommendations as he may deem appropriate.

EFFECT ON OTHER LAWS

SEC. 18. Nothing in this Act shall be construed or held to supersede or in any manner affect any workmen's compensation law or to enlarge or diminish or affect in any other manner the common law or statutory rights, duties, or liabilities of employers and employees under any law with respect to injuries, occupational or other diseases, or death of employees arising out of, or in the course of employment.

AUDITS

SEC. 19. (a) Each recipient of a grant under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is made or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of any grant under this Act that are pertinent to any such grant.

REPORTS

SEC. 20. Within one hundred and twenty days following the convening of the first session of each Congress, the Secretary and the Secretary of Health, Education, and Welfare shall jointly prepare and submit to the President for transmittal to the Congress a biennial report upon the subject matter of this Act, the progress concerning the achievement of its purposes, the needs and requirements in the field of occupational safety and health, and any other relevant information, and including any recommendations they may deem appropriate.

APPROPRIATIONS

SEC. 21. There are authorized to be appropriated to carry out this Act not to exceed $20,000,000 for the fiscal year ending June 30, 1969, not to exceed $50,000,000 for the fiscal year ending June 30, 1970, and for each subsequent fiscal year such sums as the Congress shall deem necessary.

DEFINITIONS

SEC. 22. For the purposes of this Act:

(a) The term "Secretary" means the Secretary of Labor or his duly authorized representative.

(b) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States; or between a State and any place outside thereof; or within the District of Columbia, or a possession of the United States, or between points in the same State but through a point outside thereof.

(c) The term "person" means one or more individuals, partnerships, associations, corporations, business trusts, legal representatives, or any organized groups of persons.

(d) The term "employer" means a person engaged in a business affecting commerce who has employees, but does not include the United States or any state or political subdivision of a State.

(e) The term "State" includes a State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa.

SEPARABILITY

SEC. 23. If any provision of this Act, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

The material presented by Mr. WILLIAMS of New Jersey follows:

EXPLANATORY STATEMENT OF THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1969

GENERAL

By establishing mandatory safety and health standards and providing for their effective enforcement, by providing for research and training programs, by more clearly delineating the responsibilities of the Federal Government and the States, by providing Planning and project grants to the States, and by providing for better reporting procedures, the bill seeks to assure, as far as possible, every working man and woman safe and healthful working conditions.

STANDARDS

The bill provides four methods for setting occupational safety and health standards:

First, the Secretary of Labor may promulgate forthwith standards which have been developed by nationally recognized standards-setting organizations through a "consensus" method. Second, the Secretary may, in the same way as he promulgates "consensus" standards, promulgate as his own any established Federal standards, already in effect under any other Federal law. Thirdly, the Secretary may promulgate, as interim standards, those standards developed by nationally recognized standards-producing organizations through other than a consensus method. Such standards shall be in effect for six months, except that the Secretary may keep them in force for a total of 18 months if, when he first promulgates them, he also sets in motion the ad hoc advisory committee procedure outlined below.

Finally, the Secretary may appoint ad hoc advisory committees, charged with the responsibility of developing standards for a given industry or with regard to a given hazard, which committees will have 9 months during which they may present such standards. Standards proposed through these advisory committees shall be promulated after a full-scale APA hearing. In the event the ad hoc committees do not submit recommendations, the Secretary may, also with a full-scale hearing, promulgate standards dealing with this area on his own.

ENFORCEMENT

The bill provides for inspections of worksites by the Secretary of Labor or his representatives for the purpose of carrying out the Act. The Secretary is authorized to delegate his authority to other Federal agencies or to State agencies, as designated by the Governor. Severe penalties are provided for anyone who, without the specific written authorization of the Secretary, shall give advance notice to any employer or employee of any inspection under this Act.

In the event of the violation of a standard, the Secretary may, after an expeditious hearing, issue such orders as are necessary to abate the violation. In the event of a violation which creates an imminent danger of death or serious physical harm, the Secretary may issue an abatement order without a prior hearing. The Secretary may seek an injunction in a Federal district court enforcing his order. An aggrieved person may also obtain review of such order in the district court. The bill also authorizes redress in the Court of Claims to any employer injured by an order issued arbitrarily or capriciously in an "imminent danger" situation.

PENALTIES

The bill provides civil penalties of up to $1,000 for each violation of any standard, such penalties to be assessed by the Secretary. It would also be a misdemeanor to willfuly violate any order of the Secretary, and a felony to use force against any person engaged in enforcement activities under the Act.

FEDERAL CONTRACTS AND ASSISTANCE PROGRAMS

The bill provides that all Government contracts and Federally-assisted contracts shall

require compliance with applicable standards, with liabilty for contract cancellation or ineligibility for further contracts in the event of violation.

TOLERANCES AND VARIATIONS

The Secretary is authorized to make reasonable variations, tolerances and exemptions to any of its provisions.

FEDERAL-STATE RELATIONSHIPS

State agencies and courts are assured of jurisdiction over any safety or health issue not covered by a standard promulgated under the Act.

States wishing to assert jurisdiction over areas, industries, or hazards covered by the Act may submit plans doing so, in whole or in part, and containing assurances their standards and enforcement will be substantially as effective as the Secretary's and that they in fact have the legal, financial and personnel capability to do so. State plans must also provide for adequate reporting to the Secretary. If the Secretary approves such a State plan, he and the State agency will have concurrent jurisdiction for a period not less than one year. If, after that one year, the Secretary determines that the State plan will serve the objectives set forth in the Act, and will meet the criteria required for approval, the State agency will become solely responsible for any occupational safety or health issues covered under the plan.

If the Secretary rejects a State plan, he must afford the State a hearing. If, on the basis of State reports or his own inspections, he determines that a previously approved State plan is not meeting the criteria set forth in the Act, or in the plan itself, he may, after notice and hearing, withdraw approval.

RELATIONSHIPS TO OTHER FEDERAL PROGRAMS

Whenever the Secretary promulgates safety and health standards applicable to an industry, and certifies that such standards will be as effective as existing standards promulgated under other Federal laws, such existing standards shall no longer be in effect.

FEDERAL AGENCY SAFETY PROGRAMS

The bill requires the head of every Federal agency to establish and maintain effective occupational safety and health standards, consistent with those promulgated by the Secretary for private industry, for the employees of such agency.

RESEARCH

The Secretaries of HEW and of Labor are authorized to conduct research, directly or by grants or contracts, dealing with their respective functions under this Act. HEW is authorized to develop criteria to aid the Secretary of Labor in the formulation of safety and health standards. Consultation between the two departments and with other government agencies is called for to avoid duplication of effort. The Secretary of Labor is authorized, after consultation with HEW and with the State agencies, to develop appropriate reporting forms.

TRAINING

The bill provides authority for the Secretary of HEW to conduct education programs directly, or through grants and contracts, for personnel to carry out the Act, and the Secretary of Labor is authorized to provide programs for training of personnel in this field.

GRANTS TO THE STATES

Grants to States are authorized to enable them to develop their own occupational safety and health programs and to develop State plans for submission to the Secretary. Grants to the States for carrying out approved plans are also authorized on a 50–50 matching basis.

MISCELLANEOUS

The Secretary of Labor is authorized to appoint ad hoc advisory committees to recommend safety and health standards, such advisory committees to include representatives of employers, workers, State health or safety agencies, professional organizations of technicians or professionals specializing in occupational safety or health, and representatives of nationally recognized standards producing organizations. The Secretary of Labor shall also appoint a National Advisory Committee on Occupational Safety and Health, consisting of 16 members, to advise on the administration of the Act.

The Secretary of Labor and the Secretary of HEW are required to submit, once every two years, a joint report on the progress being made in the field of occupational safety and health and on the needs and requirements in that field.

S. 2197—INTRODUCTION OF A BILL TO ESTABLISH FEE PROGRAMS FOR ENTRANCE TO AND USE OF AREAS ADMINISTERED FOR OUTDOOR RECREATION

Mr. BENNETT. Mr. President, because of action in the 90th Congress, the Golden Eagle passport is due to expire on March 31, 1970. Therefore, I introduce today a bill "to establish fee programs for entrance to and use of areas administered for outdoor recreation and related purposes by the Secretary of the Interior and the Secretary of Agriculture, and for other purposes," which will extend the Golden Eagle passport indefinitely.

The Land and Water Conservation Act approved by Congress in 1965 provided for fees at recreation areas and the Golden Eagle passport as a means of raising money for purchase of more recreation lands. This legislation was approved in the Senate by a 92 to 1 vote. It recognized the growing need to raise money so that the States, and to a lesser degree the Federal agencies, could acquire and develop projects for use by the general public furnishing a broad range of outdoor recreation uses and experiences.

When the passport plan was first introduced, I, like many of my colleagues I am sure, received complaints about the imposition of fees at some previously free recreation areas. However, once the users became aware of the benefits that accrued from the yearly $7 permit, the opposition ceased.

Since 1965 the Golden Eagle passport has allowed the bearer and everyone with him in a private vehicle to enter more than 3,000 national parks, forests, and refuges, as well as other federally operated recreation areas, without paying fees charged at any of the areas. The program expanded from 90,400 Golden Eagle passports issued in 1965 to 692,300 in 1968, and during the first half of fiscal 1969 alone, 403,100 had been sold.

At first, revenues were not as great as anticipated because the program got off to a slow start. However, from a low of $633,600 in 1965 the fees collected grew to $4,846,000 in 1968 and the Bureau of Outdoor Recreation estimated a total of $5,200,000 for 1969. These figures would seem to prove the program is booming and should be expanded, not buried.

The land and water conservation fund derives revenue from admission and user fees at Federal recreation areas, net proceeds from the sale of Federal surplus real and related property, and existing Federal taxes on motorboat fuels. About 60 percent of annual appropriations from the fund are normally available to the States. In its first 3 years, $160.5 million was allocated to match State funds to help finance such diverse projects as multipurpose metropolitan parks, snow ski areas, campgrounds, urban playgrounds, golf courses, swimming pools, and bicycling paths. The program extends to the 50 States, Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands. Money from the fund also supports Federal acquisition of authorized areas within the national park, national forest, and wildlife refuge systems.

Mr. President, my bill was prompted by the wishes of many of my constituents who have been using the passport at national parks, forests, and reservoirs. Many of them are retired and enjoy the opportunity to travel and visit our natural wonders. The annual fee permit has allowed them to visit our national parks and forests at a great reduction in cost. In Utah, where more than 70 percent of the land is federally owned, many of our citizens are ardent outdoorsmen, whose main recreation is obtained in federally operated recreation areas. The Golden Eagle permit was literally an annual passport to all of these areas. Many of my constituents have told me that even if the price had to be increased, it would still be a bargain. They feel and I agree its charge is reasonable and the funds are to be used for a good purpose.

Recognizing, however, the increases in costs and inflation I have recommended that the individual passport cost be increased from $7 to $10 a year. This is only a recommendation to the committee which may want to review the entire financial structure of the program when it gets to the hearing stage. I still think it would be a big bargain at double the cost.

I hope the Golden Eagle passport can be retained so that all our citizens may continue to enjoy the parks, the forests, and the deserts of our beautiful land.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2197), to establish fee programs for entrance to and use of areas administered for outdoor recreation and related purposes by the Secretary of the Interior and the Secretary of Agriculture, and for other purposes, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTION

Mr. SCHWEIKER. Mr. President, in behalf of the Senator from South Dakota (Mr. MUNDT), I ask unanimous consent that, at its next printing, the name of the Senator from Alaska (Mr. GRAVEL) be added as a cosponsor of the bill (S. 1826), to increase the domestic production of gold to meet the needs of national defense and preserve the gold

mining industry of the United States, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that, at their next printing, the names of the Senator from Nevada (Mr. CANNON) and the Senator from Florida (Mr. GURNEY) be added as cosponsors of the bill (S. 2073) to prohibit the use of interstate facilities, including the mails, for the transportation of certain materials to minors; and the bill (S. 2074) to prohibit the use of interstate facilities including the mails for the transportation of salacious advertising.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from New Mexico (Mr. MONTOYA) and the Senator from Minnesota (Mr. MONDALE) be added as cosponsors of the bill (S. 2079) to provide for an annual conference between representatives of the beet industry, the Secretary of Agriculture, and representatives of other departments and agencies of the Federal Government to consider problems relating to the export of beef and beef products from the United States and related international trade problems, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask unanimous consent that, at its next printing, the name of the Senator from New Jersey (Mr. WILLIAMS) be added as a cosponsor of the bill (S. 2165), to enable citizens of the United States to change their residence to vote in presidential elections, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, in behalf of the Senator from Alaska (Mr. GRAVEL), I ask unanimous consent that, at its next printing, the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of the joint resolution (S.J. Res. 108), to provide for a study and evaluation of the relationship between underground nuclear detonations and seismic disturbances.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING

Mr. HART. Mr. President, I wish to announce that the Subcommittee on Antitrust and Monopoly has scheduled hearings for June 12 and 13 on S. 1520, a bill to give certain newspaper arrangements exemptions from the antitrust laws.

Anyone interested in testifying should contact the subcommittee.

NOTICE OF HEARINGS ON MEASURES TO COMBAT ORGANIZED CRIME

Mr. McCLELLAN. Mr. President, I should like to announce that the Special Subcommittee on Criminal Laws and Procedures will resume hearings on bills relating to the Federal effort against organized crime. In our first series of hearings in March we heard testimony on the bills S. 30, S. 974, S. 975, and S. 976. We will hear further testimony on these proposals and in addition will include the bills S. 1623, S. 1624, S. 1861, S. 2022, and S. 2122, all relating to organized crime activities, and S. 1929, making an offense under chapter 13 of title 18, United States Code, the intentional prevention, obstruction or interference with the administration of any federally assisted educational institution. The hearings will resume on June 3 and continue on June 4, beginning each day at 10 a.m. in room 2228, New Senate Office Building. Should anyone wish further information on the hearings, please contact the subcommittee staff on extension 3281 in room 2204, New Senate Office Building.

NOTICE OF HEARING ON S. 981

Mr. TYDINGS. Mr. President, as chairman of the Judiciary Committee's Subcommittee on Improvements in Judicial Machinery, I wish to announce a hearing for the consideration of S. 981, a bill to provide that the U.S. District Court for the District of Maryland shall sit at one additional place.

The hearing will be held at 10 a.m. on Wednesday, May 28, 1969, in the County Service Building in Hyattsville, Md.

Any person who wishes to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on Improvements in Judicial Machinery, room 6306, New Senate Office Building.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the previous order, the Chair now recognizes the Senator from Illinois (Mr. PERCY) for a period not to exceed 40 minutes.

S. 2192—INTRODUCTION OF A BILL TO PROVIDE AN INCENTIVE FOR PRIVATE EMPLOYERS TO EMPLOY AND TRAIN UNSKILLED INDIVIDUALS

Mr. PERCY. Mr. President, I am introducing today a bill proposing that this Nation take all necessary steps to guarantee a job for every American that is able and wants to work, and that we do so as a matter of national policy and establish it as a national goal.

We have heard speech after speech about housing, education, health, and other cultural and economic problems that face the poor, so that we are all aware of the cycle of poverty which afflicts so many of our citizens today. But the cycle of poverty is so complex that we find it difficult to learn where the cycle begins, so that we can know how to begin to attack it. However, there are some things which we do know about poverty. We do know that the cause of poverty is more than economic; it is also psychological. You can give a man a minimum annual income, and he may no longer be economically poor, but psychologically he is probably poorer than ever before.

If we are waging a war on poverty, jobs must be a major weapon. A job represents an entry into the economic and social life of American society. Recognizing the importance of employment in our society today, I would like to state the case for a new Federal manpower policy for the seventies.

In the Employment Act of 1946, the Congress declared it to be our Nation's policy:

> That it is the responsibility of the Federal Government to use all practicable means, with the assistance and cooperation of industry, agriculture, labor, and State and local governments to create conditions under which there will be afforded useful employment opportunities for those able, willing, and seeking work.

I believe that after 23 years it is time to stop paying lipservice to this goal and begin to assure that full employment be made a reality. To guarantee a job for everyone who is willing and able to work seemed some years ago to be a radical position. However, as we have come to understand more about the nature of employment and unemployment, most Americans have changed their point of view on this subject. The Gallup poll in January of this year showed that 70 percent of all Americans agree that a plan should be adopted to guarantee work so that each family that has an employable wage earner would be guaranteed enough work to give him a wage of about $60 a week—or $3,200 a year. Now that public opinion is strongly in favor of a guaranteed annual work plan, it is up to the Congress to devise the mechanisms whereby such a program could work efficiently and effectively.

But, first, we must look to the labor market and understand the forces at work there. Last year there were 79 million people in our civilian labor force. It is anticipated that this figure will grow to 100 million by 1980. Although we still suffer from unemployment in this country, we all know that there are many hundreds of thousands of jobs which go unfilled each year, because people with the necessary skills are not available at the particular time and place where the jobs are.

With the total available knowledge doubling almost every decade, we may anticipate technological change in the

1970's which will demand vastly different skills than those required today. We see, therefore, that in the decade ahead we will not only have to upgrade the skills of several million unemployed and underemployed persons, provide responsive training for the 20 million new entrants into the job market, but also be prepared to meet the need for vastly changed skill requirements in our total population.

In other words, we have an immense job ahead of us, and we must plan now if we are to have any hope for success. Since 1962, our Federal expenditures for manpower programs have grown from less than $500 million to an estimated $3 billion for fiscal 1970. These efforts, although productive, are clearly inadequate to meet the needs of the decade ahead.

But, even more important than additional sums of money, is the need to revise the manpower program delivery system itself. In the past, manpower programs have been categorical in nature, with the Federal Government making a judgment as to how much money should be spent in each community on each kind of service. Not only have the decisions as to how much money is needed for each program been made in Washington, but, more importantly, the delivery of these services has, in most part, been carried out by Federal agencies. There is a great need for more flexibility in our manpower efforts than we have had in the past. Secretary Shultz is reorganizing the manpower programs of the Federal Government. I commend him for this effort, and I look forward to working with him in the attempt to make these programs more relevant to local problems and more responsive to local needs.

While it is easy to agree that additional sums of money and new organization are needed to improve our manpower programs, it is not so easy to devise the system whereby this can all come about. Government and business must together accept responsibility to provide all Americans with the opportunity to earn an adequate income. Private industry must increase its efforts to recruit, train, and hire the underemployed and unemployed. And when the private sector is unable to provide employment, I believe the Government must assume this responsibility. Too often in the past the Government has met this responsibility in the form of wlefare payments instead of jobs. This has been the easy way out—a way for middle-class America to "buy off" its conscience. Instead of finding ways and means to draw the poor back into society, through useful employment, we have forced them to accept public charity. This has made them feel worthless and after a number of years many began to believe it themselves and were indeed "worthless" for having been outside society for so long.

The premise on which I base my proposals is that the Federal Government should accept as its primary responsibility the establishment of a manpower program which permits individual workers and individual businessmen the widest variety of alternatives to solve their mutual problems.

This can be done with a four-pronged approach which would contain the following elements:

First. Tax incentives to encourage the fullest participation of the private sector in employment, upgrading, and training of less skilled people.

By recommending a tax incentive program for the private sector, I do not mean to suggest that the current efforts of the National Alliance of Businessmen have not been productive. Indeed they have been. Well over 100,000 disadvantaged people have already been given job opportunities through this program. Through the JOBS program the private sector of our society has demonstrated in a most dramatic way its willingness to meet head on some of the most difficult social problems plaguing our society. The process of signing individual contracts with each corporation, to hire and train the disadvantaged, however, is of necessity a cumbersome one. And of great concern to me is the fact that many smaller companies, because of their size, are, as a practical matter, excluded.

It must be recognized that working out a fair tax incentive formula is not an easy one. A tax incentive program should not be a giveaway gimmick for industry, but rather one which makes it economically possible for American business to play an important role in our manpower program.

I am today introducing legislation which would provide a tax credit to employers for the difference between what a new employee is worth in productivity and the regular wage of comparable positions in the company. The advantages to a tax credit approach are numerous. The most important, however, is that the program can go into effect immediately upon enactment. Employment programs in the past have taken months and years to become operative. While I believe that the other existing training programs do have merit, I feel that we now need an emergency program which can immediately assist in finding jobs in the private sector for the hard-core unemployed. Employers who participate in the program will receive a tax credit of 75 percent of the wages paid to the employee for the first 4 months of employment, 50 percent for the next 4 months, and 25 percent for the balance of the individual's first year of employment. This is an uncomplicated program with the minimum of redtape. Any employer who hires a certified employee is eligible for the tax credit—it is as simple as that. This bill would require no Federal appropriations. The Department of Labor would be required to make its provisions known to the unemployed and potential employers in the business community. Small business is favored by placing a limitation on the total amount of tax credits any one employer can receive.

The public is protected in that the tax credit will not be available to the corporation unless the employee remains until the end of each 4-month period.

I understand the objections that are at times put forward to the use of the tax system for social purposes. However, I think it is time we realized that in order to encourage business to participate in programs of this nature, Government must be willing to meet business halfway. The most convenient form for subsidizing a businessman is through his income tax. In order to meet the argument that a tax-credit approach is open-ended and therefore economically irresponsible, I have placed a limitation on the number of certificates which can be issued. The Employment Incentive Act is envisioned as a 3-year emergency experimental program. Under this bill 100,000 employee certificates would be issued during the first year, 200,000 more in the second year, and an additional 200,000 during the third year. The bill, therefore, provides for the hiring and training of 500,000 underemployed and unemployed persons over a 3-year period.

My communication with the business community has indicated that of the many problems facing businessmen today, one of the most serious is the shortage of skilled, dependable workers. This bill provides a simple, yet effective technique to provide new jobs and training for those whose need is the greatest. It enlists the job-creating potential of private enterprise by realistically recognizing the high initial costs involved in hiring, training, and providing supportive services for low-skilled individuals.

Second. A program of training credits should be considered which would allow individuals to obtain whatever training they need to obtain employment. This concept is similar to that contained in the GI bill of rights wherein eligible individuals can obtain, as a matter of right, education, and training they need to equip them for the world of work.

Fully developing the skills of our population is perhaps the most effective way to reduce unemployment without causing inflation. Expansive monetary and fiscal policies lead to inflation once the economy reaches its high employment potential. But upgrading the skills of the work force is a major governmental effort that we can take without pushing the cost of living to new highs.

In fiscal year 1968, 265,000 individuals were enrolled in institutional and on-the-job training programs financed under the Manpower Development and Training Act. An additional 53,000 individuals were enrolled in concentrated employment program projects during the year. Although these figures are impressive, it is clear that the number of unemployed and underemployed people enrolled in these training efforts is but a small fraction of the total. Also, in many instances those who did receive training were obliged to enroll in courses where there happened to be openings rather than choosing the course in which they had the greatest interest and aptitude. A training credit plan, patterned after the GI bill of rights, will permit low-skilled people who wish to upgrade themselves a chance to do so without waiting in line for a bureaucratic structure to find a training slot for them.

Third. We also need a Comprehensive Manpower Service Act which would permit a local community to provide services specifically geared to the employment needs of the population of the area. Matching people to jobs involves a vast array of considerations, such as relocation allowances, transportation, housing, and health services and child care. A program which recognizes that these serv-

ices are important components of an employment program is vital to success.

Fourth. However, even with all the existing programs and the new ones I have mentioned, we must realize that for some people and in some areas, even with training, there is no work available. With the emphasis we have placed on employment training programs in recent years, there has been a tendency to ignore the fact that lack of training is only one of the reasons why some individuals find it hard to locate a job.

Most frequently in the South and Appalachia there are not enough jobs in the private sector to provide work for all those in the labor market. Over the past several decades, as technology has eliminated jobs in agriculture, there has been a vast migration of people to urban centers. During the same time, much of the industrial expansion has taken place outside of these centers and has not been available as a source of work to the millions who moved in the hopes of finding employment.

However, in virtually every community in our Nation today—whether large or small—there is a great need for additional workers for various public service jobs. Millions of individuals could productively be employed in hospitals, schools, recreation facilities, and a host of other public-service endeavors.

I believe that we must guarantee a job for every American who is willing to work. And to assure such a guarantee we should provide the same opportunity to public and nonprofit service organizations that we are now currently providing in the NAB program. There are several ways such a program could operate. One might be to provide a wage subsidy to public and nonprofit groups so that they can afford to hire the individuals they so desperately need. We could also establish a public sector JOBS program. If the Federal Government is able to pay the additional expenses for Ford or GM when they hire the hard-core unemployed, there is no reason why they could not provide the same assistance for training of the unemployed in hospitals and schools. A tax credit approach might also be tried by providing a tax credit for salaries to people who work in the public sector. In other words, while a hospital worker or an education assistant might earn less than a comparable private sector employee, he would be eligible for a tax credit for a percentage of his salary which would make up the difference of his income.

I do not pretend to have all the answers as to how such a public sector program might best operate. A public sector program would enable us to guarantee a job to everyone who is willing to work, and I believe that the goal is important enough that we should direct all our energies toward finding the mechanism whereby this can be done. Public service jobs should have meaning, however, both to the individual employee and to society. The services of all our citizens in productive work are too badly needed for us to create vast numbers of publicly subsidized jobs just to give people something to do.

These, then, are my thoughts on the direction we should be moving in the 1970's to train our citizens for the jobs which must be done to keep our economy healthy and our society progressive. It is my hope that these suggestions, along with all others, will be part of a new national focus on the manpower needs of our Nation.

Mr. President, I ask unanimous consent to have the text of the bill printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the text of the bill will be printed in the RECORD.

The bill (S. 2192), to provide an incentive for private employers to employ and train unskilled individuals certified by the Secretary of Labor by allowing an income tax credit for wages paid to such individuals, introduced by Mr. PERCY, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 2192

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Employment Incentive Act of 1969".

STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to increase employment opportunities for individuals whose lack of skills and education acts as a barrier to employment at or above the minimum wage.

TITLE I—CERTIFICATION OF EMPLOYEES AND EMPLOYERS

DEFINITIONS

SEC. 101. For purposes of this title—

(a) The term "Secretary" means the Secretary of Labor.

(b) The term "certified individual" means an individual who holds an unexpired and unrevoked certificate issued to him under section 102.

(c) The term "certified employer" means an employer who holds an unrevoked certificate issued to him under section 103.

(d) The term "minimum wage" means, with respect to any certified individual or certified employer, the higher of—

(1) the minimum wage prescribed by the Fair Labor Standards Act of 1938 (whether or not such minimum wage otherwise applies), or

(2) the wage customarily paid by the employer to his employees for the services performed, or to be performed by the individual.

(e) The term "subpart C" means subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (as added by title II of this Act).

CERTIFICATION OF INDIVIDUALS

SEC. 102. (a) In order to implement subpart C, the Secretary shall, during the three-year period beginning on the effective date of this title, issue certificates to individuals whose employment by a certified employer entitles such employer to a tax credit under such subpart with respect to wages paid to such individuals.

(b) An individual shall be eligible to be issued a certificate under this section if—

(1) his skill, training, education, or job experience is below that required for employment at or above the minimum wage;

(2) if unemployed, he has sought but has not been able to obtain employment at or above the minimum wage for a period of not less than five weeks; and

(3) he meets such other criteria as the Secretary may prescribe as necessary to carry out the purpose of this Act.

(c) Upon application made therefor, the Secretary shall issue a certificate to an individual who is eligible therefor under subsection (b), except that the Secretary shall not issue more than—

(1) One hundred thousand certificates during the first twelve-month period after the effective date of this title;

(2) Two hundred thousand certificates during the second twelve-month period after such effective date; and

(3) Two hundred thousand certificates during the third twelve-month period after such effective date.

(d) Each certificate issued under this section shall expire at the end of three years after the date of issuance. For purposes of subpart C, the certificate issued to a certified individual shall, unless sooner revoked under subsection (e), be effective with respect to periods of employment not exceeding twelve months during such three-year period.

(e) The Secretary shall revoke a certificate issued under this section if he finds that the individual to whom such certificate was issued—

(1) was not, at the time of issuance, eligible under subsection (b); or

(2) accepted employment with a certified employer and voluntarily terminated such employment.

For purposes of subpart C, any such revocation shall be effective only for periods after the date on which the Secretary issues such revocation.

(f) An individual shall be eligible to be issued only one certificate under this section. If an individual's certificate is revoked under subsection (e), the Secretary may, in his discretion, reissue such certificate to such individual for the remainder of the period for which the certificate was originally issued.

CERTIFICATION OF EMPLOYERS

SEC. 103. (a) In order to implement subpart C, the Secretary shall issue certificates to employers who will be entitled to the tax credit under such subpart with respect to wages paid to certified individuals employed by him.

(b) Any employer shall be eligible to be issued a certificate under this section if he establishes to the satisfaction of the Secretary that—

(1) his employment of certified individuals will not have the effect of impairing or depressing the wages, working standards, or opportunities for full employment of his present employees;

(2) his business is not affected by any abnormal labor condition, such as a strike, lockout, or similar condition;

(3) he will afford each certified individual employed by him equal opportunity for full-time employment at or above the minimum wage, and will provide fringe benefits comparable to those provided for noncertified employees, not only during the effective period of such individual's certificate for purposes of subpart C but also after the expiration of such period;

(4) he has a formal or on-the-job training program which will upgrade the skills and enhance the productivity of certified individuals employed by him; and

(5) he will not discriminate on account of race, color, religion, or national origin in the employment of certified individuals.

(c) Upon application made therefor, the Secretary shall issue a certificate to an employer who is eligible therefor under subsection (b).

(d) Each certificate issued under this section shall be effective, for purposes of subpart C, for periods on and after the date on which application is made under subsection (c), or, if later, the date on which the Secretary determines that the employer first fulfills all the requirements for eligibility specified in subsection (b).

(e) The Secretary may revoke a certificate issued under this section to any employer if he finds that such employer no longer fulfills the requirements specified in subsection

(b). For purposes of subpart C, any such revocation shall be effective only for periods after the date on which the Secretary issues such revocation.

ADMINISTRATION

SEC. 104. (a) The Secretary shall administer the provisions of sections 102 and 103 through such offices and divisions of the Department of Labor as he determines desirable.

(b) The Secretary shall, from time to time, transmit to the Secretary of the Treasury or his delegate a list of certified individuals and certified employers and such other information as the Secretary of the Treasury or his delegate may request for purposes of administering subpart C.

(c) The Secretary may prescribe such rules and regulations as he determines necessary for the purposes of this title.

REPORT TO CONGRESS

SEC. 105. On or before October 1, 1970, October 1, 1971, and October 1, 1972, the Secretary shall submit a report to the Senate and the House of Representatives with respect to the performance of his functions and duties under this title. Each such report shall contain an evaluation of the effectiveness of the provisions of this Act in achieving the purpose set forth in section 2 and shall include data and information on (1) the number of individuals and employers to whom certificates have been issued under this title, (2) the number of certified individuals who have obtained employment with certified employers and the employment experience of such individuals both during and after the period of their certification, and (3) the response of employers under this title. Each such report may also contain such recommendations for further legislation as the Secretary deems advisable.

EFFECTIVE DATE

SEC. 106. The provisions of this title shall take effect on the first day of the first month which begins more than sixty days after the date of the enactment of this Act, except that the provisions of section 104 shall take effect on such date of enactment.

TITLE II—AMENDMENTS TO INTERNAL REVENUE CODE

ALLOWANCE OF TAX CREDIT

SEC. 201. (a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 40 as section 41, and by inserting after section 39 the following new section:

"SEC. 40. WAGES OF CERTIFIED EMPLOYEES.

"(a) GENERAL RULE.—There shall be allowed to a certified employer, as a credit against the tax imposed by this chapter, the amount determined under subpart C of this part.

"(b) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this section and subpart C."

(b) Part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by adding at the end thereof the following new subpart:

"Subpart C—Rules for Computing Credit for Wages of Certified Employees

"SEC. 51. Amount of credit.

"SEC. 52. Definitions; special rules.

"SEC. 51. AMOUNT OF CREDIT.

"(a) DETERMINATION OF AMOUNT.—

"(1) GENERAL RULE.—The amount of the credit allowed to a certified employer by section 40 for the taxable year shall be equal to the sum of—

"(A) 75 percent of the qualified wages paid to, or with respect to, each certified employee for services performed during the first four months of employment of each such employee;

"(B) 50 percent of the qualified wages paid to, or with respect to, each certified employee for services performed during the second four months of employment of each such employee; and

"(C) 25 percent of the qualified wages paid to, or with respect to, each certified employee for services performed during the balance of the individual's first year of employment of each such employee.

"(2) LIMITATION BASED ON AMOUNT OF TAX.—Notwithstanding paragraph (1), the credit allowed by section 40 for the taxable year shall not exceed—

"(A) so much of the liability for tax for the taxable year as does not exceed $25,000, plus

"(B) 50 percent of so much of the liability for tax for the taxable year as exceeds $25,000.

"(3) LIABILITY FOR TAX.—For purposes of paragraph (2), the liability for tax for the taxable year shall be the tax imposed by this chapter for such year, reduced by the sum of the credits allowable under—

"(A) section 33 (relating to foreign tax credit),

"(B) section 35 (relating to partially tax exempt interest),

"(C) section 37 (relating to retirement income), and

"(D) section 38 (relating to investment in certain depreciable property).

For purposes of this paragraph, any tax imposed for the taxable year by section 531 (relating to accumulated earnings tax), section 541 (relating to personal holding company tax), or section 1378 (relating to tax on certain capital gains of subchapter S corporations), and any additional tax imposed for the taxable year by section 1351(d)(1) (relating to recoveries of foreign expropriation losses), shall not be considered tax imposed by this chapter for such year.

"(4) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return, the amount specified under subparagraphs (A) and (B) of paragraph (2) shall be $12,500 in lieu of $25,000. This paragraph shall not apply if the spouse of the taxpayer has no paid qualified wages for, and has no unused credit carryback or carryover to, the taxable year of such spouse which ends within or with the taxpayer's taxable year.

"(5) AFFILIATED GROUPS.—In the case of an affiliated group, the $25,000 amount specified under subparagraphs (A) and (B) of paragraph (2) shall be reduced for each member of the group by apportioning $25,000 among the members of such group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence, the term 'affiliated group' has the meaning assigned to such term by section 1504(a), except that all corporations shall be treated as includible corporations (without any exclusion under section 1504(b)).

"(b) CARRYBACK AND CARRYOVER OF UNUSED CREDIT.—

"(1) ALLOWANCE OF CREDIT.—If the amount of the credit determined under subsection (a)(1) for any taxable year exceeds the limitation provided by subsection (a)(2) for such taxable year (hereinafter in this subsection referred to as 'unused credit year'), such excess shall be—

"(A) a certified employee wage credit carryback to each of the three taxable years preceding the unused credit year, and

"(B) a certified employee wage credit carryover to each of the seven taxable years following the unused credit year,

and shall be added to the amount allowable as a credit by section 40 of such years, except that such excess may be a carryback only to a taxable year ending after the date of the enactment of the Private Enterprise Employment Incentive Act of 1968. The entire amount of the unused credit for an unused credit year shall be carried to the earliest of the ten taxable years to which (by reason of subparagraphs (A) and (B)) such credit may be carried, and then to each of the other nine taxable years to the extent that, because of the limitation contained in paragraph (2), such unused credit may not be added for a prior taxable year to which such unused credit may be carried.

"(2) LIMITATION.—The amount of the unused credit which may be added under paragraph (1) for any preceding or succeeding taxable year shall not exceed the amount by which the limitation provided by subsection (a)(2) for such taxable year exceeds the sum of—

"(A) the credit allowable under subsection (a)(1) for such taxable year, and

"(B) the amounts which, by reason of this subsection, are added to the amount allowable for such taxable year and attributable to taxable years preceding the unused credit year.

"SEC. 52. DEFINITIONS; SPECIAL RULES.

"(a) CERTIFIED EMPLOYER.—For purposes of this subpart, the term 'certified employer' means an employer to whom a certificate has been issued by the Secretary of Labor under section 103 of the Private Enterprise Employment Incentive Act of 1968, but only with respect to periods for which such certificate is effective for purposes of this subpart as prescribed in such section.

"(b) CERTIFIED EMPLOYEE.—For purposes of this subpart, the term 'certified employee' means an individual to whom a certificate has been issued by the Secretary of Labor under section 102 of the Private Enterprise Employment Incentive Act of 1968, but only with respect to periods for which such certificate is effective for purposes of this subpart as prescribed in such section.

"(c) QUALIFIED WAGES.—For purposes of this subpart, the term 'qualified wages' means—

"(1) the compensation paid to an employee for services rendered by him while he is a certified employee, and

"(2) the cost of benefits provided for an employee while he is a certified employee which is paid or incurred by the employer by reason of the employment relationship,

but only if the compensation described in paragraph (1) equals or exceeds the minimum wage (as defined in section 102(d) of the Private Enterprise Employment Incentive Act of 1968) applicable to such employee. Upon request of the Secretary or his delegate, the Secretary of Labor shall determine whether the compensation paid to any certified employee for any period equals or exceeds the minimum wage applicable to such employee.

"(d) LIMITATION ON NUMBER OF CERTIFIED EMPLOYEES.—For purposes of this subpart, the number of certified employees of any certified employer which may be taken into account for any pay period shall not exceed—

"(1) in the case of an employer of ten or less employees, 50 percent of the total number of employees,

"(2) in the case of an employer of more than ten but less than one hundred and one employees, 25 percent of the total number of employees, and

"(3) in the case of an employer of one hundred and one or more employees, 15 percent of the total number of employees.

"(e) EARLY TERMINATION OF EMPLOYMENT.—For purposes of this subpart, the qualified wages paid to, or with respect to, a certified employee—

"(1) during the first four months of his employment, shall not be taken into account if he ceases to be an employee of the taxpayer before the end of such four-month period,

"(2) during the second four months of his employment, if he ceases to be an employee of the taxpayer before the end of such four-month period, and

"(3) during the third four months of his employment, if he ceases to be an employee of the taxpayer before the end of such four-month period.

The preceding sentence shall not apply with respect to a certified employee who ceases to be an employee of the taxpayer because of death or disability.

"(f) SUBCHAPTER S CORPORATIONS.—In case of an electing small business corporation (as defined in section 1371)—

"(1) the qualified wages for each taxable year shall be apportioned pro rata among the persons who are shareholders of such corporation on the last day of such taxable year, and

"(2) any person to whom any qualified wages have been apportioned under paragraph (1) shall be treated (for purposes of this subpart) as the taxpayer and the certified employer with respect to such wages.

"(g) ESTATES AND TRUSTS.—In the case of an estate or trust—

"(1) the qualified wages for any taxable year shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each,

"(2) any beneficiary to whom any qualified wages have been apportioned under paragraph (1) shall be treated (for purposes of this subpart) as the taxpayer and the qualified employer with respect to such wages, and

"(3) the $25,000 amount specified under subparagraphs (A) and (B) of section 51(a)(2) applicable to such estate or trust shall be reduced to an amount which bears the same ratio to $25,000 as the amount of the qualified wages allocated to the trust under paragraph (1) bears to the entire amount of the qualified wages.

"(h) LIMITATIONS WITH RESPECT TO CERTAIN PERSONS.—In the case of—

"(1) an organization to which section 593 applies,

"(2) a regulated investment company or a real estate investment trust subject to taxation under subchapter M (section 851 and following), and

"(3) a cooperative organization described in section 1381(a),

rules similar to the rules provided in section 46(d) shall apply under regulations prescribed by the Secretary or his delegate.

"(i) REGULATIONS.—The Secretary of the Treasury or his delegate shall prescribe such regulations as may be necessary to carry out the purposes of this subpart."

TECHNICAL AND CLERICAL AMENDMENTS

SEC. 202. (a) The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 is amended by striking out the last item and inserting in lieu thereof the following:

"SEC. 40. Wages of certified employees.
"SEC. 41. Overpayments of tax."

(b) The table of subparts for part IV of subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Subpart C—Rules for Computing Credit for Wages of Certified Employees

(c) Section 381(c) of such Code (relating to items taken into account in certain corporate acquisitions) is amended by adding at the end thereof the following new paragraph:

"(24) CREDIT UNDER SECTION 40 FOR WAGES OF CERTIFIED EMPLOYEES.—The acquiring corporation shall take into account (to the extent proper to carry out the purposes of this section and section 40, and under such regulations as may be prescribed by the Secretary or his delegate) the items required to be taken into account for purposes of section 40 in respect to the distributor or transferor corporation."

EFFECTIVE DATE

SEC. 203. The amendments made by this title shall apply to taxable years ending after the date of the enactment of this Act.

Mr. PERCY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement by the Senator from New York (Mr. JAVITS), which he is unable to deliver because at this time he is in his home State.

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

STATEMENT OF SENATOR JAVITS

In stating so clearly the case for a new federal manpower policy for the 1970's Senator Percy has redirected our attention—and I hope our energies—from the important single questions concerning particular training programs to the necessary overview of our manpower policies.

We have promises to keep: The promise that employment provides a vehicle in which the nation's disadvantaged can drive away from poverty. And a promise that the way to deliver upon that pledge lies through involvement of the private sector, as well as additional commitments from the public sector. Programs such as JOBS (Jobs in the Business Sector) program have taken us successfully down one road that runs through the private sector, and the Administration's willingness to find a home for additional resources in that program is a welcome sign. However, as Senator Percy has pointed out, there are many other avenues running through the private sector that must be explored if we are to meet the nation's manpower needs. The legislation which he has introduced today to provide a tax credit to employers is a welcome initiative, adding to previous efforts undertaken by the Republican members of the Senate and House. Last year Senator Percy joined with Senator Prouty, myself and eight other Republican Senators in introducing the National Manpower Act of 1968, which combined a tax credit approach with a number of other provisions implementing the recommendations of the National Advisory Commission on Civil Disorders.

As we know, legislation for the purpose of expanding the opportunities in the public sector came within only five votes of passing the Senate in 1967. I am pleased that Senator Percy has called attention to this important aspect of our total manpower picture. A recent survey revealed that there are at least 140,000 public service job possibilities in 34 cities that could be filled by the hard-core unemployed or underemployed person. We need to do some new thinking—of the kind that Senator Percy has suggested—to formulate incentives for greater public sector opportunities.

The Administration has promised a comprehensive plan. As the President said in his message of February 19, 1969:

"One of the priority aims of the new Administration is the development by the Department of Labor of a comprehensive manpower program, designed to make centrally available to the unemployed and the underemployed a full range of Federal job training and placement services."

As that plan is presented and the approaches proposed by Senator Percy and others are reviewed, we must have firmly in mind the many questions that arise with respect to the relationship between new manpower programs and other state and federal efforts to combat poverty, as well as the relationship between components within the manpower program. We must view any new proposals in light of any reforms in our welfare system. And we must not forget that of our total manpower budget, only about one of every ten federal dollars is spent on programs operated by agencies of the federal government.

Almost a year ago, Dr. Ralph David Abernathy's poor people's campaign demanded the end of hunger in America. The Administration has made a substantial, if not complete, commitment of resources to that end. This year's poor people's campaign has renewed last year's request for a comprehensive jobs bill to provide three million new jobs in the private and public sectors. With the benefit of the President's implementation of his pledge and the initiatives such as those taken by Senator Percy and others, I trust that we will begin to translate the tenets of a free enterprise society into an opportunity for enterprise for all.

Mr. SCHWEIKER. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. SCHWEIKER. Mr. President, I want to compliment the Senator from Illinois on his fine remarks. I should like to asociate myself with his remarks and to compliment him for his fine work in this area. It is obviously a well-studied, well-reasoned, and logical approach, and I commend the Senator from Illinois for his fine talk.

Mr. PERCY. I thank the distinguished Senator from Pennsylvania

Mr. President, I yield the floor.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider three nominations for the position of U.S. attorney, which were unanimously reported earlier today by the Committee on the Judiciary, and which have been cleared unanimously on both sides of the aisle.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeding to consider executive business.

U.S. ATTORNEYS

The bill clerk read the nomination of Richard K. Burke, of Arizona, to be U.S. attorney for the district of Arizona.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The bill clerk read the nomination of Richard L. Thornburgh, of Pennsylvania, to be U.S. attorney for the western district of Pennsylvania.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

The bill clerk read the nomination of Stewart O. H. Jones, of Connecticut, to be U.S. attorney for the district of Connecticut.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FANNIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT'S VIETNAM ADDRESS

Mr. FANNIN. Mr. President, on Wednesday evening the President gave the Nation a realistic and comprehensive assessment of the picture in Southeast Asia. The speech is particularly significant because it is the first time a Chief Executive has summed up the options, the possible ramifications of future actions, and the candid possibilities for peace. This frank and genuine approach to the issue of Vietnam is totally refreshing.

The American people have had their hopes lifted so often before, only to be dashed upon the rocks of reality that I now think the President's speech of Wednesday evening will go a long way toward drawing the Nation back together again. We can move forward together in pursuit of an honorable and enduring peace for that troubled part of the world.

President Nixon made it inescapably plain in his calm and masterful presentation, that this war can be ended and shall be ended, but not by sacrificing honor upon the altar of expediency. I do not doubt that Communist military leaders all over the world understand that our President has a commitment to see that "American prestige" is no longer an empty phrase.

THE ABM SAFEGUARD SYSTEM

Mr. FANNIN. Mr. President, the paramount responsibility of the Federal Government is to provide for the common defense. Conscience demands that every Member of Congress, everyone who holds Federal office by election or by appointment, must share this awesome responsibility.

We, all of us, deplore war and desire peace. We long for a world in which all nations will have renounced forever the employment of military power against their neighbors.

We believe that all men were intended by their Creator to be free. Our hearts go out to the victims of aggression. War contradicts the humanity of man, brutalizes and disfigures society, violates the Commandments of God, and is indicted by history as the supreme author of misery and frustration.

Mr. President, I yield to no man in my desire for peace. There is no division in this House over that objective.

The American people long for an end to the conflict in Southeast Asia. The mothers and fathers of our sons who fight for us there endure the agony of uncertainty and pray for peace.

There is, Mr. President, in this body, indeed in the Nation, a wide division of opinion as to the propriety of our presence in Southeast Asia. That matter has been examined and debated in this body. It is not my desire to contribute to that controversy. I mention that conflict only because I believe the passions aroused by Vietnam—our desire to bring an end to that conflict—may be responsible for our inability to unite in support of one aspect of our defense needs which I believe critical to the future of this Nation.

I refer to the proposal for the establishment and deployment of the antiballistic missile system the President of the United States has designated as Safeguard.

I have paid close attention to the opinions expressed by those who oppose and resist the effort to increase the defense capabilities of our Nation.

I have heard it said the ABM's will not work. Some say the ABM system is unnecessary. Others contend it will be too expensive. And finally, that somehow it is provocative.

Mr. President, the year before the Wright brothers successfully flew the first airplane a conference of the Nation's most distinguished scientists gathered in New York City declared solemnly that it would be impossible for a heavier-than-air machine ever to fly.

Reputable scientists opposed the development of the hydrogen bomb on the grounds that it would not work.

The achievements of our technological society in this century suggest that nothing is impossible. We have sent men to the moon and brought them home again.

No one can guarantee that every ABM installed will function precisely in the manner desired. But surely our experience of the past two decades supports the opinion of that segment of the scientific community which declares that the ABM will work.

The theoretical argument will continue, but can it stand in face of the fact that we have indisputable evidence that the Russians have already deployed such a protective system around some of their cities and some of their installations?

Mr. President, I hope and pray that the Safeguard system is unnecessary. I hope and pray that no nation will ever launch intercontinental ballistic missiles carrying atomic warheads against another nation. But considering the state of the world, can we declare there is no necessity to provide this instrument of defense for the American people?

Following World War I, we dismantled our defensive Military Establishment. We renounced war. We devoted all our energy and attention to peaceful pursuits. In December 1941, our fleet was attacked at Pearl Harbor.

Who can deny that the relative weakness of America's defense posture at that moment influenced the decision to attack us?

Until all men and all nations have renounced war, and accepted the rule of law, the defense capability of this Nation must never again be so weak as to permit another Pearl Harbor.

I agree with all of those critics who declare that our necessary expenditures for the national defense impose a great burden upon our economy.

I agree that the billions spent for armaments and armies might much better be employed to satisfy our social needs. We know that war is waste. There is a desperate need to devote more of our resources to improving the life and the lot of our citizens at home.

But, Mr. President, I am compelled to ask: How long would a defenseless America remain a free America?

President Nixon's proposal calls for a much smaller expenditure than advocated by the previous administration. More than 2 years ago—on April 12, 1967—I spoke in this Chamber in support of President Johnson's proposal to employ an ABM defensive system. I believed then, as I believe now, that the first responsibility of a Member of this body is to make sure that America possesses the unquestioned ability to defend herself effectively against any attacker.

The Safeguard system is purely a defensive mechanism. The President intends to deploy it only in protection of those missile bases upon which we must depend for the power to retaliate against the surprise attack. The ABM's will never be fired unless another nation first attacks us.

Does any Member of this body believe that if the United States of America were to unilateraly abolish its Army and its Navy and destroy all the weapons we possess, world peace would automatically follow?

The lessons of history instruct us that when a nation is weak and incapable of responding to an attack the temptation becomes overwhelming to those men and nations committed to expanding their territory and their power.

The opponents of the ABM declare that to establish this defensive mechanism would provoke our enemies and inspire an escalation of the arms race. Does the installation of a burglar alarm provoke anyone other than a would-be burglar?

Mr. President, I am not one who believes that war is inevitable, or that this planet must ultimately destroy itself and its populations in an atomic holocaust. But commonsense compels me to resist the notion that the deployment of the ABM to enhance our defense capability will inspire some predatory nation to launch an attack against us.

Since the end of World War II the people of this Nation have given away more than $100 billion as evidence of their earnest desire to build a peaceful world, and yet there has been no peace.

For almost 150 years the people of this Republic, protected by the vast oceans surrounding our continent, remained aloof from the quarrels of Europe and the rest of the world. We can no longer rely on the protection of those ocean barriers.

I renounce the notion that the conflicting ideologies which separate our world must inevitably identify certain nations as our enemies, or that there is no possibllity of peaceful cooperation between the free world and the Communist world, or that we should not continue our effort to negotiate with the Communists and to achieve mutual understandings. But I say it is naive to ignore the realities.

Mao Tse-tung, the dictator ruler of Red China, believes that war between that nation and our Nation is inevitable. Should we refuse to listen to the words of his designated heir apparent, Lin Piao,

who has called upon the people of China to prepare themselves for an armed conflict with the capitalist free world?

We are reminded in the excellent report prepared for the National Strategy Committee of the American Security Council of the words of Leonid Brezhnev, first secretary of the Communist Party, who on March 29, 1966, told Congress of that party in the Soviet Union:

> Ever harder times lie ahead for capitalism. The fact that it is doomed is becoming increasingly clear. But the capitalists will never surrender their rule voluntarily. The working classes and the laboring masses will achieve victory only in the course of stubborn class battles.

Mr. President, does anyone really believe that the shrimp have learned to whistle? Is there any evidence that the disciples of Marx and Lenin have renounced their ambition for world domination and are now willing to join us in our quest for world peace?

Are we to ignore the realities of North Korea and North Vietnam and the Middle East?

The newspaper headlines tell us, supported by a dispatch from the Associated Press on May 12, of the explosion of Soviet-built rockets in the slum districts of Saigon.

On March 16, 1969, there appeared an article in the official newspaper of the Soviet Armed Forces written by Major General Reznichkenko, who said, and I quote:

> With the appearance and introduction of nuclear weapons into the armed forces, a new stage began in the development of the theory of the military art. During the last ten to fifteen years our country has made a gigantic leap forward in this development. The armed forces have changed completely, thanks to the wise guidance of the CPSU and its central committee, and the successes of Soviet economics, science and technology. Our armed forces have been equipped with the necessary number of various kinds of nuclear weapons with first class delivery systems, and also with new kinds of weapons and equipment.

And the general continued:

> Surprise is a very important principle in military art which determines whether victory is achieved during combat action. Surprise makes it possible to anticipate the enemy in delivery strikes, takes him unawares, paralyzes his will, sharply reduces his combat capability, disorganizes control, and creates favorable conditions for defeat of even superior forces.

There can be no question about one grim truth—the Soviets have passed us in the development and deployment of ICBM's.

The Soviets have developed and deployed an antiballistic missile system designed to defend their primary target areas from any attack.

The most authoritative information available to us suggests that although the gross national product of the United States runs almost twice that of the gross national product of the U.S.S.R., the Soviet is investing from two to three times as much in strategic military forces annually as we are.

On February 9 of this year, Secretary of Defense Melvin Laird told the American people, in an appearance on "Face the Nation," that the Soviets are presently spending $3.70 on defensive nuclear weapons for every $1 the United States is spending. And when this figure is converted in terms of gross national product it is apparent the Soviets are spending seven times more of their national product on defensive nuclear weapons than we are.

Let me recite another alarming statistic: the U.S.S.R. is investing from two to three times as much in strategic military forces annually as we are. And I would remind the Members of this body that strategic forces are dedicated to offense, not defense.

Mr. President, I have listened patiently to those who argue that the Russian people are no more anxious for war than are the people of the United States—that the people of Russia are supporting their military machine because they stand in deadly fear of an attack from the United States of America.

I truly believe the people of Russia share our desire for peace, but they are ruled by the hard-core Communist dictators who have deliberately spread the false propaganda that the United States intends to attack Russia. And I brand that charge and that claim as an outrageous falsehood.

I believe the Russian masters do have reason to fear the United States of America; not because of our military power; not because we would ever launch a military attack against the Soviet; not because we would ever try to impose our form of government on them; but rather because they recognize that their doctrine of slavery and domination is eternally threatened by the forces of freedom.

They know the United States of America will never initiate an atomic war, but they recognize that the superiority of the Western concept of man's place in creation denies the legitimacy of their military dictatorships.

Mr. President, confronted with the truth that the Communists inspired and supplied the armies of North Korea, that the Communists inspire and supply the armies of North Vietnam, that the Communists are contributing to the unrest in the Middle East, that the leaders of Red Russia and Red China have declared again and again and again that the capitalist world must be destroyed; how dare we hesitate to vote whatever is necessary in social and scientific resources to make the defense capability of the United States as nearly invulnerable as possible?

Mr. President, at the end of World War II we had the greatest military power ever assembled upon this earth. We were the sole possessors of the atomic secrets. Did we use that power to enforce our will upon the rest of the world? Did we extract tribute from our defeated enemies? Did we attempt to enlarge the dimensions of our territory?

Mr. President, who can deny that it was our rapidly reconstructed military strength, our possession of the atomic weapons, which has helped to prevent a third global conflict?

It is weakness that provokes aggression.

It is strength that restrains the aggressor.

It was the weakness of the people of Czechoslovakia, powerless to resist the superior military might of Russia, which dictated the deplorable events of this year.

The junior Senator from the State of Washington reminds us it was the Soviets who acted first to develop long-range intercontinental surface-to-surface missiles.

The Soviets acted first to test fire an ABM against an incoming nuclear armed missile in 1962, and they are the only nation to have done this.

The Soviets acted first to develop and test a 60-megaton bomb, and they are the only nation to possess anything like that size bomb.

The Soviets acted first to develop and deploy a fractional orbital bombardment system—FOBS—a first-strike-oriented weapon, and they are the only nation to have developed or deployed such a system.

The Soviets acted first to deploy an ABM setup. They have been testing, improving, and updating that system ever since. Today there are over 60 antiballistic missiles deployed on launch pads.

When the Soviets invaded Czechoslovakia in August 1968, they violated 17 treaties—one of which was only 17 days old.

Mr. President, we cannot rely on treaties. We cannot put our trust in the belief that because war is wrong and wasteful, there will be no more wars.

Let us have done with wishful thinking.

Let us put aside the temptation to rationalize away the cruel realities of the world at this moment.

Let us hold forth the hand of friendship and help to all peoples of the world.

Let us continue to pursue the avenues of negotiation.

Let us attempt to persuade the other nations of the world that war is waste and war is folly.

When our nation was going through the agony of its birth, at a particular crucial moment in that conflict General Washington gave the order, "Put only Americans on guard tonight." he wanted to be sure of the loyalty of his watchmen.

Let us make certain that our capacity to defend these shores against any aggressor will be superior.

Let us make sure that our strength will stand as a positive deterrent to any reckless adventurer casting jealous eyes on this continent and its people.

Let us now take that positive action which will permit the historians of the future to declare that the Congress of the United States in the year 1969 so added to the defense capability of the United States of America as to preclude the possibility of any successful attack upon that nation—and thus, by taking the potential profit out of war, made peace more possible.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT NIXON'S SPEECH ON VIETNAM

Mr. MANSFIELD. Mr. President, President Nixon's speech on Vietnam was comprehensive and flexible; it was candid but deliberate. It was a mixture of old conditions laid down by the previous administration with some new interpretations by the present administration and an infusion of the President's personal determination to try to bring the war to an end without a prolonged delay.

The two most significant items, I believe, were, first, its stress on self-determination for all the people of South Vietnam; and, second, the call for simultaneous withdrawal of all non-South Vietnamese military forces as soon as an agreement can be reached.

The latter point would appear to leave some room for practical maneuver. At the same time, the stress on self-determination, in my opinion, underscores the fact that a lasting settlement depends on all the people of South Vietnam, together, working out their future political structure.

The President indicated that the 10 points which were recently advanced by the National Liberation Front were already receiving the most serious and immediate attention of his administration. The outline of proposals in his speech is in the nature of a complement to these proposals. It may be that the two approaches, taken together, will form the basis for the beginning of serious negotiations. As I view them, both sets of proposals are open to a certain "give and take," and the combined initiatives, in my opinion, create an opening which could lead to a responsible solution.

It is late in the day, to be sure; the war has claimed too many lives and continues to claim them. The devastation of city and countryside remains unchecked. It is to be hoped, therefore, that the 10 points of the NLF and the eight points of President Nixon will now go before the Paris conferees without delay and receive the urgent and relentless attention of all concerned.

An aspect of the President's speech which seems to me highly significant was his personal determination to keep his pledge to end the war "in a way that would increase our chances to win true and lasting peace in Vietnam, in the Pacific, and in the world." After reaffirming that pledge the President made the following statement:

> If I fail to do so, I expect the American people to hold me accountable for that failure.

There is no shirking the reality in that statement. There is no evasion of the grim burden of the Presidency. The President has his responsibilities; he has faced up to them, and has begun to act on them by counterposing his eight points to the 10-point proposal of the National Liberation Front.

The reaction, both from Hanoi and the NLF, has been negative, but only in a restricted sense. It has been focused primarily on the third point of the President's proposals; namely, the withdrawal of remaining U.S. and allied forces, as the remaining North Vietnamese forces return to the North.

The U.S. proposals bear President Nixon's personal imprimatur. It is the first public statement of his administration which is of worldwide interest as well as of deep concern to the people of the United States. This statement raises a new hope for peace. On the basis of this approach, perhaps, some light may begin to show at the end of the tunnel. Perhaps, these two sets of proposals may lead to a responsible settlement and this barbaric, tragic, and brutal war can be brought to a close in a peace based on Vietnamese self-determination.

I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a UPI news article setting forth the rival proposals of President Nixon and the Vietcong.

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

THE RIVAL PROPOSALS

Here are the 10 points in the Vietcong peace proposal of May 8, and the 8 points offered by President Nixon last night:

NIXON

1. Withdrawal of all non-South Vietnamese forces from the South as soon as agreement can be reached.

2. Withdrawal of "major portions" of U.S. allied and other non-South Vietnamese forces over period of 12 months, after which the remaining troops would remain in noncombat base areas.

3. Withdrawal of remaining U.S. and allied forces as remaining North Vietnamese forces are returned to the North.

4. Creation of an international supervisory body by mutual agreement to oversee troop withdrawals.

5. The international body would arrange a supervised cease-fire in Vietnam.

6. The international body would hold elections.

7. Arrangements would be made as soon as possible for release of prisoners of war by both sides.

8. All parties would agree to observe the Geneva agreement of 1954 regarding South Vietnam and Cambodia, as well as the Laos accords of 1962.

VIETCONG

1. Respect for Vietnamese people's independence, sovereignty, unity and territorial integrity as recognized by Geneva agreement.

2. Unconditional withdrawal of all U.S. troops and bases from South Vietnam.

3. Self-determination by Vietnamese parties on nature of Vietnamese armed forces in South Vietnam.

4. Political self-determination for South Vietnam by South Vietnam, with free elections and a coalition government.

5. The interim coalition government would oversee withdrawal of allied troops, assure civil liberties and hold free elections.

6. South Vietnam will conduct its foreign policy based on peace and neutrality.

7. Reunification of Vietnam, North and South, without outside interference.

8. North and South Vietnam will join no military alliances, allow no foreign troops on their soil and refuse to recognize military protection from any military alliance or bloc.

9. Negotiated release of prisoners of war and agreement by the United States to bear responsibility for war destruction.

10. International supervision for the withdrawal of U.S. and allied troops.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TUESDAY, MAY 20, 1969

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order of Wednesday, May 14, 1969, that the Senate stand in adjournment until 12 o'clock noon on Tuesday next.

The motion was agreed to; and (at 2 o'clock and 40 minutes p.m.) the Senate adjourned until Tuesday, May 20, 1969, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate May 16, 1969:

EXPORT-IMPORT BANK

John Conrad Clark, of North Carolina, to be a Member of the Board of Directors of the Export-Import Bank of the United States.

NATIONAL AERONAUTICS AND SPACE COUNCIL

William A. Anders, of California, to be Executive Secretary of the National Aeronautics and Space Council.

U.S. ATTORNEYS

John L. Bowers, Jr., of Tennessee, to be U.S. Attorney for the eastern district of Tennessee for the term of 4 years, vice John H. Reddy, retired.

William R. Burkett, of Oklahoma, to be U.S. Attorney for the western district of Oklahoma for the term of 4 years, vice B. Andrew Potter.

William L. Osteen, of North Carolina, to be U.S. Attorney for the middle district of North Carolina for the term of 4 years, vice William H. Murdock.

Otis L. Packwood, of Montana, to be U.S. attorney for the district of Montana for the term of 4 years, vice H. Moody Brickett, resigning.

George E. Woods, Jr., of Michigan, to be U.S. Attorney for the eastern district of Michigan for the term of 4 years, vice Lawrence Gubow, resigned.

Charles H. Anderson, of Tennessee, to be U.S. Attorney for the middle district of Tennessee for the term of 4 years, vice Gilbert S. Merritt, Jr., resigned.

U.S. MARSHALS

J. Pat Madrid, of Arizona, to be U.S. marshal for the district of Arizona for the term of 4 years, vice Roland S. Mosher.

John C. Meiszner, of Illinois, to be U.S. marshal for the northern district of Illinois for the term of 4 years, vice Joseph N. Tierney, resigned.

Fred C. Sink, of North Carolina, to be U.S. marshal for the middle district of North Carolina for the term of 4 years, vice E. Herman Burrows.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 16, 1969:

DEPARTMENT OF JUSTICE

Ira De Ment, of Alabama to be U.S. attorney for the middle district of Alabama for the term of 4 years.

Stewart O. H. Jones, of Connecticut to be U.S. attorney for the district of Connecticut for the term of 4 years.

Richard K. Burke, of Arizona to be U.S. attorney for the district of Arizona for the term of 4 years.

Richard L. Thornburgh, of Pennsylvania to be U.S. attorney for the western district of Pennsylvania for the term of 4 years.