and compares it to other student revolts nationwide.

Before Columbia the pattern of taking buildings had been established in several other schools beginning with the Berkeley Free Speech Movement at the University of California in 1964. At that time most observers tended to view the demonstrations as a Berkeley problem and to analyze the causes as related to that institution. Since then each campus outburst has been seen as peculiar to the campus on which it occurred.

At Columbia the students attempted to force the faculty as a whole to take a stand, but succeeded only in the lesser goal of exposing the faculty as unable or unwilling to separate itself from the institution and the faculty's stake in it.

THE REVOLUTION

Taylor's book is about the student revolution—how it started, what it means, and where it is going. With a sense of reasoned urgency, Taylor argues that students in the United States and abroad are major agents of social change, and that the universities must be reformed in ways which can give to student talents and energies a chance for expression in political, social, and cultural action. At present, the students are without teachers to whom they can give their loyalty, respect, and trust. They have accordingly turned to one another for the intellectual and moral leadership they fail to find in the university and the social system it represents.

After describing the character and history of the student movement, the author analyzes the relations between the mass culture and the educational elites, the nature of the present university crisis, the causes of student unrest, and the philosophy of education now dominant in American Institutions of learning. He urges a return to progressivism in educational thought and action. The longest section of the book, the Reform of Mass Education, presents a series of concrete recommendations for reforming the system of teaching and learning to restore a sense of purpose and relevance to the work and students and teachers in the schools and colleges.

Taylor cities the instrument of educational change developed by San Francisco State College students in their experimental college with the result that the curriculum of the entire institution has been enriched

The Cockburn and Blackburn study, published in cooperation with the New Left Review, examines the real nature and international implications of student activism in Britain. Students have piecemeal grievances over discipline, examinations and grants. What is wrong with established student organizations? How does the student differ in the established universities, in art colleges and in teacher training colleges? And most important since students are often accused of fomenting anarchy, what is the strategy for the future?

CONGRESS CAN HELP SAVE THE BAY AND DELTA

HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 8, 1969

Mr. WALDIE. Mr. Speaker, the popular effort to protect and preserve San Francisco Bay, its estuary, and the Sacramento-San Joaquin River Delta from probable ecological disaster by the planned diversion of some 80 percent of this system's normal fresh water inflows is gaining widespread support and publicity.

Instrumental in this effort is the effective contribution of the area press. An example of that support is an excellent editorial that appeared in the August 26, 1969, edition of the Antioch Ledger of California.

Mr. Speaker, it is my privilege to enter this editorial, "Congress Can Help Save the Delta," in the RECORD for the edification of the Members of Congress:

CONGRESS CAN HELP SAVE THE DELTA

Contra Costa County's fight to preserve the quality of Delta waters is a long, complicated battle, but it appears that momentum may be picking up.

The recently concluded Congressional Committee hearings are just a small chapter in the long saga, but they could well prove to be a significant turning point.

When the Committee on Conservation and Natural Resources studies all the testimony before it and comes up with a recommendation, we expect them to reasonably decide that there must be more safeguards to the Delta before the Peripheral Canal is built.

We expect that the testimony of oceanographers, marine biologists, and other water experts will override the obviously conflicting testimony of William Gianelli, director of the Department of Water Resources.

The committee, and Congress as a whole, is in a better position to assess the situation in the Delta than Gianelli, or, frankly, Contra Costa County officials.

Let's face it, Gianelli, if given a choice between fulfilling contracted water deliveries south and preserving the Delta, he would be expected to choose the former.

That's his job.

In the same light, Contra Costa County officials, if given the same choice, would elect to save the Delta and let the State Water Project fail.

It's our water.

We expect Congress can look at the problem from an over-all viewpoint, and demand a reasonable solution through its control over the federal purse-strings.

The over-riding principle in this water debate is that you may take excess waters from one area to help another.

No one will argue that we don't have excess waters. The flooding of Sherman Island is positive proof that there are years when Northern California has too much water.

But the application of this principle demands that you do not degrade the water of an area by shipping out anything but the excess water.

This is what the debate is about.

Contra Costa County has maintained that the Peripheral Canal can benefit the Delta waters if operated properly.

But the phrase "if operated properly" is the key.

The Peripheral Canal will not be "operated properly" if outflows of 1,800 cubic feet per second are used to maintain the quality of the Delta and San Francisco Bay waters.

The expert, impartial testimony bears that out, Gianelli's opinions to the contrary.

Yet it is exactly by those standards that the Peripheral Canal is proposed to be operated, as outlined in the 1965 Memorandum of Understanding.

Those standards may be raised after state hearings on water rights currently conducted in Sacramento are finished, but the balance of power, and the votes, in California rest in the southern part of the state.

We hope adequate water quality safeguards are established for our waters, so that the federal government will not have to do what the state should do for itself.

We do not think the State Water Project, with $2.8 billion tied up already, should be stopped.

But if adequate safeguards are not adopted for the Delta, enforceable in court, then there appears to be no alternative but to halt the project by whatever means necessary.

And one of those means is the Congress refusing to participate in the destruction of the Bay-Delta water system by paying for half of the Peripheral Canal, as presently proposed.

SENATE—*Tuesday, September 9, 1969*

The Senate met at 11 o'clock a.m. and was called to order by the Vice President.

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

Eternal Father, as on this day we offer our tribute of esteem and affection for our fallen colleague, Everett McKinley Dirksen, may Thy grace be sufficient for all our needs.

Surround all who are near and dear to him with ministries of comfort and healing. And to us give Thy peace.

Through Jesus Christ, our Lord. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Everett McKinley Dirksen, late a Senator from the State of Illinois.

The message announced that the House has passed a bill (H.R. 11039) to amend further the Peace Corps Act (75 Stat. 612), as amended, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the bill (H.R. 7206) to adjust the salaries of the Vice President of the United States and certain officers of Congress, and it was signed by the Vice President.

HOUSE BILL REFERRED

The bill (H.R. 11039) to amend further the Peace Corps Act (75 Stat. 612), as amended, was read twice by its title and referred to the Committee on Foreign Relations.

DEATH OF SENATOR EVERETT McKINLEY DIRKSEN

The VICE PRESIDENT. The Chair lays before the Senate two resolutions of the House of Representatives, which will be read.

The assistant legislative clerk read as follows:

H. Res. 531

Resolved, That the House of Representatives accepts the invitation of the Senate to

attend memorial services for the Honorable Everett McKinley Dirksen in the rotunda of the Capitol on Tuesday, September 9, 1969, at 12 o'clock noon.

Resolved, That the Clerk communicate these resolutions to the Senate.

H. Res. 532

Resolved, That the House has heard with profound sorrow of the death of the Honorable Everett McKinley Dirksen, a Senator of the United States from the State of Illinois.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of thirty-two Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

Resolved, That as a further mark of respect to the memory of the deceased, the House do now adjourn.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, September 8, 1969, be dispensed with.

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

TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business not to exceed 20 minutes, with a limitation of 3 minutes to statements made by Members during that period.

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

ORDER FOR RECOGNITION OF SENATOR SYMINGTON

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, after the Senate returns from its recess subject to the call of the Chair, the distinguished Senator from Missouri (Mr. SYMINGTON) be recognized for not to exceed 40 minutes.

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

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

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

ORDER FOR ADJOURNMENT FROM TOMORROW, SEPTEMBER 10, TO 10 A.M., FRIDAY, SEPTEMBER 12, 1969.

Mr. MANSFIELD, Mr. President, I ask unanimous consent that, at the conclusion of the business of the Senate tomorrow, the Senate stand in adjournment until Friday morning at 10 o'clock.

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

Mr. MANSFIELD. In other words, the Senate will not meet on Thursday, so that those of us who wish to do so—and I am among them—will be able to attend the funeral services for our late and beloved colleague, Senator Dirksen, at Pekin, Ill.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is my understanding that at the conclusion of the remarks by the distinguished senior Senator from Missouri (Mr. SYMINGTON), the 3-hour limitation will go into effect, the time to be equally divided, as previously agreed to last week.

The VICE PRESIDENT. The Senator is correct.

NO WAR IS A GOOD WAR

Mr. SYMINGTON. Mr. President, at times it would appear that some of us do not realize what would be the effect of a full nuclear exchange between two or more countries.

With that premise, I ask unanimous consent that a recent most thought-provoking editorial from the St. Louis Post-Dispatch, entitled "No War Is a Good War," be printed at this point in the RECORD.

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

NO WAR IS A GOOD WAR

Many Americans, including some in high places, are complacently toying with a dangerous idea—that our national interest would be well served by a war between the Soviet Union and Communist China.

That the friction between these two countries could actually come to war has long seemed incredible, but their menacing gestures and the continuing outbreaks of border fighting make the possibility less incredible every month. In the spirit of "let's you and him fight," unthinking Americans show an increasing tendency to welcome such a conflict. If the Russians and Chinese destroy each other, it is supposed, the United States can only gain.

History ought to tell us otherwise. Prior to World War II, many Americans and West Europeans tended to welcome the possibility of war between the Russians and Nazi Germany. Behind the psychology of Munich lurked the obscure hope that if Nazi aggression could be diverted to the East, Britain and France would be spared. It didn't work out that way. And even after the West had been attacked, no less a person than Harry Truman greeted the news of Hitler's assault on the Soviets with satisfaction. Let 'em kill each other off, it was said: good riddance!

The flaw in this reasoning was that every war produces a postwar situation, and when we came to think about the kind of world we would have to live in after a Russo-German war it became apparent that it was not in our interest to see all Europe dominated by any single power, whether it be Russia or Germany. We therefore found ourselves in the war on the side of Russia, which we had treated as an implacable enemy not so many years before.

The postwar situation that resulted was far from ideal, but nobody now doubts that it was infinitely preferable to one in which the Nazis would have emerged as undisputed masters of Europe and of Russia. Nor can it be doubted that the best of all outcomes would have been the avoidance of war altogether, had this been possible.

If today it seems wholly unthinkable that we could ever find ourselves fighting at China's side in a war against Russia, the logic of history tells us: don't be so sure. Should those two nations actually come to blows, it would not be long before Americans increasingly realized that conquest by either one would be to our disadvantage. We would not want to see the largest population mass of Asia controlled by Europe's largest power, nor European Russia controlled by China. Irresistible pressures would be set up to draw us into the conflict on one side or the other; and if nuclear weapons were used, as seems likely, we would suffer from the fallout as much as anybody else.

It is definitely not in our interest, therefore, that Russia and China should go to war. In the nuclear age no war anywhere can be complacently accepted. Our national welfare will best be served by a world of diversity, mutual respect, peace and independence. Ideologically we may oppose both China and Russia, but we are better off with both of them co-existing than with one conquering the other. As their own ideological affinities did not prevent the collapse of what used to be called the Sino-Soviet bloc, so our ideological differences need not prevent our living at peace with both, and encouraging them to do likewise.

What the United States can do to influence Soviet and Chinese policy is limited. But at least we can be clear in our minds that a Russo-Chinese war would make the world an even more dangerous place than it is, and that our interests call for doing what we can to prevent such a calamity.

THE AIR ROAD WILL WIDEN

Mr. SYMINGTON. Mr. President, as the various aspects of airpower continue to be discussed, I would hope that Members of the Senate would be interested in a superb address delivered earlier this year at the Wings Club by one of the truly great pioneers of aviation, Grover Loening.

In that for many years I have been emphasizing the importance of VTOL, STOL—and better still V/STOL—development, the conclusions reached by Mr. Loening were of special interest.

So as to show the extraordinarily wide experience of this outstanding author, who was an assistant to the first man who ever flew, as well as chief engineer of the U.S. Army Aviation Section prior to our entrance into the First World War, I ask unanimous consent that the preface to his address, written by Tore H. Nilert, president of the Wings Club, be printed at this point in the RECORD.

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

PREFACE

In this seventh decade of the twentieth century we make much of the postulate that there has been more technological and scientific advance than in all the preceding history of man.

This is especially the case in aviation, for we have gone from Kitty Hawk to the moon in sixty-six years—in short, within the life span of men who are still with us and, more specifically, within the active working career of Grover Loening.

I do not know where Mr. Loening read the news of Kitty Hawk or what importance he attached to it at the time. But he was then only seven years away from his Master's degree in Aeronautics at Columbia, the first such degree ever awarded in America.

He has been continuously—and significantly—engaged in aviation ever since. He built his own first airplane, the Aeroboat, in 1912. He was assistant to Orville Wright in 1913 and Chief Aeronautical Engineer to the U.S. Army Aviation Section in 1914. He pioneered the first American steel frame airplane, rigid strut monoplane bracing and the first practical amphibian aircraft with a retractable undercarriage. He has blazed trails in helicopter design. The Leoning Flying Yacht set world records and opened the first significant market for private airplanes. The Loening Amphibian was the vehicle for the great Pan-American Good Will Flight by the Army in 1926. Loening research airplanes have helped extend the horizons of aeronautics in many directions.

Grover Loening has been much more than an inspired hardware man. He has articulated his knowledge and experience in countless lectures and books, his most recent book "Take off into Greatness" having received most favorable reviews. His 1937 report to Congress as Aircraft Adviser to the Maritime Commission set the guidelines for government at the start of American trans-oceanic air commerce. Five years later, at the War Production Board, he sparked the contemporary development of the all-cargo airplane.

In private enterprise, as consultant he has served the Chase Bank, Curtiss-Wright, Grumman, Fairchild and many others; and he has been a director of Curtiss-Wright, Pan American Airways, Fairchild, The Flight Safety Foundation and New York Airways.

Mr. Loening has for twenty years been a member of the Advisory Board to the National Air Museum. He is an Early Bird and a Quiet Birdman, a Fellow of both the AIAA and the Royal Aeronautical Society. He holds the Eggleston and Guggenheim Medals and the Collier and Wright Memorial Trophies. Were this London and we the members of our sister club there, I am certain that a grateful sovereign would long ago have dubbed him something like Lord Loening of Biscayne.

All of this is by way of confessing that the Wings Club cannot honor Grover Loening half as much as he has honored the Wings Club by accepting our invitation to present the 1969 Sight Lecture.

The purpose of these lectures—and this is the sixth in the series—is to give us some insight into where we have come from, where we are and where we are going; to survey the future in the light of the past; and perhaps to prevent us from repeating our errors or omissions.

Aviation has been particularly fortunate in attracting men of intellect as well as of accomplishment; and we have been privileged in the past to hear and, one hopes, heed—Sikorsky, Hunsaker, Littlewood, Hildred and von Braun.

This year, we are especially privileged to have as Sight Lecturer a man who has seen it all happen and who has had a finger in every phase of it, from constructing Bleriot copies in 1911 to researching the design of the heliport on the Pan Am roof. We are even more fortunate that our lecturer has matched his technical skills with an ability to relate them to the larger context of society and to communicate the result of his thought. Above all, he has cherished and maintained an independence of mind and an impatience with the clichés which have become almost as numerous in aviation as government forms.

The 1969 Sight Lecture may not comfort us or make us particularly complacent. But we can expect, if we listen well, to be the wiser for it.

TORE H. NILERT,
President.

Mr. SYMINGTON. I also ask unanimous consent that the address itself, entitled "The Air Road Will Widen With Systems Approach and Design Courage," be printed at this point in the RECORD.

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

THE AIR ROAD WILL WIDEN WITH SYSTEMS APPROACH AND DESIGN COURAGE

It is, indeed, an honor to be invited to follow the previous five Sight lecturers—so great is their prominence and distinction. The aviation world has found in their words highly important guidance, perspective, and inspiration.

Sikorsky gave us much of his dramatic history and lessons to be learned therefrom for the coming VTOL age. Hunsaker helped so much with his penetrating analyses, summaries, and appraisals. Littlewood—whose passing is such a great loss—gave us some pregnant looks into the future and warnings against questionable present trends. Hildred added a knowledgeable and incisive review of air transport's effect on the world. And von Braun showed us how Space development will become the end product of our incessant air march to ever "faster, higher and farther."

In the classic pattern of these lectures, it may well be quite rewarding and convenient to divide our periods of hindsight, insight, and foresight into the following eras: For the past we study the period of 1925 to 1946. For the present we look to our era of 1947 to 1968. And for the future we present a picture based on contemplating and speculating on the coming period between 1969 to 1990. Within these three generations the story of Air-Space will certainly have been written—the first two periods witnessed, although perhaps not yet fully assessed.

My own history, already recorded in my books, articles, and lectures, is hardly distinguished enough to warrant tiresome repetition here. In brief, I started early—I rode a magnificent wave not of my own making. My aspiration here is to present a return of at least something in repayment, for the wonderful life I have had in the air world, with its rewarding recognitions and splendid associations.

I. WHERE WE HAVE BEEN, 1925–46

We start then with the momentous year of 1925. World War One had vanished into the hazy distance. The contentions and scandals involved in building up American aviation by a starved but eager Army and Navy and ambitious but frustrated infant industry, had finally led President Coolidge to appoint his "President's Aircraft Board," the famous Board, headed and actively directed by Dwight Morrow—one of the few government-inspired investigations in our history that resulted in concrete results of lasting value. The Board's intelligent recommendations were quickly acted on by a sensible Congress and by mid-1926 the fundamental set-up for aviation had at last been established.

In the War Department (Army) and in the Navy Department, Ass't. Secretaries for Air had been provided with authority to expend larger appropriations based on the very much needed continuity of a Five Year Plan. The industry could thus really plan with some assurance that the "fits and starts" kind of manufacturing it had been subject to was over. But more important for the future was the establishment in the Department of Commerce of an Aviation Bureau with an Ass't. Secretary to head it, which would and did put air commerce under licensing and regulation for safety and legal responsibility which the infant air industry had been clamoring for.

At about the same time the Air Transport part of Aviation got its first beginning by the passage in early 1925 of the Kelly Bill, authorizing the Post Office Department to divest itself of its inspiringly successful Air Mail operation and to place it in the hands of private contractors.

At this point the keen, litigious struggle of transport under government contract or of certification by government, started. This beginning marked the distinctive difference between the vitality of our American competitive system and the almost universal, government-owned, operated or subsidized system that all other big nations in the world had adopted.

Other great milestones in this 1925–26 era included the start of the Guggenheim munificence which was to prove so effective, first in building up technical training institutions and wind tunnels, and then in encouraging the establishment of a well organized and successful passenger air transport line—Western Air Express from Los Angeles to San Francisco.

Ford, too, made his historic entry into airlines and manufacturing at this stage and there is no denying that this stimulus helped enormously to put transport aviation on a faster track, spreading greatly added confidence in Aviation's future.

It would be well at this point to define further our objectives in this study, if for no other reason than to limit the various facets of this now enormous aviation field to those that we will have time to consider. Our principal objective is to search the past for errors that we may still unknowingly be following—to contemplate the present to see if we are giving emphasis to the most important and profitable aspects and to peer into the future for that prescience that is mandatory, to get the most out of the precious dollars hopefully and wisely spent, rather than ridiculously squandered on new fads or fancies.

Not being a militarily trained participant in Air Progress, and since many of the existing military features and certainly most of the new developments are on the secret list, I deem this no occasion for me to delve into that area. We must, however, realize that contracting for the Services has long been the bulk of our manufacturing business. And even though commercial aviation in transport, in business use, and in space has become so great (particularly in peacetime), military air activity commands our attention. *The contracting and industry upbuilding influences and practices of military procurement are still quite paramount.* We grew on them from 1925 to 1946, and are profiting in our civilian industry from the huge facilities, the engine and aircraft developments, the training of thousands of workers from mechanics to air scientists that were a legacy of such trenchant consequence.

Let us limit ourselves, therefore, to consideration of the following outstanding features of the generations we are studying.

How the design of aircraft changed and under what influence

In 1925 it was a brave designer indeed who would venture to advocate any airplane type but a biplane. In fact, the Loening amphibian itself had to be a biplane in order to achieve any kind of a selling appeal, even though the designer knew it would be 200 pounds heavier and 10 miles an hour slower than a monoplane type that he favored for years, but to little avail. Why? This is a very typical example of how stubbornly users will oppose change. And yet by 1946 there was hardly a single biplane in the air, either in civilian or military use—excepting, of course, some treasured hangups from the earlier era.

Will the day come in 1990 when all aircraft will land vertically, and horizontal-landing-aircraft will have joined the biplanes in museums

What brought about the change from the biplane in marketable American plane types

was largely the influence of Fokker and Junkers from Germany. When Tony Fokker hit our shores with his cantilever internally-braced wooden monoplane-wing transports with steel tube welded fuselages, he demonstrated much superior performance in speed, load capacity, and cheaper maintenance. Thus what little American competition there was in the Curtiss "Condor" biplane, and a few other biplane transports like the Sikorsky trimotor S–35 and the Boeing "82" biplane rapidly disappeared from the scene. At the same period the final death knell of the biplane was given by the sensationally successful advent of the Ford-Stout stressed-skin cantilever aluminum all-metal wing monoplanes, at first in the single Liberty motor version and then with the famous and still lasting Ford "Trimotor," the famous "Tin Goose."

The importance of the Ford milestone was registered by the high regard in which Henry Ford's name was held. From then on the keynote of how to build an airplane was sounded, with such finality that it lasts to this day, some forty years later. Change came only with the appearance of the low wing designs of Boeing in the "247" and Douglas in the fabulous "DC–3", as well as several others, such as the Lockheed "Electra" and the Vultee. They marked the low wing design predominance in the late thirties over the high wing design of Fokker and of Ford.

It must be noted that in 1926 the retracting of landing gears was just beginning in both civilian and military designs and that the low wing lent itself ideally to this feature.

Also of great importance in this era was the gradual increase in power from single engine to four engine installations. It is generally accepted that the reason for multi-engine usage was to "increase safety." This is not so at all. In fact the early designers were very nervous about increasing the complication and pilot skill requirement for commercial use. But what they did need for the transport market (to make money on) was very much larger aircraft. The biggest engines of the day were not yet big enough to carry the larger loads that were needed both for military use and for commercial profit.

Multi-engine installation added to the fire risk. It did no good when the weather closed in, or if the pilot passed out. If the plane ran out of gas, to what avail the number of motors? The public, however, were no doubt entertained and reassured when the bright aviation promoters hitched on to the gimmick of "multi-motor safety" as an added selling point for air travel.

Flying boats—particularly the large transport ones—also rapidly became multi-engine cantilever monoplanes.

Other major design trends in aircraft construction in the 1925 to 1946 period included "lighter-than-air" dirigible balloons and in particular the Zeppelin type. This is all so far away now that few of us remember the excitement and the arguments involved in this part of the air industry's activities. The highly promoted German effort to present this unique area as one that would dominate the skies of the world and take over its air commerce evoked a sense of international rivalry in the U.S., not unlike the effect of Russia's awe inspiring "Sputnik" some thirty-five years later. There is no denying that, to the Navy, as a long distance scout before our aircraft ranges were so greatly extended, there was distinct value to the Zeppelin. It cost us something like one hundred million dollars, however, to find out that this was a dead-end street. Stark tragedy after tragedy dogged their activity even when the safer helium gas was used. Imposing—they were; but too flimsy to withstand severe weather. Militarily very vulnerable; and commercially not yet fast enough to translate their roominess and load-carrying capacity into profitable ton-miles per year.

The Zeppelin's legacy to our industry was the development of the alloy, "Duralumin" and how to fabricate and make the most of it. This was worth a lot.

Military design continued apace in this period. For example, what was to become one of the truly great aircraft of World War Two was begun as a purely speculative venture by Boeing in 1935.

This aircraft was a four-engine monoplane that was to become famous under either its technical name of the B–17, or its popular name of the "Flying Fortress." This was the great war-horse of aviation in World War Two, the greatest single United States aircraft in helping win that war. It had everything. Fine, sweet, and—for a plane that big—high maneuverability. Like all other truly great planes—like the Douglas DC–3, for example—this pioneer four-engine cantilever, folding-landing-gear, 50,000 pound aircraft was to have a major influence on the design of airplanes for decades to come.

Engines also underwent design changes of great import in this early period. Growth in power was from 200 h.p. in 1925 to 3500 h.p. by 1951. The principal design change was the advent of the radial air-cooled engine—stimulated from two main sources, the Navy and Air Transport builders.

In Europe the water-cooled engines that had developed during the Second World War were chiefly the Hispano, the Rolls-Royce and the Mercedes, and they advanced for over ten years in use and in growth. In America there was quite a different story. While there had been some sporadic building of air-cooled engines like the Bristol and Gnome in Europe, the water-cooled type still continued to dominate the scene.

With the huge volume of Liberty water-cooled engines that clamored for consumption from war surplus in America, this water cooled engine was naturally the one most used by us. But in 1925 the revolution in our acceptable engine designs went far ahead of Europe. This was due principally to the pioneering in radial air-cooled construction by Charles L. Lawrance, and subsequently by the Wright Aeronautical company with which Lawrance merged. They brought out the famous and faithful "Whirlwind," that pulled Lindbergh across the Atlantic in his great 1927 epic flight to Paris, 36 hours without missing a beat. All manner of records were made by radials in ensuing years.

Near the start of the 1925 period the Army and the Post Office, the greatest users of aircraft, had, however, stuck to the water-cooled Liberty 12 cylinder 400 h.p. motor that was making plenty of earlier records to make them happy. But they were in error here, and the Navy saw its opportunity, and jumped in boldly, to concentrate on the use of the Lawrance and its Wright growth versions as well as giving encouragement and orders to the newly formed Pratt & Whitney outfit, starting with its famous "Wasp" series.

The rivalry of the Army and Navy must not be overlooked. It was a sharp stimulus to progress. In its deliberate championship of radial air-cooled engines the Navy thus won one round easily, and to the great benefit of American aviation for many years to come.

The pioneer air transport builders quickly sensed the desirability of the air-cooled radial with its lighter weight and cheaper maintenance. As the twenties grew into the thirties the multi-motored Fokkers, Fords, Douglas and Boeing land planes all were designed and perfected with no water-cooled engines whatever. The pioneer ocean-spanning flying boats, the Sikorsky "S–42," the Martin "Mars 130" and the Boeing "314" were all air-cooled-engined monoplanes.

The Army used Liberties for a long time and also the fine Curtiss "D–12" water-cooled engines which won so many races. Belatedly, however, in 1941, the Army adopted under General Arnold's direction an "about-face" rigid rule that all fighter pursuit planes were to have only air-cooled radial engines. To show how mistaken the authorities can occasionally be, this was a totally wrong decision for that particular moment. It had been completely overlooked that the wonderful "B–17" would need a fast enough escort-fighter for its protection. This could not be done by the radial powered planes, which lacked speed enough and range. Yet sitting in the test hangar at Dayton, ignored and not even programmed, was the Rolls or Allison water-cooled North American P–51 "Mustang," which was shortly to become the greatest American fighter. This occurred, however, only after Major "Tommy" Hitchcock, leading Ace in both wars, and the War Production Board had practically forced the "P–51" upon a reluctant Army.

These were some of the trends that developed in design before 1946.

The wide and varied usage of aircraft began in earnest in 1925

Ambition had motivated the proponents of the many ways in which aircraft could be exploited. We were all fired with unquenchable enthusiasm. The Kelly bill . . . the Morrow Board legislation . . . the new willingness of banks to loan money . . . the Guggenheim Fund spark . . . and the flight of Lindbergh, that set the airplane stage for its great steps forward . . . all took place within a short year or so.

The C.A.M. routes for mail-carrying companies started up one after another. We cannot but find some of the better known ones, which survived the air-mail cancellation attack by a willful President Roosevelt in much the same form they started with. The industry was gradually producing, or making available, aircraft that would do a rewarding job, first in carrying mail and then carrying overnight passengers.

Spectacular competition took place in the domestic market, and Europe looked on aghast at a growth that was so freed of the stilted and bureaucratic bog they were sinking in. National Air Transport, Pan American, Ford-Stout, Western Airlines, T.W.A., American, United Air Lines, Eastern, etc. followed each other in bewildering array.

Then other fields opened up, such as aerial photography, crop dusting (where Delta got its start). Private ownership spread its new wings with a background of farm and rural usage of a size and scope that was an eye-opener to our friends in Europe. Nothing like this existed over there.

Water-based aircraft also were very vital in the 1925 to 1942 period just before we entered the Second War. Particularly in the late thirties, Pan American and American Export (later developed into American Overseas Airlines) were busy crossing the Atlantic (at first via Newfoundland). Pan American had already pioneered its great ocean flying to South America and the area of the Pacific Ocean. There were three outstanding "Clipper" flying-boats used in these operations—the Martin "130"—the Sikorsky "S–42"—and the huge 72 passenger Boeing "314." This latter 1939 non-stop transatlantic giant was indeed the largest practical aircraft that had ever been put in real service. There had been two abortive larger planes—a 12 engined monstrosity, the "DOX" by Dornier—and the equally ridiculous Russian plane, the "Maxim Gorky."

It is very revealing to note that this "super giant" Boeing "314" of 1939 grossed 82,000 pounds, whereas thirty years later we were to have in flight planes of a gross weight nearly ten times larger.

The Navy made a further wide use of water based planes. But viewed from this distance, the whole concept of their trying to develop aircraft that could truly be called (as the Navy did) "seaplanes" was a forlorn hope, as was eventually evident. At the speeds of land-

ing then customary, and with the weight limitation inherent to plane design, we realize now that protection from spray and destructive wave action in even moderate seas was hopeless; resulting in very awkward designs, heavy, slow, and cumbersome. They would be unlikely to progress substantially due to performances markedly inferior to those of lighter land-planes. Later, when we had abandoned efforts to buck high waves; it became evident that this policy, so dear to the Navy, was on the wrong beam; setting back use of the great water spaces for aircraft at least twenty years. This is why I avoid the use of the term "seaplanes" and refer only to "waterplanes."

In smaller sizes for use in calm waters, harbors, rivers or canals, water based planes have continued in use from earliest days by enthusiasts who rightly love the pleasure of flying off the lakes and water spots all over the country. The peak of water-flying was in the thirties, in this early period. The dock that Mayor LaGuardia had provided at the foot of Wall Street in New York would often see as many as twenty privately-owned float-planes or flying boat amphibians landing their owners for the business day. However, the war soon put an end to this. After the war period in 1946 only a few such craft continued to come into the city. One reason for this was lack of facilities. It was in the period 1925 to 1939 that the Loening amphibian development and that of many others became widely used. The Loening company had its own aerodrome in the heart of New York City, locating its factory at the foot of East 31st Street. Scores of its amphibian deliveries, military and commercial, had for years been made out of Kip's Bay, a wide section of the river at this point. Here, indeed, the way to land in New York City itself was demonstrated.

It must not be overlooked that the reason for amphibian development in the 1925–35 era was also the prevailing lack of landing-fields, and of waterplane bases for docking or mooring. With the amphibian it became very easy also to provide a ramp or a beach up which the plane could be taxied out of water for convenient servicing.

Many were the uses that amphibians could be counted on to provide, particularly in all manner of explorations by the Navy and the Army. No need to recount the wide use of the "ducks" all over the country, in Alaska, in Greenland, around South America, etc. And of course the Army, Coast Guard and Navy, as well as commuting city-to-city lines, Cleveland-Detroit, Chicago-Milwaukee, etc.

Water plane usage in extensive private flying went on also in Chicago, in Philadelphia, and several other points where fine water terminals were available.

Wide amphibian usage did not continue at the end of this period because of their limited war serviceability and, more importantly, because by the end of the war the helicopter had arrived and offered much the same wide scope of landing ability and equal versatility.

All through this pre-World War II period designers were still coming out with better water-flying machines, but the market was too slim and expensive for material growth.

The helicopter's advent in 1946 right after the war, prominently marks the next period that we will study.

Despite all the activity that was engendered in air commerce prior to World War II, one of the most important aviation fields—the field of Air Cargo—was largely overlooked. Cargo operations were going on in several parts of the world; Scadta in South America and Taca in Central America. In Germany, too, and in Russia much flying of cargo to inaccessible places was proceeding. But some strange blindness was obscuring the potentialities of this phase of air-transport in America. For one thing, the Services had not yet woken up to the possibilities of military logistics by air.

In fact, incredible as it may seem, in late 1942, the War Department had requested the War Production Board to allocate no more strategic war materials whatever to Lockheed for the "Constellation" or to Douglas for the "DC–4" because *"these airplanes obviously have no military value."*

Then along came serious review of the conquest of Crete by Germany's JU–52's entirely by air, and there was a very brusque awakening by the U.S. Government. The W.P.B. immediately built a wooden frame factory (steel was in short supply) at Park Ridge, Illinois, now O'Hare Field. Here, in 1943, was put into production the famous "C–54", the military version of the "DC–4". The most famous of the many routes regularly flown by the C–54 was the route through the Himalaya Mountains bringing supplies from India to China, which was called the "Over the Hump" project.

The lag in cargo promotion was one of the poor marks against aviation during the 1925 to 1946 era. The then airline industry would have missed much of it had it not been for vigorous development by the services, and the War Production Board.

How environment was affected by airports and flying

At the start of this period in 1925 there had been few paved concrete runway airports in the U.S. Most of the runways were grass, or at most gravel with tar or regular macadam road construction. Many of the military fields were shamefully muddy, such as Selfridge near Detroit and Bolling in Washington, particularly during the snow melting season. This may be one reason why water-based planes had an allure. The runway lengths were in the 2–3,000 foot class, but as the years wore on, the use of concrete began, and by the end of the war there were quite a few fine new airports in the country, chiefly for the military services, but with a commercial future.

But the "one-track" fixation that has characterized our airport thinking had its genesis at this time and hasn't really left us yet.

As to congestion—there was very little. Actually in 1930 it was estimated, that, for example, there were in the U.S. air-spaces only 8,000 active planes and not all at one time. Of these 2,700 were military, 5,300 general or "service" as they were then called, and a total of 685 Air Transports of all types. The latter carried 386,000 passengers that year, and some airlines were actually starting to make money. Of the 29 contract air-mail carriers their total 1930 airmail earnings were $14,000,000.

As to noise . . . the complaints had already started, but the designers paid little attention. Even at this early date it would have benefitted us, then and now, if designers had been oriented to consider noise as an important parameter.

This early period passed into history and the score at the end of 1946 was: The Army had 30,000 planes in inventory including the Air Transport Command. The Navy had 8,000 planes in occasional service. Although the commercial lines had kept going, largely as an auxiliary for the war operations, real commercial operations quickly picked up and by early 1947 there were 64,000 registered planes in the U.S., of which 30,000 were "Cub" trainer types. There were 3500 two engine planes listed (not all in use) and 385 four engine planes in transport service. Twenty nine air carriers were operating. Returned service pilots were grabbing jobs at salaries of anything from $3,000 a year up: mechanics who had earned $30 a week in 1940 were now in 1946 earning $48. The cost of airplanes for commerce averaged $7 to $15 a pound. Although the costlier ones were of metal construction, the smaller, cheaper ones were still built of steel tube frame with wooden spars and ribs and fabric covering.

One of the finest record flights in history was made in October, 1946 when the Navy flew a Lockheed "Neptune" non-stop from Perth, Australia to Columbus, Ohio, a distance of 11,235 miles in 55 hours.

This was followed by a Lockheed "Constellation" flight across the continent in 7 hours, 27 minutes.

All during this period great advances were made in various fuel improvements, higher octane, obtained by addition of tetra-ethyl lead and special blending agents permitting much higher supercharged pressures and higher power without detonation and overheating.

Metal variable pitch propellers were constantly improved. So, also, were instruments.

Transport speeds had increased from 90 miles an hour in 1925 to 300 m.p.h. in 1946. Nuclear engines were being secretly talked about. Slick magazines had a helicopter in every garage with the housewife going shopping therein.

II. WHERE WE ARE, 1947 TO 1969

We have explored hindsight within the time available to us. Now let's look at our present. The start of this next period marks the end of the World War II era and the settling down into serious business of meeting all our challenges with a wealth of knowledge about mass production (96,000 planes built in 1945!) and with an enormous reservoir of trained mechanics as well as highly qualified aviators from the services. Yet coequally there were relatively few engineers steeped in the requirements of this new up-coming commercial aviation era. Their thinking was not yet adjusted to it.

Fundamental design changes were quite limited during the war, except for the advent of jets, and helicopters

Probably the worst legacy of the huge air operations of the war with which to enter the new path of vigorous profit paying enterprise was the descent from affluence; the nursing of every nickel; the reduction of large staffs to a skeleton force that had to prove itself. Many high-flying plans for the rosy future some of us expected, were discouraged. Hard-headed business acumen was not a war virtue but fixed prejudices were. Although we had gained much thereby one had to realize that talent could not be ordered by the commanding officer any more, nor did money grow any more on those trees that had been fed previously with the fertilizer of endless government funds.

So suddenly things got really tough for the air industry. Added to that were many tangles over questionable profits, much anguish over renegotiations of money already paid out and a general letdown feeling. Nevertheless, we kept going along conservative lines in both the military and the newer commercial angles. Fortunately, the "War Surplus" problem was no longer the great deterrent it had been in World War I.

There are two happy sides to our 1947 picture; the helicopters and the jets.

The development of the jet was by all odds the most important technical development of the war in the field of aircraft. As you know, we owe the beginning of it to the British. In the very early years of the war and shrouded in the greatest possible secrecy, the first sample jet engine was brought to the United States from the Whittle turbine engine factory in England and was handed over to the General Electric Company for duplication and for production. Some American alterations were made and in October, 1942, the Bell XP–59, powered with two of the GE engines, took to the air—the first American jet to fly.

Other jet engine developments quickly followed, so that by the end of the war era in

1946 there were, in addition to General Electric, the new rivals, Westinghouse, Pratt & Whitney, Continental Motors, Menasco, Lycoming, and General Motors-Allison companies, all busily evolving their role in the jet-engine field.

History's next great step was in October, 1947 when the first American rocket-driven plane, the "Bell XF–1" was flown through the sound barrier by "Chuck" Yeager . . . and we then entered the new supersonic age.

Although actual vital changes in aircraft frame types are not as distinctive in the post-war period as they had been during the generation before, many further evolvements of the customary low-wing stressed-metal-skin cantilever types rapidly came into being.

The "C–54", so successful in its war logistics, soon grew into the "DC–4"; and by 1947 appeared as the first real air-line money-maker, soon to be followed by the Douglas "DC–6". This plane came into wide use at once, carrying 52 passengers at 300 miles an hour. Its immediate close rival was the Lockheed "Constellation" slightly faster, and seating up to 64 passengers. From then on these planes, and others like the later Martins and Consolidated-Vultees, staged a typical American competitive-growth battle for orders, not only from this country but also in the European markets (hitherto closed).

Right here we find the reason why the American private enterprise system is so far superior. The way our violent and keen competition beats out the European "closed to rivalry" government-dominated and less imaginative regimen is clear.

We get better planes, that's all.

Before the advent of the turbo-jet applications the enormous production of piston engines had given the commercial operations a varied choice of 2,000 to 3,500 h.p. multi-cylinder air-cooled radial engines from Wright or Pratt & Whitney. They had behind them a convincing war record to insure quite safe operation and with seasoned crews, in plenty, to maintain them.

So we went on through ensuing years quite heedless of the fact that there could ever be anything like a congestion in the wide open air spaces. Presently the piston engines gave way to the smoother, easier to maintain and install turbine engines, even though we knew how much noisier they were. As in the previous era, no engine designer was sufficiently far-sighted to start in right then and there to make noise reduction a fundamental parameter of engine design. Some of this may be excused by the fact that the services did not ask for quietness nor worry one dollar's worth of research about it!

It seemed in the later forties that for any sizable load-carrying plane the obvious power application of these new turbines would be in the turbo-propeller combination. The first formidable entry in the U.S. in this field was the Lockheed "Electra". A few hardy souls felt this was a waste of effort since the inherent contribution of the turbine was also to reduce the expense and maintenance by getting rid of those bothersome props. It was predicted by this lecturer, in his 1948 NACA survey that Turbo-props were merely a way-station to jets. But the industry did not follow this idea, and lost time as well as wasted money in those valuable prop-jet years, when their planes could have been in the 600 mile an hour jet-class instead of the prop-jet 400 m.p.h. bracket (that had succeeded the 300 m.p.h. piston "DC-6, Constellation" era).

As the post-war years wear on, helicopter development in varied designs from Sikorsky, Piasecki (later Boeing-Vertol), Bell, Hughes, and Lockheed are all busy on this line, receiving lots of attention from advanced thinkers, as so well documented by pioneer Sikorsky. But little real business or interest resulted from the Services or the commercial people that counted, except for the Viet Nam requirements in the later years, which have become so commanding, and successful.

As for water-based aviation, this has continued to be completely sidetracked as useless, out of date, and not worthy of consideration or study.

Every year now transport planes get bigger, more luxurious—better meals, movies, etc., fine boarding ramps, quicker baggage handling, but there is no real change in type. More crowding means longer landing delays, fewer schedules on time, ever longer trips to town. *Flying in American skies grows from enthusiastic acceptance to outrageous congestion in 1969 because we fail to make a "systems" approach.*

At the start of the post-war era, with so many useful planes developed and thoroughly tested by the vast operations of the services and particularly of the Air Transport Command, America plunged into the great air-line development that has been growing apace ever since. The A.T.C. operations in the late war years were already very large. In the year 1946, the Air Transport Command actually had already carried over 400,000 passengers, though admittedly on war missions.

The piston-engine transport era that had started in 1946 was initially so well-equipped that we gained a head-start over similar operations in Europe that we have never lost.

An outstanding later development than the "DC–6" and the "Constellation" was the great two-deck Boeing "Stratocruiser" which was developed directly from the Boeing "B–50 Super Fortress Bomber." This carried 80 passengers at a cruising speed of 300 to 340 m.p.h., crossing the continent non-stop in about eight hours. This represented about the peak of the piston-engine transportation.

By 1950 there were some 800 transports, their speeds varying from 200 to 360 m.p.h., and already piling up passenger loads of 30,000,000 passengers per year.

Then we came to the jet-engine era. The turbo-jet engine commercial applications were first sparked in 1948 by the magnificent flight non-stop of the Lockheed "P–80" jet pursuit plane, crossing the continent in 4 hours and 15 minutes. Years of gestation then followed. Boeing taking a new leading part with the 6-engine "B–47" bomber (1948), and its great successor the "B–52" bomber, still in use. By 1957 the Boeing Company had taken its standard 4-engine monoplane design and modified the "KC–135" version that had been built for the Air Force as a tanker, into a 4-jet engine passenger plane carrying 120–160 passengers and as we well know named the "707". This plane immediately developed a cruising speed of 560 miles an hour, making the transcontinental trip from California to New York in 5 hours, and continues to fill the transatlantic as well as the transcontinental skies ever since Pan American's first Paris ocean flight in October, 1958. In very short order this 4-jet transport was joined by the Douglas "DC–8", accomplishing practically the same performance. Since then, of course, various development versions of these planes have come out.

The jet usage is so successful in these years that schedules are again constantly being increased because passengers are constantly increasing in number—clamoring for seats, and adjusting to the new "Jet-Age" life of breakfast in New York and lunch in California, or dinner in New York and breakfast in London.

Forty years after Lindbergh's flight we now come to the startling fact that a jet-liner crosses the ocean every 8 or 10 minutes carrying an average load of 100 passengers at 600 miles an hour 30,000 feet above the weather. In the boring six or seven hours solitude of that calm 30,000 feet, we are indeed getting spoiled. We resort to movies, music, liquor, and much too much food, for appeasement. But the fundamental super-comfort feature of air travel is still the announcement from the cheerful hostess, "We have arrived."

Year after year as the number of schedules increases, so does the number of airlines of all nations. Where is the end?

Meanwhile the use of private taxi and business planes increases, too, in unlooked for volume. Most of them aim a making connections at the major airports with the air-lines on their way to more distant ports.

Then to this influx of traffic, we add cargo planes—also piling into these same great airports until one day we suddenly wake up to find that *we have failed to design a system of air-transport.* We have thoughtlessly allowed an unworkable part of a system to grow unwieldly, out of balance, and almost futile.

Why and what have we missed?

The aircraft designers, the airport authorities, the operators, and the government, too—have all failed to plan for *transportation from center to center.* Instead, we have only, at great expense, provided transport from a distant spot in the countryside to equally remote suburban terminals, a condition to grow even worse with SST coming up. Railroads at least carry you into the city you are aiming at, and so do buses.

Why these distant air stations? Because, of course, the room needed for our current planes to land safely on the wheel-and-axle designed landing gear systems their engineers have given them, demand miles of level concrete. This means thousands of acres of room which we have to get out of town to find. The noise we make requires remoteness also. So our system stumbles right there, the service from city to city unfinished. Devil take the hindmost! The dear passenger finds himself a taxi—if he can. Or a bus, possibly too crowded. Or a helicopter, already full. Or a train.

All of these are haphazard and chancy. They would not be, if the airline finished what it undertook when it sold that ticket for a trip from one center to another city or town. Meaning that the airline or the airport authority fails to provide rapid transit from the remote field into the center, or to locate the airport originally where there was rapid transit available, or where the location required none.

The 40-mile-out giant new airport at Miami is an excellent example of good planning showing that it is as important right now for it to have rapid transit, by ground or air, planned and financed, as it is to build runways. This cost is part of the cost of the airport. Let's make it all together a system that has the objective of delivering the passenger to his destination without having to rely part way on some competing or otherwise crowded form of transportation.

What form could this transit service to town take for an airline or the tenants of an airport as a unified group to operate?

Using present roads would add to road congestion. The possibility of totally new roads faces years of delay for condemnation proceedings, etc. even if authorized. The same with the railroads. However, if at the same time the new airport is planned there were to be included, as part thereof and of the appropriations therefor, the transit plan—be it by new road, air road, rail line or hovercraft line—to a planned city center terminal . . . that would make some sense. This really would be a "systems approach," conspicuously lacking in plans that have been proposed to date.

The easiest plan for the airport people to put into being would be the use of the air road. This can be done by helicopter service or STOL service (if landing spots

can be located or purchased in the city center). In most of the big cities, helicopter landing-room is available on roofs of docks or of buildings. Along water fronts suitable STOL ports are less easily worked out.

Besides, we must emphasize that STOL aircraft will be just as much a way station to VTOL, as turbo-props were with jets. The turbulent air in cities is already casting much doubt and difficulty in the STOL's path. It is often overlooked that helicopters have the very desirable quality of ironing out turbulent air conditions in an effective way. Witness how even the rather outdated helicopters of New York Airways can handle very rough westerly winds at Wall Street without the passengers noticing it. The use of the certificated helicopter airlines to date has actually been very limited, with only three lines operating in the country. Whether each air transport line should have its own helicopter contractor for this service or whether the airport as an entity should contract for a service for all its tenants will, now, be worked out. But needed it is, in some form.

Congestion in the skies is caused by congestion at the airports

We now come to our real headache—congestion on airways by limited airport facilities. This is fundamentally due to the design of the aircraft that we have to deal with because the designers have as yet failed to get away from the horizontal-flight landing character of the machines that airlines have to use. Thousands of feet of runway that must be kept clear provide the airplane's "little spot to land on." The bulk of planes around today's airports in the transport or high-class business category cannot slow up in the air much below 120 to 180 miles an hour, (when required to circle to await their turn at landing on the long runways that their 80 to 140 m.p.h. landing-speed demands). To avoid collision, holding patterns are rightly prescribed. But each plane ends up using an air space of 50 to 100 square miles for its circling. This means that the air space over the airport with too few runways gets crowded too easily. Desperately seeking reduced crowding, we now curtail landings, ration takeoffs, prohibit certain usages of airports.

This is not the cure. *Our airplanes are the wrong type!*

Nevertheless, struggling with this unfortunate fact, persistent efforts to improve traffic headaches are in the works, chiefly starting with more parallel runways on each airport and more airports.

Why were so many airports built with only one runway in each direction? Should not every direction have had a "landing" runway and adjacent to it a "take-off" runway—a two track design instead of the limited one-track? One answer to this was that the pilots did not rate their own skill highly enough. With the control available on jet-planes and the knowledge now recognized of how the turbulent wakes can be avoided, there seems to be unwarranted fear of planes getting too near each other. Of course, in thick weather, "see-and-be-seen" flying was originally impossible. But now this is already being resolved by the constantly improving airborne radar, and many other ways of seeing from the plane cockpit or from a tower's installation what the pilot cannot see. Total guidance is rapidly being developed, in the thickest fog.

But there again there is the limitation to the tower system of lack of capacity for growth. It could not ever handle the vast increase in traffic that is coming.

For the less demanding little planes in private, general, air-taxi, and other uses, the requirements for tower operation are much fewer. Concerted efforts are being worked on to relegate them and their STOL versions to a separate area of the airport with shorter runways, lower and steeper altitude approach patterns and no tower control needed. Their slow-landing, short-runway character is a relief that must be accented. A further review of procedures may bring multiplane holding-patterns into safe use. Two or three planes could be flying alongside each other in typical service formation manner and, in the same holding-pattern, seeing each other over the overcast. Then they would peel off on signal to enter the landing pattern. Still further deficiency is evident lately,—the lack of enough unloading gates for this ever increasing traffic. This, like the runway stringency, will find temporary but slow solutions.

More extensive and intensified use of existing runways—immense improvements in airborne collision-avoiding radar, particularly made economically viable for the little planes that must see and be seen by the 600 m.p.h. jet planes—reforms in existing tower procedures and, of course, more airports—will as we all know temporarily improve the present rate of acceptance of commercial flying, under present crowded conditions.

But we have not yet solved the transit conditions from airport to civic center. Nor have we solved the existing limitations of the vehicle that we are as yet committed to—in so many ways, an absurd vehicle. It cannot stop and back up . . . without losing its value as an economical high-speed conveyance. All other vehicles; cars, boats, trains, have a complete pilot-operator in control on board, only because they can be stopped and backed up.

"See and be seen" is the great lack in our system. Not feasible for us with this charging monster that cannot slow down itself without courting disaster. Its uncontrollability is mastered by the expensive delaying subterfuge of our elaborate tower control system. Can we ever get away from this?

The only current solutions much spoken of and little done about, are the Verticle Takeoff and Landing proposals (VTOL), of which there are several most promising in configuration. Bell, Sikorsky, Hughes, and Lockheed are all busy on this line. So, too, no doubt are many yet unheard-of young engineers who must be seeing the future glamour of this new trend. But money, both government and private, is strangely shy of this venture area. We might get some real progress in this development if a foreign country like Russia would come forth with a highly successful one, leading the way as now being done by Russia, France and England with the SST.

We need the VTOL badly in this country, but do we need the supersonic transports? Which should have priority?

At this writing the one that can relieve congestion the most is the one that should have priority. It becomes clear as we study it that the VTOL would help relieve congestion much more. The SST will add to air traffic problems due to its speed, and special limitations, sonic boom, etc. The SST's value will be senseless if it has to land too far out of town. Solving the VTOL problem first might rescue it from ridicule.

What will help *congestion in airways* is the giant aircraft like the "747 Jumbo", about to appear. But the "Jumbo" will worsen *congestion at the airport* when it disgorges at one sitting its 400 passengers and their luggage. It will be somewhat like the arrival of an ocean liner at a New York pier. The same kind of pandemonium, luggage mix-ups and waits. For the airline the "Jumbo", however, promises better earnings, because more passengers are carried per pilot's pay, per gallon of fuel, per hour of maintenance labor, etc. On the other hand, the clerks at the counter have to be increased to meet the load of the bigger crowd, and then become a wasted addition during the long waits between less frequent flights.

Whether the loss of frequency of service, by having one schedule in place of three or four smaller ones, will affect the results is not yet established. But the "Jumbo" will give an amount of relief to the airways crowding in that for a given number of passengers, fewer planes will crowd the airlines and runways. The risks of carrying so many eggs in one basket is frequently cited as a great disadvantage of the "Jumbo" plane if it should have an accident. At first, no doubt, it would unsettle orderly acceptance of such large airplanes. But the history of aviation seems to point to acceptance of even so large a disaster, particularly if several other "Jumbo's" continue to fly regularly and safely. There may be passenger resistance, due to this larger size because of the interior seating, the added confusion, the added waits in the aisles and at the counters, etc. But there does not seem to be an impressiveness-of-size appeal in this present step to the "747". Obviously longer and larger than the "DC–8", the new 250 passenger Douglas "61" hardly made any stir at all.

Remaining to be considered as a vital angle of aviation operations is the possible use of water-landing areas in our quest to find more landing space nearer to city centers. Nearly all big cities in the U.S. have water areas adjacent to their centers, New York, Boston, San Francisco, Chicago, etc. These vast open spaces make it tempting to reopen our minds to an appraisal of what changing from land to water would entail. New materials of construction make corrosion much less a maintenance headache than in earlier years. Pressurized fuselages are strong enough now to serve as hulls, merely with slight change in the bottom to give takeoff step shaping. The spray bother with propellers is gone. The whole picture looks much more feasible than it did; and, at least in the case of the SST, water-based operation should receive much more study to get its operation closer to town. We could be missing a viable operating-field because we have not applied our most modern new techniques and materials to making it work much better. It has, however, become unfashionable even to consider that water airports might be offering an unlooked for solution to much of our airway-airport syndrome.

Airport-to-city transit by helicopters may soon become city-to-city by VTOL's

Air transportation is not finished until goods or passengers are delivered near enough to the city centers to make the air-time saving a reality. Even if the delays of congestion over airports were to be reduced to a practical amount, there would still be the time consumed in the trip from the airport into town.

In the last decade, 1959 to now, since jets have made their wide appearance, airports have been pushed ever increasingly away from city centers. This great fault in our air-transport system has become a number one headache.

Road blockage and road inadequacies, particularly in rush hours, as well as equally frustrating train services, have led us to look to the air-road as the solution, and in particular to the helicopter with its close-in landing possibilities.

Thus, we get into helicopter airlines like New York Airways, Los Angeles Airways, and San Francisco Airways. They promise well and indeed deliver the great time-saving they were expected to. But they are presently facing bravely that hard business reality—their inability to make enough profit. Landing facilities, too, are still too limited. Docks, roofs, parks, water and river fronts, are begging to be used. But municipal imagination is stagnant. The City of Miami just finished a billion dollar "Doxiadis" plan for a great future city. There is no mention, whatever, in this elaborate plan of heliports, waterplane landing-docks, or STOL strips! A

planned huge convention hall has no heliport roof—no front door.

The present helicopter costs of maintenance and operation are just too high to allow for profit under prevailing fare-levels. This may largely be the fault of the builders of helicopters. Ever since Sikorsky started his pioneer work, most of the manufacturers have never been pushed hard enough by the services to design more economical structures. The major designers have not given or had the time to give serious attention to abandoning the shaft-gear driven rotors now used—either single rotor with tail prop or tandem rotor. They could have turned to the surely much-less-expensive to maintain tip-jet driven rotors that have been clamoring for development for many years. One reason for this is that the services made no demand for this kind of progress because economy was not in their language on the same level as it is with a struggling commercial airline.

Now, however, the urgent market for close-in aircraft and the added private and company use of helicopters or their derivative, the VTOL, becomes promising, indeed. With this comes the plea to make it all acceptably quiet, usefully fast, and above all, cheaper to maintain.

Both noise reduction and much less expensive-to-maintain design of helicopters appear to be imminent. The pneumatic tip-jet propulsion system offers a great reduction in destructive vibrations and a simple way to transfer the turbine jet's power from the tip-jet vertical lift mode to direct thrust out of a tailpipe to fly fast on wings. The helicopter's curse of being too slow can be lifted and it can become a fast VTOL. Two recent developments further accent the near future advent of such an aircraft—the Lockheed type rigid-rotor and the retractible folding rotors of several designers. The tip-jet application of power also makes more feasible the installation of multiple rotors (three or four) to still further reduce maintenance by eliminating the cyclic-pitch control with all its bothers of tracking, checking bearings and vibrations. Also on the way out would be the hampering stall of the retreating blade. Control would then be by collective pitch change only, and applied on either side or at the tail as desired. A rotor danger, the "Vortex Ring" condition, would also be eliminated.

The principal objection to the tip-jet is a wastefulness in power application. But jet engines are so light that larger ones can be used and since the close-in ranges that these VTOL craft would be used for are so short in distance (and even shorter in time due to higher cruising speed) the added fuel consumed would not be prohibitive. This high fuel consumption has been a cause of hesitancy on the part of designing engineers. But is this not in the same class as their feeling of fright, several decades ago, over jet-engine applications to airplanes because of so much higher fuel used per hour? They failed, in those early days, to foresee that jets meant so much greater miles per hour speed that the gallons per mile remained almost the same!

New heat resistant materials, titanium, new composites, bonded metals, and fiberglass, help much too, in giving justification for serious thought to tip-jet propulsion. Delay in this is the kind of stupid lag that a fast developing art like ours suffers from—making it so difficult for an executive to really plan ahead. His greatest allies should be the engineers and they are so often just too afraid to put their necks out.

Even more importantly—where is the money for new VTOLS coming from?

The NASA buys flying articles, the space-capsules, from blueprints that have never flown in any basic type. Why can't we look for a similar approach in pushing a 60 passenger city-to-airport VTOL? In short order, it would become a city-to-city transport for 200-300 mile ranges, and then this form of fast 300 m.p.h. transit would really make money.

This is not likely to be seen soon, because the fashion of the day is to do more and more research, rather than to build real articles that will fly! This lag applies equally to the FAA as well as to NASA, going as they do all out for the supersonic transport. The SST's will be relegated to far-out airports. As already pointed out, their value will largely be negated by the long trek into town where the passenger really wants to go. The far-out airports are a vital part of the SST system. So, should not this part of an effective SST system have also included fast VTOL airport-to-city transit from the very start?

It has not yet done so.

Facing stark reality we must recognize that these desirable developments are not yet here so what are we doing to meet these headaches of the day? What is the "insight"?

Only a matter of countable months ago this country established a Department of Transportation, so it very probably is not fair to visit our current sins on it, but look at the problems it faces.

We have built tremendously expensive, long-runway airports far from our cities. We have already embarked, or we are facing the problem, of building great freeways to get to them or of going to the vast expense of constructing rapid transit systems for the same purpose.

Desperately, we call for helicopters, STOLS, air taxis, anything to fly over this mess. What do we find? We find that the only system used with any kind of success in the last few years is the helicopter, but that it is so expensive that it must depend on a subsidy authorized by Congress. And in its all-seeing wisdom, the Congress, doing everything in its power to make a bad situation really suicidal, cut off the subsidies.

What a relief in the midst of all this mess would be the advent of a really effective VTOL. The VTOL needs no vast landing area—in fact, the roofs of present airport concourses could be adapted to provide landing space.

What a relief that would be to the control tower operator, who would only have to tell the city-to-city VTOL pilot—who by now really is a helicopter pilot since he is in the vertical lift-descent phase—what gate to land on top of.

And what a relief to the pilot who can simply stop or back up if his airborne radar shows him too near another VTOL.

Let us keep in mind, too, the highly significant development of the "Decca" and other hyperbolic navigation systems which can show the helicopter pilot his location, at any time and in any sort of weather, within a space of a few feet.

Thus we find this period of 1946 to the present, just as full of wrong steers and of triumphs as earlier ones. And for guidance we must note a few additional high points.

The SST has come on the stage. Before we go too far in government directed designing let us recall some axioms. As we have already said—talent cannot be directed by the commanding officer. Nor can a fine painting be executed by a committee. We must look to individual designing.

Noise is the greatest public antipathy, getting more pronounced every day. As we venture into the VTOL area this is even more serious because the helicopter mode needs all its power to land with and is noisiest when closest in. It is inexcusable now for example to have tandem rotors that overlap and add their slapping noise to the engines.

It is perhaps regrettable that the 1938 Air Commerce Act made no reference to aircraft noise or airways congestion, though few could have foreseen all this back then.

Since there was no real plan then or since for an air transport system, we find that huge orders for aircraft were gaily placed by the industry without the slightest thought on its part—or on the part of the FAA—as to what effect these orders would have on what Herb Fisher calls the "fast moving aluminum overcast" of our overcrowded skies.

Catching up with the noise problem at this moment, too, is the mentioned *problem of air pollution,* which we had all better turn our minds to, for today's higher pressure-ratio engines show so much visibly greater exhaust smoke burning their kerosene fuel at the very moment when the public's hostility to every sort of pollution is increasing by the day.

Looking out of the window of a jet plane today, majestic in flight at 600 miles an hour and 30,000 feet or more above the earth, you can look out at an engine that is nothing more than a simple spool spinning around generating its thrust pushing this huge aircraft on its way. Think back in contemplation only a few years.

How did those 28-cylinder radial engines, with all those cranks and pistons and valves in mortal destructive combat with each other, ever survive?

Or where did we ever get the courage to count on their doing so?

III. WHERE ARE WE GOING? 1969–90

Now we can relax and speculate and let our fancy run a bit freer—but not too free if we want to be constructive.

Of the developments that we can foresee that hopefully most of us in this room will actually witness, perhaps the most exciting will be in power plants. The advent of the nuclear engine within the next decade or so is practically a certainty. There is also talk of reviving the steam engine—in a new and sophisticated form, certainly, but still the steam engine so dear to our grandfathers. And some of our more daring engineers are even talking of ways of trying to harness rocket engines, of developing some sort of throttle that would actually be able to control them precisely. What sort of idea would that be for a tip-jet helicopter?

And the compound helicopter now in the works will, when flying in its wing-borne mode, have a much greater advantage over the helicopter mode—a much higher ceiling. These ever-larger fanjets—when shall we call these giant fans by their correct name? They are really ducted propellers, very efficient and a wonderful addition to the jet age.

The second most important development of the future, I think, will be that of an imposing list of new materials. Coming are all manner of strong, light, thermo-setting plastics, glass fibers, ceramics, metal alloys, titanium boron—for all I know perhaps we shall end up with that miracle material "unobtanium" which we have all dreamed of for so long—lighter, stronger, easier to work, untiring, no crystalline cracks, no corrosion!

IV. WE'RE GOING TO HAWAII IN 1980?

It is spring of 1980 . . . and our foresight has had time to crystallize half way along the road to our goal of 1990 . . . We know from earlier decades that in ten year periods things do not change so much that our expectations can't be realized. In this context may I anticipate a flight to Hawaii on May 21, 1980? Such a flight is predicated on that well known postulate—so vividly proven by Jules Verne and Al Capp—that anything man can imagine he is eventually sure to invent into actuality.

My descriptive forecast would read thus.

A few days before leaving I had called Superior Airline Company on my television teleautograph—computer-phone in New York and visually speaking to the clerk I placed my credit card in the slot, picked from his

chart seat number "9–K", my favorite, and bought it for a flight to Hawaii non-stop where I was to join a friend for the weekend. By pressing the proper buttons I thus had paid for this passage. The clerk punching his machine, and mine receiving his signals, produced the ticket itself, which I pulled out. That was that. I did not have to make a reservation; I held the seat ticket, itself, all ready to use. The boring airport-counter process had long been replaced by the direct seat sale as for a theatre. The at-first-hesitant airlines had worked out their computer and recording machinery so that a last-minute cancellation could be made, by adding a small penalty on the charge account, freeing the seat for others.

Luggage handling had been simplified by an electronic up-dating of the way luggage is handled on ocean liners—by initials. This system had been installed following the appearance of the jumbo jets—a simple paper label that had nothing except the first letter of your last name pasted onto each piece of luggage, and when you went to the luggage counter, you simply had to go to the section with your letter over it.

To start on my trip, I went to what were now called the Airline Docks along the East River, the "VTOL Airpark" that reached from 23rd to 38th Streets where the FDR Drive had been totally covered over. Each airline had its own section of this area, where your taxi could unload exactly at the foot of the escalator that would bring you up to your own VTOL plane.

This aircraft area included some fifteen docks, each with a roof capacity for ten VTOLS. This meant a handling capacity of over 100 of these aircraft at the same time, and there were similar installations at the Hudson River, and down at the Battery.

I marvelled at the changes from the old days. Gone, for example, were the hectic days at Kennedy, with the sounds of the ear-splitting exhausts, as the old-fashioned jets went screaming down the thousands of feet of runway in order to pick up enough speed to get into the air, discharging the pollution of their exhausts in addition.

Here at "VTOL Airpark" there wasn't even any delay. I arrived in my taxi, went up the escalator, completely protected from the weather, went abroad the aircraft, showed my ticket to the usher—formerly called "the stewardess"—and was shown to my seat. Alongside the window was a convenient shelf for things like cigarettes (still used in 1980?), and a little wall fixture for holding your hat.

The takeoff was almost unnoticeable, that wonderful feeling of vertical takeoff where the ground just seems to fall away. Even though I knew there was turbulent air outside, our VTOL was steady as a church, so different from earlier trips I had taken in STOLS, where the light wing loading can be so uncomfortable in bumpy winds.

Settling comfortably in my seat, I noticed how smoothly the tip-jet-driven rotors—one on each side and one at the tail—were lifting us through the overcast to an altitude of several thousand feet. I was not concerned because I knew that the pilot was only gradually increasing his forward speed and that his radar and TV screen, which would show him all planes from a distance of 200 feet out to ten miles, would enable him to avoid any collision.

We finally came out into the clear at our assigned altitude, where we came under computerized traffic control. Our speed increased as the retraction of the rotors began. I could feel the wings taking hold and the acceleration that the direct thrust of the propulsion jets were now giving the machine as it transformed itself into a sleek, streamlined-winged airplane moving toward speeds of 1200 m.p.h. The folding and housing of the rotors, about which there had been so much hesitation twenty years ago, did not seem any more of a stunt than the folding of a retractable landing gear of that age. And the rotors were very little heavier, and far easier to maintain, than the gear that could be used only for a few minutes at takeoff and landing.

Eagerly I looked forward to that thrilling moment when we would slow up over Hawaii . . . open up the rotors . . . let them start turning at zero pitch . . . while the wings were gradually relieved of their burden.

Finally we did arrive, and slowed up to almost stationary hovering. I recalled from previous VTOL flights, that wonderful feeling of then sinking slowly, under perfect control, to a light touchdown on the roof spot reserved just for us. No more waiting for runway clearance, no more taxiing for miles to get to a debarking gate.

So secure did I feel, too, in knowing that even if all our power systems failed, the great safety of fully opened rotor auto-rotation would drift us down to some spot of safety on land or water.

As I was thinking this, the Polynesia Hotel came closely into sight below us and we settled down softly to join the other VTOLS already on its roof.

I had completed an effortless jaunt of 5,000 miles in five hours, direct from the dock roof in New York. Later that evening I was able to say smugly to my fellow dinner guests:

"Forward horizontal velocity in aircraft is no longer meaningful without vertical flight for time saving at each end."

CONCLUSION

There is no conclusion to flying's progress. If we do not by 1980 have the imaginary experience I have just described, it will be because we have been too slow in getting going.

As a sort of pragmatist, I feel that, in the industry at the moment, we are doing too much research and too little building. And most of all, too little system planning.

Bothered most of all by the immediate requirements, we can all see that if air traffic is to grow to maturity on its present lines, the first great needs are more runways and more air aids.

But are those present lines the right ones? *My conclusion after taking these "sights" is that they are not.*

Airport and airways developments take precedence *now* . . . only because VTOL is so slow in being translated into real hardware. The cost of such novel aircraft is high, but how much higher will huge airports be!

Before 1990, or surely before that magic New Year of the Third Millenium, the air road will open up to all manner of traffic in a thrilling and rewarding way. But not until we approach our problems with consideration of all systems involved.

And what's more, we must show *more courage and determination in boldly building new and more tractable aircraft.* The rapidity with which daring innovations followed one upon the other, during the earlier days had often led to the quip: "if it works . . . it's obsolete."

Let's hope that we haven't lost too much of this pioneering impetus.

The air transport industry now has on order over 8 billion dollars worth of equipment in fixed-wing aircraft, incapable of flying or landing at speeds under 120 miles an hour. But not a dollar's worth of orders for vertical takeoff and landing planes!

Are the eggs in the wrong basket?

ORDER OF BUSINESS

The VICE PRESIDENT. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON SETTLEMENT OF CLAIM OF THE KLAMATH AND MODOC TRIBES AND YAHOOSKIN BAND OF SNAKE INDIANS

A letter from the Chairman, Indian Claims Commission, transmitting, pursuant to law, a report on the settlement of a claim in Docket No. 100–A, the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians (with an accompanying report and papers); to the Committee on Appropriations.

REPORT OF CIVIL AIR PATROL CORPORATION

A letter from the National Commander, Civil Air Patrol, transmitting, pursuant to law, a report of the Civil Air Patrol Corporation for 1968 (with an accompanying report); to the Committee on the Judiciary.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on an examination of financial statements of the Federal Home Loan Bank Board, for the year ended December 31, 1968, dated September 5, 1969 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the effectiveness and administrative efficiency of the Neighborhood Youth Corps program under title IB of the Economic Opportunity Act of 1964, Gary, Ind., Department of Labor, dated September 5, 1969.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the effectiveness and administrative efficiency of the Neighborhood Youth Corps program under title IB of the Economic Opportunity Act of 1964, Kansas City, Mo., Department of Labor, dated September 5, 1969 (with an accompanying report); to the Committee on Government Operations.

ADJUSTMENT OF IMMIGRATION STATUS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered in behalf of Barbara A. Penaherrera and Maria M. Penaherra relating to adjustment of their immigration status (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the Senate of the State of California; to the Committee on Labor and Public Welfare:

"SENATE RESOLUTION 303

"Relative to continuation of funds to federally impacted school areas

"Whereas, The costs of education in the State of California are borne almost exclusively by the property taxpayers, many of whom find it increasingly difficult to retain

their property with the increasing assessments and tax rate; and

"Whereas, In 1950, the federal government enacted P.L. 874 and P.L. 815, thereby recognizing the responsibility of the United States for the financial impact of government installations on local school districts; and

"Whereas, While some California communities have had a third or more of their land removed from the tax rolls by the federal government, they are still responsible for education of all of their resident children; and

"Whereas, Funds, from P.L. 874 and P.L. 815 have compensated affected school districts in the 3–A category for the influx of school age children living on tax-free property, and, in the 3–B category, partially compensated them for educating the children of government workers living off base; and

"Whereas, The school districts have been notified that an effort will be made in the interest of federal economy to eliminate the 3–B category in the current appropriation bill; and

"Whereas, If such a cut in appropriations does take place, some California school districts will no longer be able to operate and many others will be financially crippled; now, therefore, be it

"Resolved by the Senate of the State of California, That the Members do hereby request the federal government to make the full appropriation under P.L. 874 and P.L. 815, thereby making it possible for California school districts to maintain the present level of education for all students; and be it further

"Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and the Vice President of the United States, to the Secretary of Health, Education, and Welfare, to the Director of the Bureau of the Budget, to the Chairmen of the Budget Committees in the Senate and House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

"This is to certify that the above resolution was adopted by the Senate on July 24, 1969.

"C. D. ALEXANDER,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION 64

"Relative to licensing of nursing home administrators

"Whereas, Public Law 90–248 requires that as a condition of Title XIX reimbursement, there must be a state program for the licensing of nursing home administrators by July 1, 1970; and

"Whereas, The Assembly Health and Welfare Committee has evaluated the need for such licensure and as a result of that evaluation has concluded that licensure of nursing home administrators will not materially affect the standards or quality of care provided in nursing homes; and

"Whereas, Public Law 90–248 has the effect of requiring the Legislature of the State of California to surrender its independent judgment in state matters to the federal government; and

"Whereas, The alternative would be to pass a 'paper' licensing act with few requirements so that all existing administrators could be licensed; and

"Whereas, The Assembly does not consider such a subterfuge in the public interest, nor does the Assembly feel that licensure simply for the sake of licensure is a desirable public policy; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to repeal the nursing home administrator licensure requirement of Public Law 90–248 and to reevaluate the entire area of quality of care in nursing homes in order to develop realistic methods for insuring high quality based upon the actual level of care provided rather than mere licensure of the administrator; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, the Secretary of Health, Education, and Welfare, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"ASSEMBLY JOINT RESOLUTION 59

"Relative to federal-aid primary highway funds

"Whereas, The federal-aid primary highway system in California includes some of the nation's best known routes, such as Route 101 on the California coast, Route 50 from Sacramento to Lake Tahoe, and Route 1, the Pacific Coast Highway, from Ventura to San Clemente; and

"Whereas, The geographical expanse of California lends itself to use of the motor vehicle as the primary means of meeting the transportation needs of the people of this state; and

"Whereas, The Redwood National Park and Point Reyes National Park have recently been established within the state and these parks will generate additional traffic on federal-aid primary system as well as our state highways in areas of the state where such systems are already seriously inadequate to service present traffic demands; and

"Whereas, The improvement of a large portion of the mileage on this system which is needed now cannot be budgeted because of the lack of funds; and

"Whereas, Federal gasoline taxes collected are approximately 20 percent greater than the road funds returned to California from the federal government; and

"Whereas, Substantial deficiencies in federal, state and local highways and roads in California would seem to indicate a greater portion of federal funds should be returned to California to help meet its highway needs; and

"Whereas, The method for distributing federal funds to the states for use on the primary system was first developed in 1916 and is based upon one-third population, one-third area, and one-third post road mileage; and

"Whereas, The California Department of Public Works is now undertaking a federally mandated functional classification study of all streets and highways in the state; and

"Whereas, Such functional classification study may substantially affect the distribution of federal funds throughout the state; and

"Whereas, Additional factors, such as miles of roadway, number of fatal and injury accidents, vehicle miles traveled, and motor vehicle registrations should be considered in distributing funds; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to enact legislation to provide for the distribution of federal-aid primary highway funds on a more currently realistic basis than the outdated formula now used; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the Secretary of the Department of Transportation, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION 40

"Relative to taxation of state and local government bonds

"Whereas, Equity among taxpayers is essential to popular confidence in the federal revenue system; and

"Whereas, The Ways and Means Committee of the United States House of Representatives has conducted extensive hearing on proposals for equitable reform of the federal personal income tax; and

"Whereas, Spokesmen for the National Governor's Conference, the National Legislative Conference, The National Association of Attorneys General and the National Association of State Treasurers, Auditors and Comptrollers have endorsed the objective of tax reform while urging the committee to refrain from changes which would weaken the capacity of the states to meet the needs for state services; and

"Whereas, The Ways and Means Committee is to be commended for its efforts to improve the equity of the federal personal income tax; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States:

"1. That no change be made which would deprive state and local government obligations of their traditional immunity from federal taxation;

"2. That no change be made which would result in constriction of the market for bonds issued by the states or local governments;

"3. That no change be made which would interpose federal judgments relating to the policies of the states or local governments; and

"4. That no change is acceptable which would subject borrowing by the states and local governments to the uncertainties of the appropriation processes of the Congress; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"ASSEMBLY JOINT RESOLUTION 22

"Relative to bilingual education programs

"Whereas, Congress adopted the Bilingual Education Act in 1967 to facilitate learning by students in their native tongue as well as in English and to preserve the national resource of bilingual speakers; and

"Whereas, The funding of this act for the 1969–1970 fiscal year was $7,500,000 even though the act authorized an expenditure of $30,000,000; and

"Whereas, For the 1969–1970 fiscal year 310 school systems have applied for $40,373,580, which will be apportioned from the $7,500,000 appropriation; and

"Whereas, One hundred two California school systems have applied for $11,662,405 on behalf of 229,309 students in California for the 1969–1970 fiscal year; and

"Whereas, Without adequate federal funds the school districts cannot provide adequate or successful education to their bilingual students; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the members urge the members of the United States Senate and House of Representatives to augment the appropriation made for bilingual education programs for the 1969–1970 fiscal year sufficiently to raise the appropriation to $30,000,000, the maximum amount authorized; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"ASSEMBLY JOINT RESOLUTION 47

"Relative to the federal food-stamp and commodity distribution programs in California

"Whereas, The Congress has created food-stamp and commodity distribution programs, which have been implemented by legislative action in California; and

"Whereas, These programs were designed by Congress to provide surplus food to the hungry and needy 'to the maximum extent practicable'; and

"Whereas, On December 30, 1968, a federal court in San Francisco ordered the United States Secretary of Agriculture to immediately implement one or both of these food supplement programs in every California county, but thus far the secretary has taken no action to implement the programs in counties of California which presently do not operate them; and

"Whereas, The federal court also found that there is substantial hunger in each California county without a food supplement program, and that sufficient federal funds are available to implement the programs; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully requests the President and Congress of the United States to transfer the administration of the federal food-stamp and commodity distribution programs from the United States Department of Agriculture to the United States Department of Health, Education, and Welfare, where their implementation may receive a more favorable response; and be it further

"*Resolved,* That the President and the Congress of the United States are urged to investigate the reluctance of the United States Department of Agriculture to implement these programs in California pursuant to federal court order to determine if congressional intent has not been observed; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Agriculture, to the Secretary of Health, Education, and Welfare, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Commitee on Commerce:

"ASSEMBLY JOINT RESOLUTION 52

"Relative to the California Maritime Academy

"Whereas, The California Maritime Academy has been established to prepare students for a maritime profession; and

"Whereas, The academy is of benefit to the State of California and the federal government and has been funded by both the state and federal governments; and

"Whereas, The State of California currently funds 65.7 percent of the academy's cost which is an increase of 16.5 percent since 1959–60; and

"Whereas, The federal government currently funds 17.9 percent of the academy's budget which is a decrease of 8.3 percent since 1959–60; and

"Whereas, The decreased percent of federal funding is due to a fixed dollar amount formula which does not change for normal price and program cost increases; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to increase the federal government's share of funding for the California Maritime Academy to its previous level; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and the Board of Governors of the California Maritime Academy."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"ASSEMBLY JOINT RESOLUTION 16

"Relative to offshore oil development operations

"Whereas, The great scenic beauty of the shoreline along the California coast is one of the state's magnificent heritages; and

"Whereas, An oil spillage of mammoth proportions has occurred at an offshore oil Channel; and

"Whereas, This massive oil leakage has caused immeasurable damage and destruction to the California coast and brought death to countless fish and coastal wildlife; and;

"Whereas, The Santa Barbara Channel is known to be an area of geological fracturing and there is a danger that further oil leakage disasters may occur; and

"Whereas, Such drilling operations are located on federal outercontinental shelflands and operate under lease from the United States Department of the Interior and under federal regulations; and

"Whereas, In view of the oil pollution now wreaking such terrible damage to our coast, it is evident that the public interest would be well served through creation of an insurance fund for the protection and preservation of the California shoreline; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to review and strengthen federal regulations pertaining to oil drilling operations in areas such as the Santa Barbara Channel under federal control, taking into account the geological fracturing and faulting which exist in such areas; and be it further

"*Resolved,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to permit authorized representatives of the State of California to make onsite inspection of oil drilling facilities and practices at oil development operations located on federal outercontinental shelflands off the California coast and to permit state supervision of such operations; and be it further

"*Resolved,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to halt all oil drilling operations in the Santa Barbara Channel under federal control until a well-by-well inspection can be made; and be it further

"*Resolved,* That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to establish an insurance fund from revenue produced through offshore oil development and production, to be used for removal of pollution, contamination, or debris resulting from such development and operations which affect the California shoreline and for the compensation of landowners, including public agencies, for private or public property damage; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Secretary of the Interior, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"ASSEMBLY JOINT RESOLUTION 24

"Relative to vocational youth organizations

"Whereas, Historically the United States Office of Education has cooperated and assisted in the promotion of vocational youth organizations; and

"Whereas, The Future Farmers of America, the Future Homemakers of America, the Distributive Education Clubs of America and the Vocational Industrial Clubs of America were organized with encouragement and assistance from the staff of the United States Office of Education; and

"Whereas, These youth organizations have become an integral part of vocational education programs in secondary schools through the influence of the United States Office of Education staff members who serve as advisors; and

"Whereas, Through these organizations youth in rural, suburban, and urban areas have had an opportunity to become members of constructive organized groups; and

"Whereas, These organizations have helped youth to identify with the world of work and to develop as civic and community leaders; and

"Whereas, Membership in these organizations is open to all students in vocational education regardless of race, creed or national origin; and

"Whereas, A recent policy statement issued by the United States Office of Education concerning the relationship between the Office of Education and student organizations prohibits its staff from directing the activities of student organizations or participating in the administrative decisionmaking of student organizations as officers; and

"Whereas, This policy will, in effect, greatly reduce assistance to vocational youth organizations; and

"Whereas, In the case of one youth organization, the Future Farmers of America, this policy is in direct conflict with Public Law 740, Chapter 823, Section 18, which specifically authorizes the United States Commissioner of Education, with the approval of the Secretary of Health, Education, and Welfare to make available personnel, services and facilities of the Office of Education; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the legislature of the State of California respectfully memorializes the President, the Congress of the United States, and the United States Department of Health, Education, and Welfare not to implement its policy until there has been sufficient time to permit full congressional review and hearings to determine whether or not this administrative order carries out the intent of the law; and be it further

"*Resolved,* That the Legislature of the State of California encourages the United States Office of Education to take immediate action to strengthen those youth organizations that have become such an integral part of the vocational education program in the United States; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the United States Department of Health, Education, and Welfare."

A resolution adopted by the Council of the Borough of Red Bank, Red Bank, N.J., remonstrating against certain action taken by the House Armed Services Committee; to the Committee on Armed Services.

A resolution adopted by the council of the city of Holland, Mich., remonstrating against the enactment of legislation relating to taxing obligations to the separate States and municipalities; to the Committee on Finance.

A resolution adopted by the Third Marine Division Association, Inc., at Miami, Fla., relating to observance of the laws of God and of the land; to the Committee on the Judiciary.

A resolution adopted by the International Conference of Police Associations, Washington, D.C., relating to civil rights, and so forth; to the Committee on the Judiciary.

A petition, signed by Sheila R. Aronow, of Philadelphia, Pa., and sundry other citizens, praying for the enactment of legislation making January 15 a national legal holiday in memory of Dr. Martin Luther King, Jr.; to the Committee on the Judiciary.

A resolution adopted by the city council of Philadelphia, Pa., praying for the enactment of legislation to provide grape harvesters and farmworkers generally with the right to bargain collectively; to the Committee on Labor and Public Welfare.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURDICK, from the Committee on Interior and Insular Affairs, with amendments:

S. 227. A bill to provide for loans to Indian tribes and tribal corporations and for other purposes (Rept. No. 91-393).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 2315. A bill to restore the golden eagle program to the Land and Water Conservation Fund Act (Rept. No. 91-395).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

H.J. Res. 614. Joint resolution authorizing the President to proclaim the week of September 28, 1969, through October 4, 1969, as "National Adult-Youth Communications Week" (Rept. No. 91-394).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

John F. Kilkenny, of Oregon, to be U.S. circuit judge for the ninth circuit;

Harold S. Fountain, of Alabama, to be U.S. marshal for the southern district of Alabama;

Wayman G. Sherrer, of Alabama, to be U.S. attorney for the northern district of Alabama;

Eugene A. Wright, of Washington, to be U.S. circuit judge, ninth circuit;

Ozell M. Trask, of Arizona, to be U.S. circuit judge, ninth circuit;

Peter Mills, of Maine, to be U.S. attorney for the district of Maine;

John H. deWinter, of Maine, to be U.S. marshal for the district of Maine;

Marvin G. Washington, of Michigan, to be U.S. marshal for the western district of Michigan; and

Charles S. Guy, of Pennsylvania, to be U.S. marshal for the eastern district of Pennsylvania.

BILLS INTRODUCED

Bills were introduced, read the first time and, by unanimous consent, the second time, and referred as follows:

By Mr. CASE:

S. 2865. A bill to amend section 13a of the Interstate Commerce Act, and for other purposes; to the Committee on Commerce.

By Mr. HOLLINGS:

S. 2866. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Finance.

(The remarks of Mr. HOLLINGS when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. SPONG:

S. 2867. A bill to amend section 202(a) of the Federal Property and Administrative Services Act of 1949 to remove a preference accorded to the District of Columbia over State governments in the disposition of excess real property; to the Committee on Government Operations.

(The remarks of Mr. SPONG when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mr. GORE (for himself and Mr. BAKER):

S. 2868. A bill to authorize the appropriation of funds for Fort Donelson National Battlefield in the State of Tennessee, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TYDINGS (by request):

S. 2869. A bill to revise the criminal law and procedure of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. METCALF:

S. 2870. A bill to designate the lake formed by the waters impounded by the Libby Dam, Montana, as "Lake Koocanusa"; to the Committee on Interior and Insular Affairs.

By Mr. GOODELL:

S. 2871. A bill to provide protection to consumers against erroneous and malicious credit information; to the Committee on Banking and Currency.

(The remarks of Mr. GOODELL when he introduced the bill appear later in the RECORD under the appropriate heading.)

By Mrs. SMITH:

S. 2872. A bill for the relief of Maj. Louis A. Deering, U.S. Army; to the Committee on the Judiciary.

By Mr. ALLOTT (for himself and Mr. DOMINICK):

S. 2873. A bill to declare the United States holds in trust for the Southern Ute Tribe approximately 213.37 acres of land; to the Committee on Interior and Insular Affairs.

By Mr. GRIFFIN:

S. 2874. A bill for the relief of Soon Nam Pyun; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 2875. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide financial assistance to States for the construction of correctional institutions and facilities; to the Committee on the Judiciary.

(The remarks of Mr. HRUSKA when he introduced the bill appear later in the RECORD under the appropriate heading.)

S. 2866—INTRODUCTION OF A BILL ALLOWING A CREDIT AGAINST INCOME TAX TO INDIVIDUALS FOR CERTAIN EXPENSES INCURRED IN PROVIDING HIGHER EDUCATION

Mr. HOLLINGS. Mr. President, America's youth provides the leadership of the future. It has always been true, and will continue. By and large, this leadership comes from our colleges and universities. And today, we are facing a genuine crisis in college education. It is not from the student radicals, or from the quality of education. This crisis is financial, and is fed by the increasing inability of the average family to pay the mounting costs of a child's college education. Educational costs are spiraling above the normal increase in costs of living and also higher than the average wage earner's salary.

I deem it a great privilege to introduce a bill which would begin to offer some relief to these parents in the form of tax credits for money spent on higher education.

One has only to look at the recent problem of high interest rates and tight money for the beginning of the current fall semester to see the need of such a measure. College students throughout the Nation were faced with the prospect of not being able to go to school because banks could get better interest rates elsewhere. This created a real crisis in South Carolina this fall when students were unable to get loans from previous sources. Only Presidential action seemed to cause a loosening of the purse strings at our lending institutions.

In every survey taken, Americans have responded enthusiastically to the tuition tax credit plan. This certainly is not difficult to understand. Because of inflation, few families have been able to maintain any adequate, long-term plan for college savings, or any other savings, for that matter.

Another survey showed college officials and trustees also favor this plan to a high degree. The reason, obviously, is that such relief for parents would have a secondary reaction. It would remove some of the burden from existing Federal and private loan, grant, and scholarship programs.

Mr. President, this is a method of income tax reform and relief which is well within our national means to achieve. No one will argue that our future does indeed rest in the minds and abilities of our youth. This conceded, how can we refuse to take this partial step toward helping solve some of the financial problems relating to higher education? Some will say this will cut into the Federal budget as just another expenditure—admittedly needed but unwise at this time. To them I say this is no expenditure, it is an investment, and one we cannot in wisdom ignore.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill S. 2866, a bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education, introduced by Mr. HOLLINGS, was received, read twice by its title, and referred to the Committee on Finance.

S. 2867—INTRODUCTION OF A BILL AMENDING THE FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949

Mr. SPONG. Mr. President, I introduce for appropriate reference, a bill to amend the Federal Property and Administrative Services Act to remove a preference accorded to the District of Co-

lumbia over State governments in the disposition of excess real property. The bill which I have introduced would remove that preferential treatment. I believe the State of Virginia or the State of Maryland or any other State should have access to such lands—after screening of Federal agencies—before the government of the District of Columbia.

Mr. President, under existing provisions of that statute, federally owned property in any State of the Union, declared surplus to the needs of a Federal agency may be claimed by the government of the District of Columbia, prior to the claim of the State in which the property is located. The responsibility of the Federal Government to the Federal City is recognized, but I doubt that the residents of any State would consider such preferential treatment to be justified.

The inequity of this provision became clear when the Army announced recently that it was inactivating a transmitter station in Virginia and was declaring the land, which had been acquired by condemnation in 1951 from private owners, surplus to the needs of the Army. The State and the county in which the land is located, have indicated an interest in acquiring the land for public use and a portion of the land in question, lies in the path of a projected parkway. Even the former owners have indicated an interest in reacquiring the property. Yet, under existing law, the municipal government of the District government, has first refusal. Admittedly, this situation from a practical standpoint is faced more by the States of Maryland and Virginia than any other State. But conceivably the District could file claim for surplus Federal lands in West Virginia, Tennessee, Pennsylvania, Delaware, Kentucky, or for that matter, in any State in the Union, or the Commonwealth of Puerto Rico before the State in which the land is located, even had an opportunity to refuse it.

I think I should point out that this provision was not included in the original statute, but was an amendment added in 1952, which, in effect, converted the municipal government of the District of Columbia to a Federal agency.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2867) to amend section 202(a) of the Federal Property and Administrative Services Act of 1949 to remove a preference accorded to the District of Columbia over State governments in the disposition of excess real property, introduced by Mr. SPONG, was received, read twice by its title, and referred to the Committee on Government Operations.

S. 2871—INTRODUCTION OF A BILL TO BE KNOWN AS THE FAIR CREDIT REPORTING AND DISCLOSURE ACT OF 1969

Mr. GOODELL. Mr. President, the economics, the technology and the pace of the commercial life of this decade have literally transformed the credit reporting industry in this country. The practices of this industry in the future, operating perhaps in a cashless, checkless society, will be further shaped by today's ever expending computer technology.

While there can be little doubt about the wisdom of applying new technologies to the computerized credit reporting industry of the future, I believe that we must act now to protect our citizens from the dissemination, through those far-flung networks, of erroneous and malicious credit information.

I therefore introduce, for appropriate reference, a bill entitled the Fair Credit Reporting and Disclosure Act of 1969, which would amend the Truth-in-Lending Act to enable consumers to protect themselves against the use and dissemination of such information.

I believe that my bill represents a broad and sound approach to the many problems inherent in regulatory legislation of this kind.

Briefly, my proposal would provide for the following:

First. It would require that a creditor who denies credit to any person, or any one who denies employment or insurance to any person on the basis, in whole or in part, of a credit report to disclose to such person, upon written request made within a reasonable time following such denial, the name and address of any credit reporting agency which furnished such credit report;

Second. It would require the credit bureau to disclose the substance of the credit report to such person, upon written request, and to correct inaccurate or erroneous information, if the dispute was not frivolous;

Third. It would require credit bureaus to furnish upon written request, for a reasonable fee, not more than twice a year, at 6-month intervals, the identities of all recipients of a credit report on the applicant;

Fourth. It would require credit bureaus to update credit bureau files upon receiving requests for investigation;

Fifth. It would require credit bureaus to obtain and note in credit reporting files where reasonably possible the ultimate disposition of all civil and criminal complaints reported in such files;

Sixth. It would insure that lists of names and other credit reporting information, including but not limited to financial status, credit performance, and economic indicators are not disseminated or sold for market research purposes;

Seventh. It would impose a criminal penalty upon any person obtaining a credit report under false pretenses.

The hearings conducted on this subject by Senator PROXMIRE's Financial Institutions Subcommittee last May clearly established the fact that the credit reporting industry exercises considerable power over private citizens. The dissemination of inaccurate or misleading credit information about an individual can be disastrous to his reputation and economic well-being.

Recognizing that consumer credit has become a keystone of our economy, and that the needs of commerce for the free flow of credit information must be protected, some regulation of the industry to protect the consumer is in the public interest.

My bill will provide a simple mechanism for disclosing and correcting credit misinformation without impairing the orderly operation of the credit reporting industry. S. 823, the Fair Credit Reporting Act, would impose an affirmative duty upon the credit grantor and the credit bureau to notify an individual who has been the subject of a credit report and who is ultimately denied credit. I believe that the more reasonable and economical solution is to place the duty upon the consumer to obtain disclosure.

A result of the growth of credit bureaus has invariably been the compilation of large amounts of personal data on many persons. While this is necessary, unlimited access to such files can place in jeopardy the rights of the individual. My bill would limit access to these files to persons with a clearly defined interest. I believe that the measure I introduce today provides significant and vital safeguards for the consumer, while supporting procedures which are fair and equitable to the credit reporting industry.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2871) to provide protection to consumers against erroneous and malicious credit information, introduced by Mr. GOODELL, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2871

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Truth in Lending Act is amended by adding at the end thereof a new chapter as follows:

"CHAPTER 4.—CREDIT REPORTING AGENCIES

"Sec.
"161. Short title.
"162. Findings and purpose.
"163. Definitions and rules of construction.
"164. Regulations.
"165. Access to information.
"166. Unlawful access to information.
"167. Periodic notice.
"168. Other requirements.
"169. Civil liability and criminal penalties.

"SHORT TITLE

"SEC. 161. This chapter may be cited as the 'Fair Credit Reporting Act'.

"FINDINGS AND PURPOSE

"SEC. 162. (a) The Congress makes the following findings:

"(1) An elaborate interstate mechanism has been developed for investigating and evaluating the credit worthiness, credit standing, credit capacity, character and general reputation of persons.

"(2) In an economy which depends increasingly upon information on persons for the extension of credit and the movement of goods and services there is a need that such information be accurate and readily ascertainable.

"(3) Credit reporting agencies have assumed a vital role in assembling and evaluating consumer credit and other information on consumers and other persons.

"(4) There is a need to ensure that credit reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the individual right to privacy.

"(b) It is the purpose of this chapter to enable persons to protect themselves against the dissemination of inaccurate information bearing on their credit worthiness, insurability, or employability by requiring that all credit reporting agencies, utilizing the facilities of interstate commerce, adopt reasonable procedures, in accordance with regulations prescribed by the Federal Trade Commission, for meeting the needs of commerce for credit information on a basis which is fair and equitable to such persons.

"DEFINITIONS AND RULES OF CONSTRUCTION

"Sec. 163. (a) Definition and rules of construction set forth in this section are applicable for the purposes of this chapter.

"(b) The term 'creditor' means any person utilizing the facilities of interstate commerce which regularly extends or arranges for the extension of credit whether in connection with loans, sales of property or services or otherwise, provided that, where credit is extended through the use of a credit card or similar device the issuer of such credit card or device shall be the creditor.

"(c) The term 'person' means an individual, partnership, corporation, association or other entity.

"(d) The term 'credit report' means any report as to the credit worthiness, insurability, or employability of any person, and includes any information which is sought or given for the purpose of serving as the basis for a judgment as to the credit worthiness, insurability, or employability of a person: *Provided, however,* That such term shall not include any such report or representation containing information solely as to transactions between such person and the person making such report or representation. Such term does not include a report or representation where an issuer of a credit card or similar device authorizes or approves a specific extension of credit by the use thereof.

"(e) The term 'credit reporting agency' means any person who regularly engages in whole or in part in the business of furnishing credit reports, and for the purpose of preparing or furnishing them uses any means or facility of interstate commerce.

"(f) The term 'law enforcement agency' means the Attorney General of the United States, a United States attorney, the Secretary of the Treasury of the United States, the Director of the Federal Bureau of Investigation, the Director of the United States Secret Service, the attorney general of any State or the district attorney of any city, county or other locality, or the duly authorized designee of any such individual.

"(g) The term 'licensing agency' means any governmental unit, or any agency or instrumentality thereof, which is required by law to consider the financial status or responsibility of an applicant in determining whether or not to issue a license or grant a benefit.

"(h) The term 'Commission' means the Federal Trade Commission.

"REGULATIONS

"Sec. 164. The Commission shall prescribe regulations to carry out the purposes of this chapter. These regulations may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Commission are necessary or proper to effectuate the purposes of this chapter, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

"ACCESS TO INFORMATION

"Sec. 165. (a) A creditor who denies credit to any person or any one who denies employment or insurance to any person on the basis, in whole or in part, of a credit report shall, upon written request, made within a reasonable time following such denial, disclose to such person the name and address of any credit reporting agency which has furnished such credit report on such person.

"(b) A licensing agency which denies a license to any person shall, upon written request, made within a reasonable time following such denial, disclose to such person the name and address of any credit reporting agency which has furnished such agency with a credit report on such person.

"(c) Any credit reporting agency so disclosed to a person by a creditor or licensing agency or other person as provided in subsection (a) or (b) shall, upon written request, made within a reasonable time following such disclosure, provide to such person a description of the contents of any credit report furnished to such creditor, licensing agency, or other person and the specific facts or allegations upon which it is based. The credit reporting agency may impose a reasonable charge in conformity with regulations prescribed by the Commission for furnishing such information. If such person shall reasonably establish that any item of such report or of the facts or allegations on which it is based is inaccurate, the credit reporting agency shall forthwith correct such item and deliver, at its expense, a corrected credit report to each person who has previously received a credit report containing such item. If the accuracy of any such item is disputed, such credit reporting agency shall clearly and legibly note in its records of such report and in any subsequent credit report containing such item and relating to such person that the item is disputed; except that a credit reporting agency need not make a notation as to any disputed item if it has reasonable grounds to believe that the objections to the item are frivolous. Any item bearing on a record of payment which is more than five years old or bearing on a record of bankruptcy which is more than fifteen years old shall be deemed to be inaccurate unless the date of such occurrence is clearly stated.

"(d) Notwithstanding any other provisions of law, no person shall have any claim or bring any action or proceeding based on information disclosed pursuant to this section, except that a third party who willfully, knowingly, and maliciously communicates to a credit reporting agency any false and defamatory information, may not assert privilege for information so disclosed.

"(e) A credit reporting agency may adopt reasonable procedures designed to ensure that the person requesting a credit report pursuant to subsection (c) is the subject thereof.

"Sec. 166. Unlawful access to information

"(a) No credit reporting agency shall furnish a credit report to any person or government agency, except pursuant to order of a court, unless such credit reporting agency has reasonable grounds to believe such person or agency (1) is a creditor or prospective creditor, employer or prospective employer, or an insurer or prospective insurer, (2) is a law enforcement agency, (3) is a licensing agency, (4) is a credit reporting agency, or (5) has been duly authorized in writing by the subject of such report.

"(b) No credit reporting agency shall furnish a credit report to any such person or government agency unless it has reasonable grounds to believe that the report will be used solely for a permissible purpose under this chapter.

"(c) No credit reporting agency shall furnish a credit report to a law enforcement or licensing agency, unless it has received a written request which contains the name of each person with respect to whom a credit report is to be furnished, and (1) the agency requesting the credit report is a law enforcement agency and submits a sworn statement that it is requesting the report solely for law enforcement purposes, or (2) the agency requesting the credit report is a licensing agency and submits a sworn statement that it is requesting the report solely for the purposes of considering the financial status or responsibility of the subject of such credit report.

"PERIODIC NOTICE

"Sec. 167. A credit reporting agency shall, upon a written request made not more often than once in any six-month period, furnish the requesting person with the name and address of every person or governmental agency to whom it has furnished a credit report relating to such requesting person during the preceding six-month period. Such credit reporting agency may impose a reasonable charge in conformity with regulations prescribed by the Commission for furnishing such information.

"OTHER REQUIREMENTS

"Sec. 168. Every credit reporting agency shall follow procedures, in conformity with regulations prescribed by the Commission, to achieve the following objectives:

"(1) To insure that information on the basis of which credit reports are furnished is updated prior to the dissemination of any credit report.

"(2) If a credit report on a person contains any reference to any civil action or criminal proceedings, to obtain and note in its files and in any subsequent credit report on such person, where reasonably possible, the ultimate disposition of such civil action or criminal proceedings, and where it is impossible to make a determination of such dispositions, to indicate the same and the reason therefor in such files and such subsequent reports.

"(3) To ensure that lists of names and other credit reporting information, including but not limited to financial status, credit performance, and economic indicators are not disseminated, sold, or given by credit reporting agencies for market research or other purposes to persons other than those authorized to receive credit reports pursuant to section 165.

"CIVIL LIABILITY AND CRIMINAL PENALTIES

"Sec. 169. (a) A person may bring a civil action for damages or to restrain a creditor or other person or a credit reporting agency from violating any provision of this chapter. If in any such action it is found that such creditor, person, or agency has willfully violated this chapter, the violator shall, in addition to any liability for such actual damages as may be shown, be liable for exemplary damages of not less than $100 or more than $1,000 for each such violation, together with costs, reasonable attorneys' fees, and disbursements incurred by the person bringing the action.

"(b) If, in any civil action brought by a person against a creditor or other person or credit reporting agency based on the publication or dissemination of information contained in a credit report, it is found that such creditor, person, or agency willfully violated any provision of this chapter with respect to such credit report or the access thereto, such creditor, person, or agency shall not be entitled to claim any privilege, absolute or qualified, as a defense thereto.

"(c) Any person who requests or obtains a credit report from a credit reporting agency under false pretenses, or furnishes a credit report to any person except in accordance with this chapter, or any employee of a credit reporting agency who willfully falsifies a credit report or any records relating thereto, shall be punishable by a fine of not more than $1,000, or imprisonment for a term of not more than one year, or both.

"(d) Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within two years from the date of the occurrence of the violation."

SEC. 2. (a) The table of chapters at the beginning of the Truth in Lending Act is amended by adding at the end thereof the following:

"4. Credit reporting agencies ..... 161".

(b) The caption at the beginning of the Truth in Lending Act is amended to read as follows:

"TITLE I—TRUTH IN LENDING"

(c) Section 103(a) of the Truth in Lending Act is amended by striking out "The" and inserting in lieu thereof "Except as otherwise specifically provided, the".

(d) The first sentence of section 105 of the Truth in Lending Act is amended by inserting before the period the following: "except for chapter 4".

ADDITIONAL COSPONSORS OF BILLS

S. 60

Mr. SCOTT. Mr. President, on behalf of the Senator from Delaware (Mr. BOGGS) I as unanimous consent that, at the next printing, the name of the Senator from California (Mr. MURPHY) be added as a cosponsor of S. 60, to create a catalog of Federal assistance programs, and for other purposes.

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

S. 1362

Mr. SCOTT. Mr. President, on behalf of the Senator from Delaware (Mr. BOGGS) I ask unanimous consent that, at the next printing, the names of the Senator from Massachusetts (Mr. BROOKE), the Senator from Maine (Mr. MUSKIE), and the Senator from Indiana (Mr. BAYH) be added as cosponsors of S. 1362 to provide Federal financial assistance to Opportunities Industrialization Centers.

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

S. 2636

Mr. SCOTT. Mr. President, I ask unanimous consent that, at the next printing, my name be added as a cosponsor of S. 2636, to make the provisions of the Vocational Education Act of 1963 applicable to individuals preparing to be volunteer firemen.

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

S. 2609, S. 2610, AND S. 2611

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Indiana (Mr. BAYH) I ask unanimous consent that, at the next printing, the names of the Senator from California (Mr. CRANSTON), the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Maine (Mr. MUSKIE), be added as cosponsors of S. 2609, to increase the participation of small business concerns in the construction industry; and S. 2610, to amend section 3 of the Housing and Urban Development Act of 1968; and of S. 2611, to amend the act of Act of August 24, 1935—commonly referred to as the "Miller Act"—to exempt construction contracts not exceeding $20,000 in amount from the bonding requirements of such act.

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

S. 2701

Mr. SCOTT. Mr. President, on behalf of the Senator from South Dakota (Mr. MUNDT) I ask unanimous consent that, at the next printing, the names of the Senator from Wyoming (Mr. HANSEN) and the Senator from Tennessee (Mr. BAKER) be added as cosponsors of S. 2701, to establish a Commission on Population Growth and the American Future.

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

SENATE RESOLUTION 255—RESOLUTION RELATIVE TO EXPENSES INCURRED BY THE COMMITTEE APPOINTED TO ARRANGE FOR AND ATTEND THE FUNERAL OF HON. EVERETT McKINLEY DIRKSEN, LATE A SENATOR FROM THE STATE OF ILLINOIS

Mr. PERCY submitted a resolution (S. Res. 255) relative to the expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Everett McKinley Dirksen, late a Senator from the State of Illinois, which was considered and agreed to.

(The remarks of Mr. PERCY when he submitted the resolution appear later in the RECORD under the appropriate heading.)

ADDITIONAL COSPONSORS OF RESOLUTION

S. RES. 243

Mr. BYRD of West Virginia. Mr. President, on behalf of the Senator from Indiana (Mr. BAYH) I ask unanimous consent that, at the next printing, the names of the Senator from Utah (Mr. BENNETT), the Senator from Nevada (Mr. BIBLE), the Senator from Kentucky (Mr. COOPER), the Senator from Tennessee (Mr. GORE), the Senator from Alaska (Mr. GRAVEL), the Senator from Indiana (Mr. HARTKE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Oregon (Mr. PACKWOOD), the Senator from Rhode Island (Mr. PELL), the Senator from Vermont (Mr. PROUTY), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Alaska (Mr. STEVENS), the Senator from South Carolina (Mr. THURMOND), and the Senator from North Dakota (Mr. YOUNG), be added as cosponsors of Senate Resolution 243, to make it the sense of the Senate that the President should request the United Nations to take such steps as may be appropriate to bring about compliance by the Government of North Vietnam with its obligations under the Geneva Convention of August 12, 1949, relative to the treatment of prisoners of war.

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

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH—AMENDMENT

AMENDMENT NO. 146

Mr. MONDALE. Mr. President, on August 12, 1969, I submitted for myself and the Senator from New Jersey (Mr. CASE) amendment No. 136 to S. 2546, relating to the nuclear aircraft carrier designated as "CVAN-69." That amendment would delay authorization of funds for the carrier until the Comptroller General has submitted to the Congress a comprehensive study of the issues connected with the size and composition of our aircraft carrier force.

The Comptroller General has advised us that a number of the questions covered by the amendment go beyond the capacity of the General Accounting Office staff to study independently. However, he has indicated that he could, even in those cases, provide assistance to the Congress in reviewing and summarizing studies made by the executive branch.

It was, of course, our intention in submitting the amendment initially that the Congress would make the final judgment on the questions raised by it. Accordingly, and in light of the Comptroller General's advice, we have modified the amendment to:

First, make clear that the study called for by the amendment is to be made by the Congress;

Second, provide for a report by the Comptroller General to the Congress on those questions which he has said his Office is fully competent to handle; and

Third, provide for the Comptroller General to furnish to the Congress summaries of relevant studies made by the executive branch of the other questions raised by the amendment.

The distinguished chairman of the Armed Services Committee (Mr. STENNIS) has pointed out that the original amendment would bar further expenditures for CVAN-69's long lead-time items already obligated under fiscal year 1969 appropriations. That was not our intention, and I thank the Senator for calling this to our attention. We have also revised the amendment to avoid this effect.

Mr. President, I ask unanimous consent that the text of our revised amendment be printed in the RECORD at this point.

The VICE PRESIDENT. The amendment will be received and printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment (No. 146) is as follows:

S. 2546

On page 2, line 16, strike out "2,568,200,000;" and insert in lieu thereof "2,191,100,000;"

At the end of the bill add a new section as follows:

"SEC. 402. (a) None of the funds authorized to be appropriated by this Act may be expended in connection with the production or procurement of the nuclear aircraft carrier designated as CVAN-69; and no funds may be appropriated for any such purpose until after the Congress has completed a comprehensive study and investigation of the past and projected costs and effectiveness of attack aircraft carriers and their task forces and a thorough review of the considerations which went into the decision to maintain the present number of attack carriers. Such study and investigation shall, among other things, consider—

"1. What are the primary limited war missions of the attack carrier; what role, if any, does it have in strategic nuclear planning;

"2. To what extent and in what way is the force-level of on-station and back-up carriers related to potential targets and the number of sorties needed to destroy these targets;

"3. What is the justification for maintaining on continual deployment 2 carriers in the Mediterranean and from 3 to 5 in the Western Pacific;

"4. What is the over-all attack carrier force level needed to carry out these primary missions;

"5. Does the present 'one for one' replacement policy for these carriers have the effect of maintaining or increasing this force level, in light of the fact that the newer carriers and their aircraft are more expensive and have far more capability than the older carriers which they are now replacing;

"6. Would a policy of replacing two of the oldest carriers with one modern carrier maintain a constant force level;

"7. How many, if any, attack carriers and carrier task forces are needed to back-up a carrier task force 'on-the-line';

"8. What efficiencies, such as the Polaris 'blue and gold' crew concept, can be utilized to increase the time in which a carrier can stay 'on-the-line';

"9. What type of military threats are faced by the attack carrier; what proportion of the costs of a carrier task force are allocated to carrier defense; what is the estimated effectiveness of carrier defense against various types and levels of threats;

"10. To what extent does the carrier's vulnerability affect its capacity to carry out its missions; what are the plausible contingencies in which carriers may be committed;

"11. What type of resources should be devoted to carrier defense, considering the range of threats, the costs and effectiveness of the defense, and the plausible contingencies in which a carrier can be effectively used;

"12. To what extent can land-based tactical air power substitute for attack carriers; to what extent should the role of the attack carrier be restricted to the initial stages of a conflict;

"13. What are the comparative systems costs for land-based and sea-based tactical air power;

"14. What is the comparative cost effectiveness of land-based and sea-based tactical air power;

"15. How is the attack carrier being used in support of American foreign policy; if there is a need for a 'show of force' in support of foreign policy commitments, can this need be met by smaller carriers or other types of ships?

"(b) In order to assist the Congress in carrying out such study and investigation, the Comptroller General of the United States shall review and make a report to the Congress on items numbered '8' and '13' in subsection '(a)', above. He shall also review any studies which have been made, or may be made, by the Executive Branch which relate to the other items listed in subsection '(a)', above. He shall provide summaries of such studies, together with any appropriate comments or questions, to the Congress. The report and summaries provided for by this subsection shall be furnished to the Congress not later than April 30, 1970."

CONTINUATION OF PROGRAMS AUTHORIZED UNDER THE ECONOMIC OPPORTUNITY ACT OF 1964—AMENDMENTS

AMENDMENTS NOS. 147 THROUGH 151

Mr. MONDALE. Mr. President, I submit five amendments to S. 1809, the bill introduced by the Senator from Wisconsin (Mr. NELSON), providing continuing authorization for the Economic Opportunity Act programs. These amendments are designed to eliminate the Governor's veto over legal services programs, to modify the criminal representation provisions in the present act, to reduce the local share of funding which must be provided through each legal services program, to increase the maximum salary limitations for staff attorneys, and to prevent delegation of the Office of Economic Opportunity's legal services to any other existing Federal agency.

I ask unanimous consent that the text of the amendments be printed in the RECORD at this point in my remarks.

The VICE PRESIDENT. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD.

The amendments (Nos. 147 through 151), submitted by Mr. MONDALE, are as follows:

AMENDMENT No. 147

SEC. 10. Section 242 of the Economic Opportunity Act of 1964 is amended by deleting the last period of said section, and adding the following additional language to the present section: "or to any program funded under section 222(a) of this title."

AMENDMENT No. 148

SEC. 10. The last sentence of Section 222 (a) (3) of the Economic Opportunity Act of 1964 is amended by striking out "in extraordinary circumstances".

AMENDMENT No. 149

SEC. 10. The first sentence of Section 225 (c) of the Economic Opportunity Act of 1964 is amended by striking ", for the period ending June 30, 1967," and ", and thereafter shall not exceed 80 per centum of such costs." and adding a period at the end of the new sentence.

AMENDMENT No. 150

SEC. 10. Section 244(2) of the Economic Opportunity Act of 1964 is amended by changing the last period of the present section to a semi-colon, and thereafter adding the following: "provided that, the Director of the 'Legal Services' program may, at his discretion, fix the compensation, paid to attorneys in said program and provided by financial assistance given under this title, at levels above $15,000, with a schedule of compensation competitive in the national market for legal personnel."

AMENDMENT No. 151

SEC. 10. The authority of Section 602(d) of the Economic Opportunity Act of 1964 shall not apply to the legal services program authorized under Title IX of such Act. The Director shall not delegate the program authorized under such Title IX to any other existing Federal agency.

Mr. MONDALE. Mr. President, the Governor's veto provision applies to the title II community action programs which include legal services. Although the Director of OEO has the statutory authority to override a Governor's veto, practical political pressures may make an override impossible. My amendment would eliminate Governor vetoes over legal services programs.

Exercise of the Governor's veto, or its threatened exercise, tends to interfere with the traditional attorney-client relationship and with right of access to the courts because political pressure may influence which clients or types of cases are taken by a local legal services program. Political interference becomes conflict of interest when the Governor holds veto power over a legal services program which may sue the State.

A recent New York Times article details the fear of California Rural Legal Services attorneys that California Gov. Ronald Reagan will veto the country's most effective OEO legal services program. A CRLA suit last year blocked Governor Reagan's attemp to drop 160,000 indigent people from Medi-Cal, the California version of medicaid. I ask unanimous consent that an article entitled "Poverty Lawyers Make Coast Gains" from the Sunday, September 5, New York Times, be printed in the RECORD at this point in my remarks.

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

POVERTY LAWYERS MAKE COAST GAINS

(By Stevenv Roberts)

LOS ANGELES, Sept. 5—A local legal services program, which government lawyers said last week was subjected to political pressures, has won an important series of lawsuits against the state of California and some strong supporters of Gov. Ronald Reagan.

California Rural Legal Assistance, as the program is called, has handled 35,000 cases for poverty stricken clients in three years and has won 85 per cent of them. Their repeated successes have evoked angry protests from the Governor, Senator George Murphy, several Congressmen and the state's powerful agricultural establishment.

So it was not surprising to local observers that, when 100 Government lawyers expressed concern two weeks ago about political pressures against the nation's legal services program, they specifically mentioned the California agency.

Last year, Governor Reagan threatened to veto a $1.5 million . . . California Rural Legal Assistance, which is financed through the Office of Economic Opportunity in Washington. But he backed down after the Federal Government said it would override his veto.

A POLITICAL ISSUE

This year, however, under the Nixon Administration, lawyers for California Rural Legal Assistance are afraid that they will not receive the same support from Washington for their efforts on behalf of the poor.

Their fears are enhanced by the fact that Governor Reagan is preparing to run for another term in 1970. They say he could try to make the legal services program a political issue.

Terry F. Lenzner, the national director of legal services, was in California this week, assuring anti-poverty lawyers that they would receive support from Washington. But officials of the local group remain wary.

"Any time a program is subject to political considerations, rather than merit, you have

good reason to be apprehensive," said Robert L. Gnaizda, the California program's deputy director.

Paul Beck, Governor Reagan's press secretary, said this week that the Governor objected to California Rural Legal Assistance mainly because Government money was being used to finance suits against the Government itself. This objection had also been raised in Congress by Senator Murphy.

Antipoverty lawyers feel that the essence of their program is their ability to sue the Government on behalf of the poor, who cannot defend themselves.

The record of California Rural Legal Assistance shows how effective a legal services program can be in forcing a redistribution of political and economic power. Among its recent cases were the following:

A suit that succeeded in blocking Governor Reagan's attempt last year to drop 160,000 indigent people from Medi-Cal, the California version of Medicaid.

A suit that prohibited a mushroom grower from employing "wetbacks," or Mexican aliens illegally in the country while native workers were unemployed.

A suit that forced farm owners to pay a minimum wage of $1.65 an hour—the highest wage for agricultural workers in the country.

A case that required all of California's 58 counties to adopt some form of Government food program.

A suit that prohibited growers from dismissing workers for union activity and awarded punitive damages to nine workers who had been let go for such activity.

In addition, the legal services agency, which has 10 offices around the state, is awaiting the outcome of a suit that would guarantee unemployment compensation to all farm workers. Farm workers are now excluded from both state and Federal unemployment insurance.

Another pending case would require the Secretary of Agriculture to provide all poor children with free or reduced-price lunches. Mr. Gnaizda, the local program's deputy director, estimated that only one in 10 poor children in the state currently received such lunches.

Mr. MONDALE. Mr. President, a growing fear among legal services attorneys throughout the country surfaced at a poverty law conference held recently in Vail, Colo. Past experience of the South Florida Migrant Legal Services program and the Navaho Legal Services, DNA, indicated that political and economic interests, antagonistic to the impoverished community represented by legal services, could exercise their influence through the Governor's office to limit the effectiveness of the programs. In the past few months, any indication of opposition to a particular legal services program from a Governor's office was enough to prompt the OEO legal services administrators in Washington to seek compromising changes in the structure of the local program to appease its critics, often the respondents in suits filed by legal services attorneys.

The poverty lawyers gathered at Vail wrote to the director of the legal services, setting out their concerns and seeking the administration's assurance that it will guarantee the "integrity and independence from the pressure of conflicting interests so necessary to preserve this program."

I ask unanimous consent that the text of the letter to Mr. Terry Lenzner be printed in the RECORD at this point in my remarks.

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

AUGUST 21, 1969.

TERRY LENZNER, Esq.
Legal Services Program,
Community Action Program,
Office of Economic Opportunity,
Washington, D.C.

DEAR MR. LENZNER: The conference we have nearly concluded has provided us with an invaluable opportunity to rethink the legal and practical problems of poor people and the professional tools lawyers can bring to their solution. It has also brought out a major threshold issue: whether the present structure for organizing and funding legal services programs is able to assure the independence and integrity essential to aggressive advocacy on behalf of the poor. It should be apparent that neither vigorous representation of a client, nor responsible efforts at law reform can be carried on if antagonistic political or economic interests are permitted to threaten the position of the Legal Services lawyer or his legitimate activity on behalf of his clients.

The OEO legal services program revolutionized legal aid for the poor, not simply because it provided more money, or stationed lawyers where their clients live and work, or provided legal services to people who never had them before, but because for the first time large numbers of able and dedicated lawyers refused to accept a legal status quo that injured their clientele when sound arguments for changing it could be mustered.

The question now facing all of us is whether the administration is able to provide the ironclad assurances of integrity and independence from the pressure of conflicting interests so necessary to preserve this program.

The urgency of this issue has been dramatized for us by the imminent possibility that the South Florida Migrant Legal Services Program and the Navaho Legal Services program (DNA) will be discontinued because of opposition stirred up by their accomplishments. In concept and in execution, these programs exemplify the most striking innovations the Office of Economic Opportunity has brought to legal services for the poor. Along with another rural program, which has also been under determined attack, the Florida and Navaho programs brought legal services of an unusually high quality where they had never been available before and where the record now shows they were desperately needed. Recent evaluations of both programs, and their past accomplishments, sufficiently demonstrate that the opposition to refunding is not based on any deficiency in the quality of legal services they provide. Yet refunding is strongly opposed and there is every indication that there will be strong pressure at the State level to veto renewal. With both programs, the opposition's price seems to be a change that would put the program under the control of interests antagonistic to its clientele, thus incorporating in it an outright and deliberate breach of both the American Bar Association canons of ethics and the Economic Opportunity Act of 1964.

Experience with the legal services program has shown that, as law reform, as vigorous representation of the client, is effective, a program will be controversial. Narrow but sometimes powerful interests see a threat in aggressive advocacy on behalf of the poor. The customary response is an attack on the legal services program itself. These heavyhanded assaults on the freedom of attorneys to represent their clients have multiple sources, but a common theme. Whether local bar associations, political and governmental organizations or community action programs are the source, the real grievance is rarely that a legal services program has done too little, rather that it has done too much. In short, opposition to an aggressive and effective program is really opposition to law and order when it benefits the poor. It is apparent that this is the real reason for resistance to refunding of the South Florida Migrant and DNA programs.

Because of their accomplishments, because of the source of the opposition, and because of the inability of their clientele to provide countervailing political support, the fate of the South Florida and Navaho programs will inevitably be test cases for the legal services program as a whole. Without a firm guarantee of independence and integrity from the Federal level, no innovative aggressive program of legal services can ever survive a similar onslaught. Unless the present administration of the Office of Economic Opportunity is willing to provide that guarantee, even by overriding a gubernatorial veto if necessary, as Mr. Rumsfeld is statutorily empowered to do, the future of all legal services programs will be in doubt. The delay in reaching a decision to refund these programs and the failure to provide some kind of interim emergency funds casts doubt on assurances that the programs will continue, to say nothing of making the personal circumstances of the people employed in them unnecessarily difficult.

The success of legal services programs rests on the ability of the Office of Economic Opportunity to assure the integrity of the lawyer-client relationship. The strong support forthcoming from the American Bar Association has expressly been conditioned on this assurance, and it is vital to the ability of the program to attract and retain able attorneys. Without it widespread demoralization and the loss of active, dedicated and highly qualified staff attorneys will be inevitable.

Senator Mondale, a member of the Senate Committee on Labor and Public Welfare, has indicated an interest in holding hearings on threats to the independence and integrity of legal services programs, with a view to proposing legislative changes that would eliminate them. We would hope that, if OEO is unable by administrative action to assure the independence of legal services programs and to protect the integrity of the lawyer-client relationship, you would join us in searching out and supporting the legislative changes necessary to reach this goal.

We are confident that your concern for the independence and vigor of legal services programs is at least equal to ours, and we therefore assure you our unanimous support in maintaining that independent posture. Nevertheless, to all of us, the legal services program represents a personal dedication, as well as a substantial commitment of time, energy, and critical phases of our professional careers. We are unwilling to see that program, or any worthwhile part of it, crippled through inaction or political impotence. Unfortunate experience, not the least of which is the current plight of the South Florida and Navaho programs, has convinced us that the future of the legal services program demands the following steps:

1. An immediate decision to fund South Florida Migrant Legal Services and DNA at levels consistent with recent evaluations of their programs, if necessary over vetoes at the Governor's level, and also to provide emergency interim funds if necessary.

2. A commitment that the pressure of political and economic interests will not be permitted to block the funding or refunding of programs that provide an adequate level of quality and effectiveness of service.

3. Measures to eliminate forms of local control that subvert program effectiveness.

4. A commitment to the integrity of the attorney-client relationship and the freedom of a program to act in behalf of its clients solely as the professional judgment of its staff dictates, regardless of the unpopularity

of the client or his cause, and without external review of its decisions in particular cases.

5. A prompt review of refunding and evaluation procedures to insure their objectivity, to insure that no program can be terminated or denied refunding without full consideration and an opportunity to be heard, and to insure that no program will be without operating funds in the process.

6. A prompt review and revision of policy-making organs and procedures for the legal services program to provide for the participation of attorneys at the project staff level.

We request your answer to the foregoing in writing by Tuesday noon, and we look forward to discussing your response with you in person next Thursday.

Very truly yours,

CAROL RUTH SILVER.

Mr. MONDALE. Mr. President, a resolution adopted at the annual meeting of the American Bar Association in Dallas, Tex., in late August, voices the same concern over the interference by Government officials with the activities of organizations providing legal services. I ask unanimous consent that the ABA resolution be printed in the RECORD at this point.

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

RESOLUTION

Whereas, attacks against Legal Aid and Legal Services lawyers and other lawyers threaten the rights of clients to have independent advocates;

Now, therefore, be it resolved, That the American Bar Asscoiation supports and continues to encourage every lawyer in the exercise of his professional responsibility to represent any client or group of clients in regard to any cause no matter how unpopular; and

Further resolved, That the American Bar Association deplores any action or statement by any government official who attempts to discourage or interfere with the operation or activities of any properly constituted organization which provides legal services to the community because the lawyers associated therewith, or any lawyer acting in good faith and within the confines of ethical conduct, zealously represent clients in matters involving claims against a government entity or individuals employed thereby.

Mr. MONDALE. Mr. President, my second amendment to S. 1809 is intended to ease the restrictions on criminal representation by OEO legal services attorneys. The present Economic Opportunity Act provides for no criminal representation except "in extraordinary circumstances where, after consultation with the court having jurisdiction, the Director has determined that adequate legal assistance will not be available for an indigent defendant unless such services are made available." The amendment I propose would remove the words "in extraordinary circumstances" with the intent that the Director would allow criminal representation in a variety of legitimate circumstances if the local legal services attorneys request it and obtain court approval.

The various circumstances for criminal representation by the civil-oriented legal services programs might include cases arising in rural areas where public defenders are not readily accessible, cases connected with civil suits filed by legal services such as arrests for trespass after a welfare rights sit-in or civil suits for damages from brutal treatment or false arrest against the police, or preliminary hearings on criminal charges when obtaining the services of an attorney rapidly is of crucial importance.

Of course, I do not intend for this amendment in any way to force criminal cases on legal services programs which are already overburdened. However, in many instances legal services programs find their effectiveness and credibility in a community undermined because they cannot provide legal assistance when a member of the community most needs it, when he has been arrested.

The third amendment increases the Federal support for all of the legal services programs from 80 to 90 percent. The remaining percentage or the "local share" must be raised by each director from local sources. The Federal Government supplied 90 percent of the funding for all programs until June 30, 1967; my amendment proposes a return to the original formula for Federal-local sharing.

Many legal services programs obtain their share through "in kind" contributions of time from local attorneys. In some areas of the country it is difficult to find volunteers to assist the programs; in other areas, such as the Deep South, it is nearly impossible.

Other legal services programs are assisted by local United Funds. United Fund support may lead, however, to conflict of interest problems. In Oklahoma City the local share raised through the United Fund was withdrawn promptly when the legal services program filed a suit against the local housing authority in Federal court. In Los Angeles local contributors advised the University of Southern California that they would withdraw their financial support if the university-sponsored legal services pursued litigation it had filed against the local police department.

The fourth proposal allows the Director of the Legal Services programs the discretion to increase the maximum salary limitations for staff attorneys. The present top salary for the community action program, of which legal services has been an administrative part, is $15,000. The CAP Director may approve higher salaries for specialized or professional skills in exceptional cases, particularly in metropolitan areas with higher local salary levels. In practice, it has often been difficult for local legal services programs to obtain salary waivers from the CAP.'s

Salaries for attorneys have been steadily increasing. Beginning salaries for law school graduates in New York and Washington are at the maximum level for legal services programs. If legal services intends to recruit in the national market for "poverty law" specialists or experienced trial and appellate attorneys, the Director needs the clear-cut authority to pay higher salaries.

At this time I do not believe there is a need for an across-the-board salary increase for legal services attorneys. I do believe the authority to increase the maximum salaries will attract experienced, capable attorneys to the program and will keep attorneys who have gained expertise in "poverty law" with the programs.

The fifth amendment prevents delegation of the Office of Economic Opportunity's legal services to any other existing Federal agency. I can foresee a time in the future when legal services may be an autonomous Federal agency. For the time being, however, I believe that legal services should be continued as a part of the Office of Economic Opportunity where conflict of interest problems are at the minimum.

Delegation of legal services to the Department of Health, Education, and Welfare or to the Justice Department, suggestions I have heard, present many possible conflicts of interest. One of the major areas where local legal services have pressed reform is in welfare; if legal services became part of HEW, suits such as those which questioned the constitutionality of the "man-in-the-house" rule would be impossible.

The Justice Department represents the Federal Government in any suit against the United States. Legal services programs throughout the country have represented indigents in suits against the Federal Government. The bar association canons of ethics would prevent Justice Department attorneys from representing both parties in a lawsuit. The effect of delegating legal services to the Justice Department means that legal services programs will not be able to represent indigents in suits against the United States.

The American Bar Association resolution I discussed earlier supports legal services attorneys who "acting in good faith and within the confines of ethical conduct, zealously represent clients in matters involving claims against a government entity or individuals employed thereby." My amendment is intended to prevent the delegation of legal services to another existing Government agency because I fear such a delegation will end legal representation for poor people who have claims against the Federal Government.

CONTINUATION OF PROGRAMS AUTHORIZED UNDER THE ECONOMIC OPPORTUNITY ACT OF 1964—AMENDMENT

AMENDMENT NO. 152

Mr. MONDALE. Mr. President, I submit an amendment to S. 1809, which I intend to propose during the upcoming executive sessions of the Employment, Manpower, and Poverty Subcommittee devoted to the consideration of bills to extend the Economic Opportunity Act. My amendment would raise the authorization of Project Headstart, included in Senator NELSON's bill, to $578 million—an increase of $240 million.

I ask unanimous consent that this amendment be printed in the RECORD at the close of my remarks.

The VICE PRESIDENT. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment will be printed in the RECORD, as requested by the Senator from Minnesota.

(See exhibit 1.)

Mr. MONDALE. Mr. President, the need for this immediate yet modest increase in the authorization became evident during the recent hearings which

the Employment, Manpower, and Poverty Subcommittee held on S. 2060, the Headstart Child Development Act of 1969. It is reinforced by an understanding of the administration's proposals to substitute full-year Headstart programs for many of the summer Headstart programs which are currently being funded.

The overwhelming thrust of the testimony on S. 2060 was that we now know more than enough about ways to prevent proverty from crippling children's intellects to begin acting on this knowledge. The testimony pointed to the critical effects of the first years of life, the way poverty and deprivation can prevent a child from reaching his full potential, and the effectiveness of early childhood programs which provide health care, nutritional aid, and educational stimulation to impoverished children. The hearings revealed, very simply, that by adequately funding many of the very promising early childhood efforts that can now be mounted, we can prevent the cycle of poverty from being passed down from generation to generation.

While few would contend that we have found all the solutions to early childhood problems, these hearings clearly indicated that we know how to prevent a great deal of nutritional, health, and intellectual damage from occurring. They revealed that we know that by providing health care and nutritious diets to infants and young children, we can prevent and correct conditions that otherwise could damage, and that by providing proper educational stimulation we can help disadvantaged children get a more equal start in school. They showed, in short, that we know a great deal about how to help poor children gain a better chance to reach their full potential.

The Headstart Child Development Act of 1969—the subject of these hearings—was designed to greatly increase our commitment to early childhood and our ability to fund adequate efforts in this area. It provides authorizations of $1.2 billion in 1970, increasing to $5 billion by 1974, so that, in combination with other programs, substantive early childhood programs from birth to age 6 could be made available to all needy children. It provides funds for the rental, purchase, alteration, renovation, and construction of necessary facilities for early childhood efforts. It provides training opportunities for professionals and nonprofessionals in early childhood development.

It is my hope that the bill will be the suoject of further hearings this fall as the subcommittee continues its thorough review of the needs and potentials in early childhood. I continue to support it as a realistic and necessary effort that will be required to give substance to the "new national commitment to the crucial early years of life" that President Nixon has proclaimed. I remain pledged to the goal of early enactment and adequate funding of S. 2060.

In the interim, and as an important stopgap measure, I introduce this amendment calling for a moderate increase in the authorization levels for Project Headstart that are included in Senator NELSON'S bill to extend the Economic Opportunity Act. The specific figures requested in this bill are based on an understanding of the value in the administration's proposed movement from summer programs to full-year Headstart programs, and also on a very firm belief that this shift must not lead to a substantial reduction in the number of children receiving Headstart services. Very simply, I do not believe that knowledge which suggests full year programs are more effective than summer programs permits us to decrease the number of children we are serving by Headstart. On the contrary, I think we have a responsibility to make early childhood development services available to considerably more impoverished children, and S. 2060 would do just that. But at a very minimum, I believe we have a responsibility to at least maintain the current level of Headstart opportunities while we seek to make these Headstart opportunities more promising and hopefully more effective.

It is my understanding, however, that the administration's proposal to shift the Headstart focus from summer programs to full-year programs involves a substantial limitation of the Headstart program as we know it. Indeed, while the administration proposes to increase year-round Headstart opportunities from 214,000 to 249,800—an increase of some 36,000—to accomplish this increase they would cut in half the summer Headstart opportunities from the current 450,000 to only 225,000. In sum, the administration's proposals for fiscal year 1970 mean that there will be Headstart opportunities for approximately 190,000 fewer children than there were this past year.

I do not believe that such a cutback can be justified. Just as we are learning more about effective ways to help disadvantaged young children, it seems unfair and unwise to propose serving fewer children.

My amendment is designed to permit this shift from summer programs to full-year programs to occur without requiring a cutback in the scope of the program. In other words, my amendment seeks to provide programs of more substance to at least the same number of children receiving services today, rather than to provide programs of more substance to substantially fewer children than are receiving services today.

The mathematics of the cost of converting summer programs to full-year programs are quite clear. It costs approximately $800 more to provide a full-year Headstart experience than it does to provide a summer Headstart experience. Based on the rather conservative estimate that 300,000 of the current 450,000 summer Headstart slots could be converted to full-year programs by the end of 2 or 3 years, this conversion would cost approximately $240 million. My amendment would permit this amount of conversion to take place without requiring any cutback in the number of Headstart opportunities that are available to disadvantaged children.

I am hopeful that by authorizing this additional amount for the Headstart program we can keep open the possibility that a cutback in Headstart will not be required, and that by appropriating sufficient funds each year, we can guarantee that such a step backward will not occur.

The amendment (No. 152) submitted by Mr. MONDALE, was referred to the Committee on Labor and Public Welfare, as follows:

EXHIBIT 1

AMENDMENT NO. 152

On page 2, line 14, strike out "$2,180,000,000" and insert in lieu thereof "$2,420,000,000"

On page 2, line 23, strike out "$1,032,700,000" and insert in lieu thereof "$1,272,700,000".

On page 2, line 24, strike out $338,000,000" and insert in lieu thereof "$578,000,000".

AMENDMENT OF SOLID WASTE DISPOSAL ACT—AMENDMENT

AMENDMENT NO. 153

Mr. BOGGS. Mr. President, for some time many of us have been concerned about this country's lack of a national materials policy—one that would allow the United States to use more effectively its resources and technology, to anticipate future needs and to improve environmental quality and conserve materials.

I have been interested in this subject primarily as it affects our environment. One of the most reasonable methods of preventing the clutter that threatens our streams and roadsides, I am convinced, lies in the development of materials and technology which would allow for the recycling of solid wastes.

During the last 2 years I have had the good fortune to be the recipient of two very knowledgeable reports on this subject. The first, published by the Committee on Public Works in January of 1968, was a survey of the "Availability, Utilization and Salvage of Industrial Materials."

The second, published this year by the committee, is titled "Toward a National Materials Policy." This report was written by a group of some of the most outstanding men in our materials community, representing government, private industry, and private research groups.

After a detailed description of our lack of any coherent policy regarding materials, the report recommends the establishment of a national commission on materials policy. Such a commission would be charged with a full study of a possible national materials policy which would include:

Projected national and international materials requirements;

The relationship of materials policy to national population and the enhancement of environmental quality;

Recommended means of development of materials susceptible to reuse;

Opportunities and incentives for the free enterprise system to complement and further national materials policy;

Means to effect coordination and cooperation among Federal departments and agencies in materials usage; and

The desirability of establishing computer inventories of national and international materials requirements, supplies, and alternatives.

Mr. President, this seven-member commission would be funded in the amount of $2 million and would be appointed by the President with the advice and consent of the Senate. It would report to the President and the Congress no later than June 30, 1971.

Mr. President, the recommendations of this study group have been incorporated in an amendment to S. 2005, which I now submit with the cosponsorship of Mr. BAKER, Mr. BAYH, Mr. COOPER, Mr. EAGLETON, Mr. HARTKE, Mr. INOUYE, Mr. MONTOYA, Mr. MUSKIE, Mr. PEARSON, Mr. RANDOLPH, and Mr. SPONG.

I ask unanimous consent that the amendment be printed at the conclusion of my remarks, together with excerpts from the report entitled "Toward a National Materials Policy."

The VICE PRESIDENT. The amendment will be received, printed, and appropriately referred; and, without objection, the amendment and excerpts will be printed in the RECORD.

The amendment (No. 153) was referred to the Committee on Public Works as follows:

AMENDMENT NO. 153

On page 10, line 11, insert the following:

"TITLE II—NATIONAL MATERIALS POLICY

"SEC. 201. This title may be cited as the 'National Materials Policy Act of 1969.'

"DECLARATION OF PURPOSE

"SEC. 202. It is the purpose of this Act to enhance environmental quality and conserve materials by developing a national materials policy to utilize present resources and technology more efficiently, to anticipate the future materials requirements of the nation and the world, and to make recommendations on the supply, use, recovery, and disposal of materials.

"ESTABLISHMENT OF COMMISSION

"SEC. 203. (a) There is hereby created the National Commission on Materials Policy (hereafter referred to as the 'Commission') which shall be composed of seven members chosen from Government service and the private sector for their outstanding qualifications and demonstrated competence with regard to matters related to materials policy, to be appointed by the President with the advice and consent of the Senate, one of whom shall be designated as chairman.

"(b) The members of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Commission.

"DUTIES OF THE COMMISSION

"SEC. 204. (a) The Commission shall make a full and complete investigation and study for the purpose of developing a national materials policy which shall include, without being limited to, a determination of—

"(1) national and international materials requirements, priorities, and objectives, both current and future;

"(2) the relationship of materials policy to (a) national and international population size, and (b) the enhancement of environmental quality;

"(3) recommended means for the extraction, development, and use of materials which are susceptible to recycling, reuse, or self-destruction, in order to enhance environmental quality and conserve materials;

"(4) recommended opportunities and incentives for the operation of the free enterprise system in such a manner as to complement and further the national materials policy;

"(5) means of exploiting existing scientific knowledge in the supply, use, recovery, and disposal of materials and encouraging further research and education in this field;

"(6) means to effect coordination and cooperation among Federal departments and agencies in materials usage so that such usage might best serve the national materials policy; and

"(7) the feasibility and desirability of establishing computer inventories of national and international materials requirements, supplies, and alternatives.

"(b) In order to carry out the purposes of this Act, the Commission is authorized—

"(1) to request the cooperation and assistance of such other Federal departments and agencies as may be appropriate;

"(2) to appoint and fix the compensation of such staff personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of such title relating to classification and General Schedule pay rates; and

"(3) to obtain the services of experts and consultants, in accordance with the provisions of section 3109 of title 5, United States Code, at rates for individuals not to exceed $100 per diem.

"(c) The Commission shall submit to the President and to the Congress a report with respect to its findings and recommendations no later than June 30, 1971, and all authority under this Act shall terminate ninety days after the submission of such report.

"(d) Upon request by the Commission, each Federal department and agency is authorized and directed to furnish, to the greatest extent practicable, such information and assistance as the Commission may request.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 205. There is hereby authorized to be appropriated the sum of $2,000,000 to carry out the provisions of this Act.

"Renumber remaining titles and sections accordingly.

"Amend the title so as to read: 'To amend the Solid Waste Disposal Act in order to provide financial assistance for the construction of solid waste disposal facilities, to improve research programs pursuant to such Act, to establish a National Commission on Materials Policy, and for other purposes.'"

The excerpts, presented by Mr. BOGGS, are as follows:

TOWARD A NATIONAL MATERIALS POLICY

I. INTRODUCTION

The purpose of this report is to present an informed opinion as to national action in the field of materials that is judged to be needed now in furtherance of the national interest.

The report identifies significant issues that require assessment and policy decision. It proposes a means to make these issues more visible, to examine them in depth, and to develop conclusions and recommendations for their resolution.

Sound policies for supply, use, and disposal of materials are regarded as essential for the attainment of national objectives. Adequate resources and their prudent use have long been a national concern. Indispensable for the production of useful goods in peace and war, materials are now also perceived to be a cause of environmental degradation. As human society becomes more and more populous, as living standards rise, and as the benefits of industry and technology are extended to a larger proportion of the inhabitants of the globe, more and more materials are consumed, and more and more waste products threaten to degrade the environment.

In the historical evolution of the United States, the role of materials in commerce has undergone periodic change. Initially, materials were principally an article of export. Then processing industries developed and began to consume increasing percentages of materials at home. Exports were mainly of manufactured goods, and an increasing proportion of total imports were of raw materials. In copper, for example, the United States has moved in the past half-century from the position of the world's leading exporter to one of the world's leading importers.

World War II provided a dramatic lesson as to the role of materials in national defense. The deep concern for insufficiencies in materials experienced in that war led to the creation of the national stockpile, to provide essential reserves for future possible war emergency. During the Korean war, the President's Materials Policy Commission, under the chairmanship of William S. Paley, made a comprehensive survey of national requirements and supplies of materials, including energy sources and water. This landmark study, now nearly 17 years in the past, provided valuable guidelines for the Nation. Many of its recommendations were followed; some were not.

In particular, the Paley Commission foresaw that many changes would occur in industrial technology, in consumer demands, in conditions of overseas supplies of materials, and in patterns of conservation, reclamation, and disposal of waste materials.

The Commission concluded that national materials policy could not possibly be prescribed for once and for all. It would require periodic reassessment. This, said the Commission, should be a regular and continuing function of Government. It should not be that of an operating agency. Its energies "should be directed to broad, long-range analysis and not diverted into immediate problems of operation." It could call attention to the need for new projects or changes, coordinate public and private activities, and "survey the total pattern of activities in the materials and energy field." In the words of the Commission:

There must be, somewhere, a mechanism for looking at the problem as a whole, for keeping track of changing situations and the interrelation of policies and programs. This task must be performed by a Federal agency near the top of the administrative structure.

Such an agency [continued the statement], at the level of the Executive Office of the President should review all areas of the materials field and determine how they can be best related to each other. It should maintain, on a continuing basis, the kind of forward audit which has been this Commission's one-time function, but more detailed than has been possible here; collect and collate the facts and analyses of various agencies; and recommend appropriate action for the guidance of the President, the Congress, and the Executive agencies.

Contemporary expansion of world trade, and enlargement in world requirements for industrial materials, have occasioned concern for the future adequacy of materials and raise once more the issue of reliance on sources abroad versus development of self-sufficiency at home. On this issue the Paley Commission said:

* * * The United States must reject self-sufficiency as a policy and instead adopt the policy of the lowest cost acquisition of materials wherever secure supplies may be found: self-sufficiency, when closely viewed, amounts to a self-imposed blockade and nothing more.

Materials continue to be indispensable in the application of technology in the modern world. Vast advances have been made in materials since the Paley Commission completed its assignment. The effect of technology on increased purity of materials has had a far-reaching effect on industry. (See app. B.) New technology in materials has contributed indispensably—often creatively—to many new

industries of the present day, such as: solid-state devices, computers, lasers, composite materials, aerospace, deep-diving submarines, titanium, nuclear power, desalinization, and many more. (See app. C.) Many new alternatives and options, in the solution of materials problems, have become available. Modern information technology is producing means of information transfer and coordination not previously available. At the same time, the problems presented to the modern world by needs, uses, and disposal of materials have become more complex and more serious. Therefore, it is now time for a reassessment at the national level of policies regarding materials. (See apps. D and E.)

II. THE SUPPLY/REQUIREMENTS PROBLEM IN MATERIALS

All energy- and product-oriented economies are heavily dependent on materials. The maintenance and expansion of our already prosperous economy will draw on materials to a substantial degree, although, as that economy is balanced more toward services than products, the rate of growth of demands for materials will not parallel that of the rate of growth of the economy as a whole. Nonetheless, the increasing population in the United States, as well as the growth of the economy, will lead to increased, and not lessening, demands for materials.

Simultaneously, the United States has long recognized, as a national objective, the desirability of encouraging the development of prosperous economies abroad. Despite the ravages of World War II, an advanced stage of industrial development enabled European nations to ingest large amounts of United States economic assistance and translate that assistance into the increased productivity of goods and, more recently, services. Accordingly, European demands for materials have gone up very rapidly on a per capita basis, probably more rapidly than that of the United States.

By their very nature, the developing countries, at a lower stage of technology, have responded less rapidly and less efficiently to an influx of support from the United States and from other countries. Nevertheless, their economies have grown and so have their demands for materials. As many of these economies approach a point of increasing self-sufficiency in an economic sense, it can be expected that they will have explosive demands for new materials in order to satisfy the needs of their burgeoning populations for goods. As a basis for expansion of their economies, many of these countries have become international suppliers of raw materials. As their economies mature, more and more of those raw materials will be upgraded in order that the advantages to the local economy of adding value to the export will be realized.

While the United States is still an important producer of raw materials, it is increasingly dependent on world supplies. In the changing raw materials economy of the world, demand threatens to rise faster than supply; the economic security of the United States, to the extent that it depends on materials from abroad, is thereby in jeopardy. Fortunately, the higher degree of technological sophistication in the United States makes it possible to increase the degree of interchangeability of materials so that more available materials can be substituted for less available ones. This element of technology has reduced the tension and the dependence of the United States on some of the products which are available largely or solely from abroad. Nevertheless, the competition for materials can be expected to grow and, as the underdeveloped world becomes more mature economically, to grow at an increasing rate.

Programs of education, technological research, economic analysis, and political policy formulation should now be in the process of development in order to insure that the United States anticipates the alternative futures which it will confront as a result of its internal growth and the growth of the rest of the world, and the combined demand of the United States and world economies for raw materials.

Materials in the earth's crust are finite in their extent. But since most materials are not used up but can be recycled, the limits to their continued availability—apart from costs of extraction and inflexibility in patterns of use—are set much further out. The levels of reuse are determined largely by ability to overcome difficulties in recovery and reprocessing that impose varying costs. Science and technology can help to overcome costs of primary extraction and secondary recovery. However, they need to be purposefully developed, long in advance of need, because the leadtime in making technological changes in materials usage patterns is inherently long. Quick, forced changes are likely to be costly, inefficient, wasteful, and altogether unsatisfactory.

What dislocations in materials supplies can be anticipated? World-wide population and income growth can be expected to cause increased needs for materials. Per capita consumption of many materials in the United States is as much as a hundred times that in some populous regions abroad. Economic development in lagging regions will surely reduce this disparity. As world patterns of supply and demand alter, there will be awkward dislocations. These can be eased by discoveries of new sources of materials, by improved technology of mineral extraction, and by more effective recycling and reuse. The injurious effects of such dislocations can be minimized by anticipating them, by taking precautionary measures in advance, and by adopting appropriate policies when they occur. (See app. F.)

The precise strategies to be followed to meet any particular crisis will depend on the circumstances at the time. The more complete and reliable the information that is available at the time concerning all aspects of materials, the better able the Nation will be to choose the best strategy. At the present time, information is less than comprehensive and up to date on per capita consumption of materials in the various countries of the world, the rate of change in these figures, and projections for long-range future changes in the supply and requirements of essential materials. Nor is there available adequate means of applying this information—if it were available—to afford guidance to applied research and technological development, to modify the policies and operation of the national stockpile, or to develop other possible options in advance of need.

The Paley Commission concentrated its attention on an analysis of the supply/demand problem of the United States, based on projections of the growth of its economy, the changing demand for materials, and the changing pattern of supply. While there has been much subsequent study of the supply/demand issue by a variety of institutions in and out of Government, there is still no provision for the maintenance of an inventory of U.S. sources of materials which takes into account various future economic and demand situations. Hence, the supply/demand issue will have to be given appropriate attention by any future commission established to study national minerals and materials policy problems.

III. THE PROBIEM OF THE INTERACTION OF MATERIALS AND ENVIRONMENT

Uses of materials have increasingly become recognized in the United States as a major facet of environmental quality. The interactions of materials and environment are complex. Scientific inquiry has only begun to provide parameters for investigation.

In a broad way, the problem can be characterized: An increasing population, with a rising living standard, is consuming and discarding an increasing variety and quantity of materials. The results are an increased quantity of municipal and industrial wastes: increased loads of effluent to be carried away by surface streams and by the atmosphere, and increased loads of solid wastes to be dumped on land or in the surface waters of the earth. These forms of waste disposal are causing an increase in the rates of physical deterioration of air, water, and land, and biological impairment of plants and animals in the degraded environment. (See app. G.)

While major industries have been organized to produce materials and products made from them, limited attention has been paid to the ultimate disposition of materials. Unfortunately, the total cycle from production to disposal has not adequately been put into perspective; our technology, economics, and public policy have emphasized production and initial processing. Since materials disposal is currently having such a profound effect on the environment, because of its steeply rising scale, a new analysis of relevant technological, economic, and policy issues would be appropriate.

Moreover, the quality of environmental degradants is also changing. For example, technology has created many new chemicals, which put new impurities into the air and water. The scientific determination of the ecological consequences of any particular level of any single impurity is a huge undertaking. To determine the consequences of all impurities, singly and in various combinations and synergisms, is beyond the reach of human capability. Yet solutions must be found to the major problems implied.

As a general proposition, we should do the best we can to hold environmental degradation at tolerable levels as we can define them, with periodic review as to where they are, and a clear understanding of the implications. This raises such problems as identifying the agents and their physical and economic consequences, and such issues as conflict of action with other objectives.

IV. SUSTAINED DEFINITION AND ACHIEVEMENT OF A COHERENT SET OF NATIONAL MATERIALS GOALS AND OBJECTIVES

In summary, materials—their availability, use, and disposal are significantly related to national goals of physical health and well being, economic health and prosperity, national defense and security.

Events and developments are causing many impacts on these relationships. Many agencies of Government share the numerous functions that involve materials. Decisions are being made piecemeal, with partial information. There is no central source of information about materials to warn of approaching dangers, to call for needed corrective actions, to search for preferred alternative courses of action, to relate national goals and objectives for materials with the broader goals of the United States. Ultimately, national materials policies must continue to rely on private industry for their implementation. The role of Government is to provide information on what needs to be done, and why, and what the constraints are; in some cases, Government may need to enforce the constraints, assist in the motivation, or fund research. But the primary initiative will remain with industry itself.

(A) *Identification and continuing appraisal of national goals of materials*

A number of general goals can be stated for the materials posture of the United States. Detailed quantitative goals will always be short-range in character, and even broad qualitative goals need to be adjusted

from time to time. Nevertheless, it can be said that U.S. goals in materials today encompass the following:

A healthy, efficient, domestic materials-producing industry;

Assurance of adequate supplies of materials at prices established in competitive markets;

Assurance of reserves of materials for military production, under the conditions of supply that might prevail in time of war emergency;

Efficient use by manufacturing industry of the materials being processed;

With due regard for national security and foreign policy considerations, a national trade policy that permits materials users to draw their supplies from sources of lowest cost;

Avoidance of sudden, wide, and costly fluctuations in materials supply/demand relationships, in materials costs, and materials production and supply patterns; and

Avoidance of the discharge of waste materials into the environment in amounts and ways that threaten to impair human health and comfort, injure the ecological balance, and degrade the esthetic quality of man's surroundings.

There are undoubtedly other important goals that should be added to this list. The group made no effort to develop an exhaustive enumeration of such goals, and suggests that an important function of the proposed commission would be to prepare more definitive statement in this regard.

(B) Completeness, appropriateness, and coordinated management of national materials programs

Numerous Government agencies have responsibilities in the field of materials. For example, at least 19 departments and agencies sponsor applied research in materials, 15 are involved in long-range policy planning, 20 perform materials information management functions. The potential for conflict, duplication, and serious gaps in materials programs is clearly present. (See app. L.)

(C) Technological and political changes affecting the materials supply/requirements balance

As the demographic configuration of the United States changes—from agrarian and semi-rural to an urban civilization, important shifts occur in materials problems and program priorities. Different kinds of housing are needed. Transportation requirements change. Agricultural production becomes more capital-intensive. Recreation needs are both different and greater. Congested communities require more efficient patterns of materials flow, with a lessened volume of residual wastes.

World supplies of materials are also undergoing changes, in response to both political and economic forces. Political uncertainties and nationalistic trends render some resource areas insecure. Some of the principal sources of tin, antimony, copper, nickel, bauxite, niobium, manganese, chromium, and tungsten have a low confidence factor. The world may not, as a whole, be pinched for resources, but there are likely to be dislocations in the years ahead. Will they be of short or prolonged duration? What can be done in advance to anticipate and minimize their adverse impacts?

Another question concerns the priority of programs to develop the resources of the oceans and the ocean floor. How important is this new source for strengthening the U.S. position in materials? What kind of legal and institutional regime would best serve the broad interests of the United States in developing these new opportunities?

From the aspect of national policy, the three fields of materials supply, engineering choice of materials in design, and waste disposal may be related. Engineering design practices, for example, may reduce waste volume. Ways of processing wastes can reduce dependence on new supply. Selection of materials in designs can help to extend reserves. Since all aspects of materials are of public concern, it would seem to make sense to look for opportunities of high effectiveness and low cost to accomplish these related purposes. However, at present there is no central point from which to coordinate a concerted effort. (See app. H.)

There is a need to improve the predictability of prospects of all aspects of materials. This kind of forecasting provides a basis for selection of research and development projects of significant national importance.

(D) Methodology for integration of materials information and information management

The management of information concerning all the different aspects of materials presents appalling difficulties. Yet, if decisions are to be wisely made, they must be made on a sound factual basis. Many different kinds of information need to be systematically gathered, accessibly maintained, and systematically analyzed. Examples of useful information generally not available in suitable scope and quality include—

A running inventory of the natural occurrence of minerals, by location, occurrence, extent, concentration, and probable cost of extraction;

Interindustry input-output information on materials flows;

Applied research projects in materials, cross-referenced to type of material and purpose of research.

Modern techniques of computerized information management offer important promise of performing information storage and manipulation tasks hitherto impossible. The amount of information that can be processed at a time is increasing all the time. So is the depth with which units of stored information can be retrieved. Storage can accommodate numbers, facts, even pictorial information. It is now necessary to combine the study of what needs to be done with the study of what can be done, in order to exploit new information management tools for national purposes of materials surveillance. (See app. I.)

(E) Establishment of a national consensus on materials policy and action

Attention has been repeatedly directed to the need for a changed attitude on the part of the American public toward resource management. The assertion has been reiterated until it has become trite that the wasteful exploitation of the wealth in the ground, the growing timber, the soil, and the other riches of nature can no longer be permitted. Put in this way, the proposition is generally accepted. But this statement is not an adequate guide to public or private policy. Physical waste is not the same as economic waste. The individual entrepreneur cannot afford to take the initiative to alter disposal policies that would place him at an economic disadvantage. The authority of Government is needed to achieve concerted action. But this authority must be used sparingly, and only under conditions of generally recognized need.

The question of combining conservation with efficient utilization and disposal of materials ought to be resolved to the reasonable satisfaction of all. In mining, for example: What research should be undertaken to make more efficient the digging of ores and the extraction of values from them, so that the added costs of conservation practices can be met?

In uses of material and products: Should producers of products have an obligation that the product not add unnecessarily to the wastage of materials, or the generation of waste? It so, then how might this goal be accomplished? Should there be a strongly supported research effort to make durable goods more durable, and items quickly discarded more rapidly self-destroying?

In waste disposal and salvage: Should efforts be intensified in the education of the public to channel discarded materials responsibly so that they become available for re-use, rather than accumulate as litter? Should research be expanded in the ongoing effort to enable municipal waste disposal operations to reduce their product to the least possible volume, in the least polluting form (solid versus liquid versus gaseous), or converted into useful products where possible?

Although there are many kinds of operations and programs that would be beneficial in improving the usefulness of materials to man, the changing context of modern society is such that the most immediate task is to develop a national understanding of the facts and their implications. (See App. J.) The preservation and restoration of the environment, and the inspirational appeals to "keep America beautiful" need to be backed by an understanding that some of the things that must be done are costly. These costs must be met if the goals are to be achieved. A national consensus on this issue must include a willingness to pay the costs and to distribute them equitably.

V. PROPOSAL FOR A NATIONAL COMMISSION ON MATERIALS POLICY

In the light of the foregoing considerations, it is judged timely and essential that a national commission be chartered and organized to study the present stance of the United States with respect to materials, and to make recommendations based on its finding. The objectives of the commission should be:

1. To identify the relationship of the broad subject of materials in all their aspects to national goals and objectives:

2. To define materials goals and objectives of the Nation;

3. To contribute to a broader understanding and awareness of materials problems and opportunities;

4. To maximize, to the extent permitted by the constraint essential to the national interest, the opportunities for free enterprise to function efficiently in the materials field;

5. To recommend a way in which the Federal Government can be equipped to—

Coordinate governmental policies and programs relating to supply-demand-disposal balance;

Exploit the capabilities of scientific research and technological development to encourage practices and procedures in materials supply, use, and disposal to make them increasingly compatible with the national interest;

Coordinate or conduct long-range studies of materials prospects and problems;

Strengthen provisions for education and academic research in the expanding areas of expertise relating to materials;

Coordinate the development of an information management system in materials, to satisfy all essential requirements of national policy formulation and program design; and

Coordinate the development of programs affording a reasonable array of possible alternatives to meet future exigencies in the field of materials management.

The Commission should consist of from three to seven members, including a chairman and vice chairman. The members should have outstanding qualifications in industry, education, or Government service. The commission should be supported by a staff, headed by a staff director. In the recruitment of the staff, an effort should be made to obtain persons with solid and relevant experience and training, drawn in roughly even proportions from industry, academia, and Government. (See app. K.)

The commission should be funded sufficiently (on the order of $2 million) to sup-

port housekeeping functions, pay staff and consultants, maintain adequate secretarial and clerical support, engage the services of appropriate research organizations, hold field hearings, and produce an adequate final report wtih supplementary papers for wide public distribution. Duration of the commission should be on the order of 18 months.

Partisan bias attaches to some issues in the field of materials. In the forming and staffing of the commission, the nonpartisan nature of its task should be carefully preserved. The commission should attempt to approach matters at issue with a highly objective attitude. It is suggested that the commission be sponsored and directed by congressional resolution. It would be expected that provision would be made for the commission to draw on appropriate agencies in the executive branch for technical and professional support as needed. (See app. L.) With the further addition of staff support obtained under agreement with the academic community and industry, the analytical and review proceedings of the commission would recognize the continuing concern and interest of all segments of the Nation, and thus contribute to the development of a national consensus.

APPENDIX D

THE NEED FOR A NEW ASSESSMENT OF NATIONAL POLICY IN MATERIALS

(By Franklin P. Huddle)

From the philosophical standpoint, our national objective is to preserve and enlarge the political and economic freedom of individual choice of all our citizens.

The role of materials, in support of this objective, is to contribute to the improvement of the human environment.

An essential additional objective for materials has been the assurance of adequate supplies for the manufacture of the implements of defense and war.

The primary method to assure an adequacy of materials, and to manage their conversion into useful products, has been the application of science and technology to the production, processing, and shaping of materials for the consumer under the motivation of profit to the entrepreneur. No basic change is now foreseeable in our main reliance on this system.

In its classic simplicity, the system of free enterprise is automatic: production creates demand; the employee is the consumer; the loop of supply and demand is closed.

In practice, however, the operation of this system has entailed many kinds of governmental intervention. Mercantilist economic theory called for the imposition of protective tariffs to encourage infant industry.

The requirements of military preparedness called for the maintenance of some production sources and reserves that the operation of a free market economy would not support. Unmanageable surpluses caused economic crises that were alleviated by governmental programs of production control and administered prices. Depressed regions, committed economically to the production of cotton, bituminous coal, wheat, corn, or some other single commodity, required welfare measures as their markets contracted. More recently, patterns of technological application have caused recognizable impairment of the human environment of such potential hazard as to require national regulation.

In short, the Government has had some form of national policy on materials ever since Alexander Hamilton, as Secretary of the Treasury, prepared his famous Essay on Manufacturers for the Congress, during the Presidency of George Washington.

Yet, there has been no really comprehensive study of the role of materials as a coherent feature contributory to the goals of the American commonwealth. Great epochs are associated with the quest for some particular commodity—the gold rush, King Cotton, the New England whaling industry, to name only a few—but a systematic historical analysis of the role of materials in the evolution of the American civilization has not yet been prepared. Materials stand in important relationship to the evolution of industry and commerce, the national defense, advances in science and technology, population movement and growth, and major issues of national politics.

Within the memory of most of us, materials policy in the United States has undergone a series of phases in response to changing conditions.

During the 1920's, unmanageable surpluses resulting from the overstimulation of World War I needed to be liquidated, and production capability needed at the same time to be contracted.

Subsequently, during the depression years, artificial scarcity was attempted by Government action in coal, petroleum, and basic agricultural commodities.

Real scarcities occurred in World War II, caused by a combination of large new needs, coupled with interruption of prewar patterns of foreign trade. World War II dramatized the dependence of military forces on logistics support, and the dependence of an industrialized economy on an abundant flow of materials. The Nation resorted to many costly and inefficient expedients to make good the lack of materials long taken for granted.

The early postwar years are almost impossible to characterize. Many cross-pressures developed, with regard to national policy in materials. There were a variety of programs to correct weaknesses in the national preparedness structure that had been pointed out during the war—by stockpiling, conservation measures, and extensive analyses of military supply requirements balance for future mobilization. Expanding programs of foreign aid were assessed both as to their effect on materials requirements, and as a vehicle to expand the availability of materials from the countries receiving aid from the United States. Pent-up demand for durable consumer goods underwrote a general expansion in the flow of materials from source to end products. The impacts of the cold war on national materials policy were numerous and subtly complex: interruptions in the flow of essential materials from customary sources, increased uncertainties as to political reliability of source countries, apprehensions as to the motivations underlying unusual commercial transactions by leading Communist countries, and encouragement of materials production from new sources for political as well as economic advantage.

The Korean war, beginning in June 1950, accelerated a movement, already in progress in recognition of the bipolarity of the postwar world, toward a kind of regional autarchy: the development of a free world self-sufficiency in materials, coupled with a mutual denial of materials to and from the Communist bloc. It was at this point in time that the Paley Commission, the President's Materials Policy Commission, was convened to make its assessment of the adequacy of materials to meet national needs in the foreseeable future.

The Paley Commission was the first serious attempt on a national basis, to assess fully the ramifications of a comprehensive materials policy.

It attempted also to forecast the future balance sheet, for 23 years into the future—up to 1975—as to supplies and requirements for major industrial materials.

It identified and made recommendations concerning a long list of problem areas in materials.

However, its most important two recommendations concerned the ability of the Nation to anticipate and react to future materials problems of major proportions. It recommended—

(*a*) The maintenance of a data base of current information in the greatest possible degree of fineness of grain, concerning supply, requirements, utilization, and disposal, of all pertinent materials;

(*b*) The maintenance of two continuing organizations, one governmental, and the other privately sponsored, to maintain a constant surveillance over materials facts and problems, present and prospective, and to recommend corrective actions for administrative decision or congressional enactment.

Many of the detailed recommendations of the Paley Commission were indeed implemented. The administrative recommendations received quite serious attention—I can testify—from the very substantial team of materials experts in the Department of Defense. However with the passage of time there has been a reduced interest and vigor in the pursuit of materials policies and programs in the Department: the fine study team that was assembled in the Munitions Board, numbering some 80 persons, has completely departed, and personnel in the Office of Defense Research and Engineering concerned with materials research and development have been reduced in numbers. There has been a reduced concern with programs of materials conservation, less insistence on the inclusion of materials engineers on design teams, and less effort to maintain a systematic relationship between military planning and logistic support in materials.

On a national basis, materials policy has not been ignored since 1952. In fact, a remarkable number of reviews of national policy and national status have been conducted since then. I hesitate to try to enumerate them all because I am sure to leave out some. But to my knowledge, there have been three major assessments by Resources for the Future, three by the National Academy of Sciences, one by the Office of Emergency Planning, and a very considerable recent survey of minerals status and forecast by the Bureau of Mines. There have also been many detailed partial surveys of materials problems and issues—by the Materials Advisory Board of NAS, the Federal Council on Science and Technology, PSAC, by groups in USDA, and undoubtedly others. The annual forecasts of technological trends by BDSA represents a further significant contribution to materials data and problem identification.

The difficulty, in fact, lies in the very multiplicity of studies, analyses, and data collections. Policy is, indeed, benefited by being based on a variety of inputs. But it also requires integration, synthesis, reconciliation, even mediation. There are many able students of materials policy here in Washington, and around the country. But unless they can all be brought together with a common data base, and mutually acceptable methodologies of analysis, disagreement will persist and there will be no concerted national action toward goals we all share.

It has been more than 16 years since the Paley Commission made its report. What review has been made of its recommendations—and of the results of the actions taken in response to many of them? What have been the actual figures for materials supply and requirements in comparison with the Paley Commission forecasts—especially since 1962 when RFF made its comparison? What factors have intervened to skew the actual figures away from the forecasts?

More important—what new national problems have appeared or seem likely to confront us in the future, that the Paley Commission could not have foreseen?

What new techniques of analysis are now available for Government or private use to shed new light on the needs of the present and future? Surely we can do much more effective data management with the new

time-sharing computers; we can manage specific programs more precisely with the cost/effectiveness calculations of the PPB system. We can design larger information structures, and progressively refine them.

The need for a new Paley Commission, however, goes beyond all these considerations. In my very brief and tentative analysis for Senator Boggs and the Committee on Public Works, I tried to identify a few of the major trends in our society that seem likely to influence our future policy in materials. For example, there have been unmistakable shifts in our curves of population and age distribution, and more significant further changes are in prospect. The world pattern of consumption and distribution of materials is changing, and promises to change more significantly in the future. There are real prospects of political shifts in many countries. There are changes in the technology of materials discovery and extraction, actual or potential. There are important new developments in materials properties, with particular reference to the greatly abundant materials. There is certainly a greatly increased interest in salvage and waste utilization, and related to it a deep concern for pollution and degradation of the human environment. The question is raised as to the responsibility, and the technological feasibility, of calling upon design engineers for concepts to improve salvage value and to decrease unusable wastes.

How will these—and many other trends—relate to the national goals of our society? What role should materials play in furthering progress toward these goals? What should be our national policies to insure this? What actions should we take in the short- and long-term future to enable materials to make their full contribution to our national goals?

I suggested in my paper that a materials policy for the future might have four major considerations.

First, the determination of the critical factors of our society and its economy that are of foremost importance in influencing our materials policy—in other words, our assumptions as to the future. Second, consideration of availability. Third, utilization, and Fourth, considerations of materials salvage and disposal.

With respect to the first item, I proposed that the general policy governing the management of materials would be sustained yield, at beneficial terms, contributing to gradual but sustained rates of improvement of the environment in the light of longer range future analysis, planning, and programing. This suggests a posture of flexibility within a generally stable society, with continued technological search for environmental optimization, and the response in a measured way to internal or external perturbations, challenges, and dislocations.

With respect to the second item, supply, I suggested that a general principle would be the achievement of a flexible policy of dynamic stability, maintaining the flow of materials to meet as precisely as possible, without waste or surplus, the changing needs of industry under long-range planning and programing. Implicit in this posture would be a national reserve of materials, a detailed inventory of mineral deposits, further progress in the technology of mineral detection, and continued expansion in electrical energy.

Furthermore, the anticipated future national requirements for materials possessing unprecedented and extreme properties would be determined systematically and routinely; research approaches to attain these properties would be blocked out and initiated far enough in advance of need so that useful social projects would not be obstructed for want of requisite technology.

Periodic surveys would be undertaken of national materials posture, trends, potential weaknesses and vulnerabilities; material strategies would be devised to strengthen the national posture, and then implemented; potential impacts of new technology on national materials supply would be forecast, evaluated, and provided for.

With respect to the utilization of materials, I suggest that national policy needs further refinement. At present the primary considerations in the selection and utilization of materials are price and physical properties. I suggest that other criteria may warrant study and possible inclusion in the list of criteria. Moreover, while I provided some examples of possible additional criteria, it seems evident that this is an area requiring the greatest sensitivity and statesmanship; we should not blunder into it, offering prescriptive formulas without the fullest appreciation of the consequences.

Our capacity for efficient utilization of the total pattern of available materials requires not only criteria by which to measure its real efficiency in social terms. It also requires systematic scientific and technological development to enable us to meet these criteria. What projects and directions of research should command the highest priorities relative to these criteria? I offered six examples, but it should be obvious that each student of materials policy would develop his own list. The role of a national commission would be to weigh the contributions of many individuals, and arrive at a real national consensus as to a balanced and rewarding program of technological advancement, not merely in scientific terms, but in terms of total national need.

In the fourth area, salvage and disposal, it is evident that we have performed most poorly in the past. This area has been least amenable to automatic correction under a free market pricing system. Moreover, as our society becomes more affluent, traditional methods of salvage become economically less attractive, the volume of waste increases, and our standards of environmental quality tend to rise.

In this area I suggest as a conceptual goal the achievement of a nearly "closed" system in which materials retained value throughout the system and were recycled rather than discarded. In this area, the pricing system needs to be supported, I think, by public investment in technological innovation, by public assistance in the employment of technologies to preserve and improve the environment, and by public regulation to compel reduction in the rate of specific degradations and to obstruct the introduction of new technologies that degrade the environment.

There are, I suggest, three important principles here. First, there is no reason to suppose that a perfect environment is conceivable, let alone attainable. The goals of environmental management need to be reasonable, rather than arbitrary.

Second, it will always be possible to identify environmental defects, and there should be progress in correcting these defects on a rational priority basis, and at a reasonable rate. Direction of movement is important, but the end point is negotiable, and so is the rate of progress.

Third, a distinction should be made between environmental degradation that is a matter of degree, and degradation that is absolute and irreversible. Any decision, for example, to adopt a technological innovation needs to be made with reference to this factor. If it is irreversible, and does more harm than good, should its correction deserve a higher priority than some other form of impairment that can be reversed?

At the conclusion of my paper, I submit eight questions that I should like to offer as possible candidates for the agenda to be considered by a commission on national policy for materials, meeting in 1969 to consider the course to be charted for the rest of our century. Briefly, these are:

(1) What legislative decisions concerning materials are needed to strengthen our Nation now for the long-range future?

(2) Are we making any irreversible decisions now, by default, that warrant immediate priority attention? (That is, what corners are we painting ourselves into?)

(3) What organizational and administrative arrangements do we need to implement effectively our national materials policy?

(4) What should be our long-range national goals for materials research and development?

(5) What materials data systems do we need to create?

(6) What value can we assign to the preservation of our environment?

(7) What new motivations do we need to invent, to supplement the profit motive, and to what purposes relative to the protection and improvement of our environment?

(8) How can we exploit the concept of multiple benefits in the design and implementation of materials-oriented programs of the Government?

In conclusion, I should like to thank the many knowledgeable people who have responsibility for the formulation of materials policy, for their help in the preparation of my study, and for their responsiveness to the questions it raises. I am particularly grateful to Senator Boggs for initiating the inquiry that led to this study, and for his insistence that it be followed by a program of action.

NOTICE OF HEARINGS ON S. 2487, AMENDING THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. WILLIAMS of New Jersey. Mr. President, I wish to announce that the Labor Subcommittee of the Committee on Labor and Public Welfare will begin hearings on S. 2487, a bill to amend the Longshoremen's and Harbor Workers' Compensation Act, on September 23 and 24. Further hearing days will be announced shortly.

The hearings on September 23 and 24 will be in room 4232, New Senate Office Building, beginning at 10 a.m.

Those wishing to testify or submit statements for the record should contact the subcommittee, room G–237, New Senate Office Building, extension 3674.

NOTICE OF HEARINGS ON OCCUPATIONAL HEALTH AND SAFETY BILLS, S. 2193 AND S. 2788

Mr. WILLIAMS of New Jersey. Mr. President, I wish to announce that the Labor Subcommittee of the Committee on Labor and Public Welfare will begin hearings on two occupational health and safety bills, S. 2193 and S. 2788, on September 30 and October 1. Further hearing days will be scheduled and announced shortly.

The hearings on September 30 and October 1 will be in room 4232, New Senate Office Building, beginning at 10 a.m.

Those wishing to testify or submit statements for the record should contact the subcommittee, room G–237, new Senate Office Building, extension 3674.

NOTICE OF HEARING BY COMMITTEE ON GOVERNMENT OPERATIONS

Mr. MUNDT. Mr. President, the Committee on Government Operations will hold a hearing on S. 2701 to establish a Commission on Population Growth and the American Future next Monday, September 15 at 10 a.m. in room 3302, New Senate Office Building. Persons wishing to testify or submit statements regarding this bill should contact the clerk of the committee on extension 7469.

NOTICE OF RESCHEDULING OF HEARINGS

Mr. KENNEDY. Mr. President, I announce that due to the passing of the minority leader, the distinguished Senator from Illinois, Everett McKinley Dirksen, who was a member of the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, hearings of the subcommittee originally set for Wednesday and Thursday, September 10 and 11, have been rescheduled.

On Friday, September 12, at 9 a.m., in room 5110 New Senate Office Building, the subcommittee will hold the first in a series of hearings on citizen involvement in agency decisionmaking and agency responsiveness to public needs. The hearings will be based on responses to questionnaires sent by the subcommittee to many Federal agencies and bureaus last February. The first set of hearings will cover the questionnaire responses of the Federal Trade Commission, and the witnesses will be the members of that Commission.

RESCHEDULING NOTICE OF HEARINGS

Mr. McCLELLAN. Mr. President, in view of the loss of our colleague, Senator Everett McKinley Dirksen, the Committee on Government Operations has postponed the hearing and executive session scheduled for Thursday, September 11 until the following Thursday, September 18.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Richard A. Pyle, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years, vice R. Bruce Green resigned.

Robert McShane Carney, of the Virgin Islands, to be U.S. attorney for the district of the Virgin Islands for the term of 4 years, vice Almeric L. Christian.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, September 16, 1969, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Bart M. Schouweiler, of Nevada, to be U.S. attorney for the district of Nevada for the term of 4 years, vice Joseph L. Ward, resigned.

Rex Walters, of Idaho, to be U.S. marshal for the district of Idaho for the term of 4 years, vice Anton Skoro.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Tuesday, September 16, 1969, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

VIETNAM: CEASE-FIRE AND STANDDOWN

Mr. MANSFIELD. Mr. President, may I say that I fully endorse the action of President Nixon in putting into operation on his initiative an unofficial 3-day cease-fire and holding open the possibility of a continuance if the other side acts accordingly.

I ask unanimous consent that a statement which I issued on Vietnam on Saturday, September 6, and also a news story by Orr Kelly carried in the Washington Star for September 5, 1969, both be printed at this point in the RECORD.

There being no objection, the statement and news story were ordered to be printed in the RECORD, as follows:

VIETNAM: CEASE-FIRE AND STANDDOWN

(Statement by Senator MANSFIELD)

The announcement by the Viet Cong and the North Vietnamese that they would put into effect a cease-fire for three days, beginning Monday next, should, in my opinion, be matched by a similar announcement on our part. Following this prelude, an initiative on our part would be possible which would propose an unlimited cease-fire and stand-down applicable to both sides. If press reports are correct, moreover, it is anticipated that President Nixon probably will announce plans for the next withdrawal of troops from Viet Nam within the first week of his return to Washington on Monday. That announcement might then be tied in with the offer of an unlimited cease-fire and stand-down. This sequence would present the possibility of a further diminution in the fighting and, consequently, a further reduction in costs, damage, and, most important, casualties.

An unlimited cease-fire and stand-down may or may not be accepted either officially or unofficially. In my opinion, it is worth a try as a step towards resolution of the Vietnamese war. Such a step would not in any way prevent our forces from acting in self-defense, but it may offer a means of breaking through the present impasse. It may offer an alternative to a continuation of the *status quo*, with casualties accumulating at the present rate. It may offer an alternative to a step-up of the war which is a course that seems to me inadvisable in any event. The present course means continuing casualties and costs whereas a cease-fire and stand-down—if it can be achieved at this time—in view of the circumstances surrounding the question of succession to Ho Chi Minh—might offer a possibility for peace. There is everything to be gained by taking a chance for peace at this time.

[From the Washington Star, Sept. 5, 1969]

DISCLOSURE NEAR ON NEW PULLOUT

(By Orr Kelly)

President Nixon probably will announce plans for the next withdrawal of troops from Vietnam within the first week of his return to Washington Monday night, Defense officials said today.

The announcement had originally been expected by Aug. 15, but it was delayed after the beginning of what appeared to be an enemy offensive on Aug. 11 and 12. Enemy-initiated attacks fell off after that time, however.

Defense officials declined to say how many men would be involved in the next withdrawal because that decision has not yet been made by the President. But they left little doubt that a sizable withdrawal would begin in the near future.

Assurance within the administration that a withdrawal can be carried out safely was reinforced this week after Army Secretary Stanley R. Resor returned from a two-week trip to the Pacific with an encouraging report on improvements in the South Vietnamese Army.

In talking to reporters while in Vietnam, Resor stressed the improvements that must still be made, especially in leadership and training. But defense officials were heartened by his report on his return about the progress that has been made.

Final Defense Department recommendations on the rate and numbers involved in withdrawal plans are being made personally by Defense Secretary Melvin R. Laird.

The first increment of the withdrawal announced by Nixon June 8, of 25,000 men, was essentially completed last week.

ALIEN LABOR SITUATION IN VIRGIN ISLANDS

Mr. ALLOTT. Mr. President, during the recently concluded congressional adjournment, the Office of Economic Opportunity released a federally financed study entitled "A Profile and Plans for the Temporary Alien Worker Problem in the U.S. Virgin Islands." This research was performed pursuant to a contract with the OEO by the Social, Educational Research, and Development, Inc., with headquarters in Silver Spring, Md.

Although I have not had an opportunity to study in depth the complete report, which comprises 153 pages, I have reviewed in some detail the conclusions and recommendations which are found within the report itself, some of which I would like to share with other Senators at this time.

Mr. President, I have been following this question of the deteriorating condition of alien workers in the Virgin Islands for some time. This is a situation which is going to require the most thoughtful attention of Members of Congress as well as affected representatives of those Federal departments which are charged with the responsibility of overseeing matters in the Virgin Islands. Unless the most thoughtful energies of

our Federal Government are brought to bear upon this situation at an early date, and in an effective way, the situation which is depicted in the report is going to continue to deteriorate. I have great confidence that Gov. Melvin Evans as well as others in the island government who are charged with some responsibility relating to the alien worker situation will find methods to alleviate some of the conditions which continue to plague the Islands in this most critical area. On the other hand, I remain apprehensive that those who are charged with the responsibility on a Federal level have not yet taken the reins of their responsibility in an effective and forthright manner to deal honestly and effectively with this situation.

Mr. President, I ask unanimous consent that certain portions of the report entitled "A Profile and Plans for the Temporary Alien Worker Problem in the U.S. Virgin Islands" and an article published in the New York Times of Friday, August 29, which further discusses this important issue, be printed in the RECORD.

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

A. THE UNITED STATES VIRGIN ISLANDS

Virgin Islands—St. Croix, St. John, and St. Thomas—are among the most beautiful tropical settings in the world—lush greenery, clear water, beautiful beaches, and nearly perfect weather. As a result, they are one of the most rapidly growing segments of the United States. The population has grown from about 29,000 in 1955 to somewhere in the neighborhood of 80,000 to 90,000 today. The number of tourists visiting the islands has jumped from 81,000 in 1955 to nearly a million this year; tourist expenditures are now about $100 million per year. The boom in population, commerce, private housing, and the tourist industry began in the late 1950's and the early 1960's and is the single most important reason for the need of the Virgin Islands to import workers.

At the peak of the tourist season, about half the population in the Virgin Islands are alien workers, because the local labor force is not large enough to keep up with the needs. Almost all aliens come from neighboring Caribbean islands. There are four groups of aliens—permanent resident aliens, visitors and aliens on student visas, temporary alien workers, and illegal aliens.

Illegal aliens are just that—they enter without assistance from immigration authorities or overstay on visitors' visas. Estimates vary on the number; there may be as many as two or three thousand at any one time.

Legal aliens (commonly called bonded aliens) are admitted under the provisions of the Immigration laws. The number in the islands has been steadily increasing. During the spring of 1969 (after the peak of the tourist season), there were about 12,000 in the islands—down 4,000 from the peak. Visitors are also foreign nationals who enter officially as visitors, but most come to seek work, visit their spouses, or are children coming to live with parents. Presently, there are about 16,000 in the islands.

B. WHY THE STUDY

Aliens are unique. First, they comprise more than half the labor force. Second, the prospects are slim that many of them, given present immigration laws, will ever become citizens. Third, the assumptions of laws and procedures that admit aliens is that these people are temporary workers, but they are really not for the Virgin Islands economy will continue to grow and need them. Fourth, there is confusion over how procedures operate; employers and aliens alike complain of delays and difficulties in getting papers processed.

Because they are viewed as temporary workers, aliens are denied most social services. They cannot legally enroll their children in public schools. Despite recent changes, most are not eligible for public housing or welfare agencies. It is next to impossible for them to get bank loans. Once unemployed, they must leave the islands, hence they are not able to receive unemployment compensation. When affected by urban renewal, aliens are evicted and not found suitable housing as are citizens. The status of aliens is one of "non-persons" and suggests a variety of questions such as: the effectiveness of rent control laws and regulations, the availability of health services, relations between aliens and the police, the effectiveness of minimum wage regulations, the quality of alien housing, and most important, how a democracy can survive with a large proportion of the population cut from the democratic process.

C. FINDINGS

Some major findings are:

There are at least 2,500 to 4,000 illegal aliens in the Virgin Islands.

Contrary to generally held opinions, about 9% of the alien population is unemployed.

If the survey is representative of alien children of school age, there are about 2,000 who should be in school.

The regulations governing the admission of aliens state that the Secretary of Labor must certify: "that qualified persons in the United States are not available and that the employment of the beneficiary will not adversely affect the wages and working conditions of workers in the United States similarly employed."

If the regulations are not being violated, they are being very liberally interpreted: (1) aliens do adversely affect wages and working conditions, and (2) qualified workers are available—Puerto Rico for example, has an unemployment rate of about 11.6%.

The enforcement of minimum wages is a serious matter. The study found many cases of aliens working as mechanics or at skilled levels, but paid as laborers. This also includes aliens working for the government.

Domestics face the most serious problems. Many are required to work more than 40 hours per week without overtime; others are hired as "live-in" maids and provided poor housing. Many do not have social security deducted from their salaries.

The housing situation for the alien population is a crisis. The majority live in substandard housing.

Alien life is one of personal and social disorganization. Many who come to the islands have left wives and families on their home island and have established a second family in the Virgin Islands.

The majority of aliens are existing on substandard wages. The hourly wage rate for aliens averages less than $1.50 per hour. Assuming a 45-hour week and standard deductions, the typical alien takes home about $50 per week.

Aliens are almost totally excluded from participation in the local community.

The round-ups of illegal aliens seem to be brutal affairs with the aliens (not employers) forced to pay the penalty. When caught, they are required to leave with little chance to settle personal affairs.

The total Virgin Islands population is grossly underestimated. Official estimates from the Bureau of Census place the population at about 54,000. According to the study, this estimate excludes over 40,000 aliens which brings the total population close to 100,000.

Federal agencies almost totally ignore alien problems. The Department of Interior which has Federal responsibility claims its role in the Virgin Islands is "advisory" and "that we take initiative only when requested to do so." Other agencies—the Department of HEW and the Department of Labor also eschew responsibility. Virgin Islands agencies generally conclude that most problems are "Federal."

D. BASIC RECOMMENDATIONS

In an earlier report on the alien situation, SERD provided a list of recommendations for alleviating and/or correcting alien problems. (Social, Educational Research and Development, Inc. *Aliens in the United States Virgin Islands: Temporary Workers in a Permanent Economy*, January 1968, revised December 1968, 76 pp.). Some are still valid.

The most basic problem that must have attention is that it is completely inimical to the democratic process to cut off so completely from participation in society a group such as the aliens. This separation is the basic ingredient of which violent social conflict is made.

Minimum wages should be raised to at least $1.60 an hour.

Labor unions should be encouraged to organize and represent alien workers.

The situation among household service workers is close to a crisis. No agencies or organizations serve to enforce the "contract" or regulations (however vague they may be) regarding wages and working conditions.

An ombudsman for aliens should be established in the Office of the Governor.

A crash program should be implemented to enroll alien children in the public schools.

Housing is serious. Employers should be required to contribute.

Virgin Islands agencies such as OEO should devote more resources to the solution of alien problems.

Private agencies and religious organizations should be encouraged to take a more active and positive role in the solution of alien problems.

The bonding system is largely unworkable and should be recognized as such. A new program is needed which has these elements:

a. Federal legislation should be passed to permit at least 1,000 aliens each year to become permanent resident aliens.

b. Recruitment of aliens in the future should be from the so-called Independent Countries of the Western Hemisphere such as Barbados, Jamaica, and the Dominican Republic, which have relatively high immigration quotas.

c. The Labor Department should take a more conservative view of the certification process and should define the labor market area to include Puerto Rico and other parts of the United States.

d. Education programs should be developed jointly by the Immigration and Naturalization Service and the Virgin Islands Government to encourage permanent resident aliens (when they become eligible) to apply for citizenship.

The process whereby foreign nationals use a visitor's visa to enter the islands and look for work should be replaced by first, bringing in American citizens, and second, the development of an employer-financed recruiting scheme of off-island recruiting in the Independent Countries of the Western Hemisphere.

There needs to be a careful look at economic trends. Such an examination will probably suggest that economic growth should be redirected and/or leveled off. Further, we think that these factors should be examined:

a. Consideration should be given to eliminating most of the free port status of the Virgin Islands. The sale of liquor, jewelry, cigarettes, etc., without a tax attracts visitors to the islands who only stay one or a few days and this activity probably adds very little to the overall well-being of the islands while considerably taxing social services such as roads, sewerage, and telephones.

b. If the Virgin Islands embarked on a crash program to improve social services, from where would workers come? Obviously, this would necessitate the importation of more aliens which, in turn, will increase the social services problem. Therefore, the study recommends slowdowns and cutbacks in the tourist industry and the gift shop and free port industries to divert resources for improving the social services.

The Governor should submit an annual report on aliens indicating the program of activities undertaken during the previous year plans for the coming year, problems, and the anticipated solutions to these problems.

All federal agencies should examine very carefully their programs and activities which can be strengthened to implement and improve the alien situation. The study makes reference to the U.S. Department of Labor in terms of manpower development and training, apprenticeship programs, minimum wages, and the certification process. In addition, the U.S. Department of Health, Education and Welfare should examine welfare programs, vocational rehabilitation, and especially all elements of Office of Education programs to insure that maximum benefit is made to the Virgin Islands as a whole and the alien community specifically.

Congressional committees should examine and plan hearings in such areas as:

a. The need for new legislation, especially in terms of the immigration process.

b. The wages and working conditions of aliens.

c. The inclusion of aliens in migratory labor programs.

The Virgin Islands Government has many untapped sources for tax income—increased property taxes (currently the lowest in the country), liquor tax, sales tax, etc.—which can be used to finance social services.

E. THE FUTURE

The future will be more of the past: all the labor force, economic, and demographic data that the study gathered indicates that the economic growth will continue in the future. There is no evidence to indicate that the native labor force can or ever will be able to substantially supply workers for this growth. Thus, the only source of workers will continue to be workers from places other than the Virgin Islands. The Department of Labor has wide latitude in deciding whether or not a shortage of workers exists in the United States, and hence, where the workers in the Virgin Islands will come from. However, at this juncture, it seems that the present situation will continue and hence, the proportion of alien workers in the Virgin Islands wil continue to grow.

[From the New York Times, Aug. 29, 1969]

ALIEN'S LIFE BLEAK ON VIRGIN ISLANDS—FEDERAL STUDY DEPICTS DULL EXISTENCE FOR WORKERS

WASHINGTON, August 28.—For about a million tourists each year, the United States Virgin Islands, often seems like a tropical Eden, but for the thousands of "alien" workers who make up half the labor force, the isles are no paradise.

A federally financed study released today by the Office of Economic Opportunity here paints a bleak picture of life for this alien population of about 12,000 that swells to 16,000 during the peak tourist season. The aliens are nearly always black immigrants who come from the neighboring Caribbean Islands to find jobs and better living conditions in the United States territory. They do mostly construction, service and domestic work connected with the booming tourist economy.

Based on interviews taken by aliens with 400 randomly selected fellow aliens, the report says that the immigrants are regarded as "nonpersons," often denied decent wages, voting rights, adequate housing, and such social services as public schooling for their children.

The study contends that "Federal agencies almost totally ignore" the alien problem. "The Department of Interior, which has Federal responsibility, claims its role in the Virgin islands is 'advisory' and 'that we take initiative only when requested to do so' according to the report. "Other agencies such as the Department of Health, Education and Welfare and the Department of Labor also eschew any responsibility. Virgin Islands agencies generally conclude that most problems are 'federal.'"

ON COMMUNITY PARTICIPATION

The report further asserts that aliens are "almost totally excluded from participation in the local community," with only the local Office of Economic Opportunity having aliens on its policy board.

The report was prepared for O. E. O. this summer by Social, Educational Research and Development, Inc., with headquarters in Silver Spring, Md. The 153-page study's title is "Profile and Plans for the Temporary Alien Worker Problem in the U.S. Virgin Islands."

In 1967–68, the research organization also prepared a study on aliens, but that report was limited to the aliens' place in the Virgin Islands economy. The new study includes analysis of a wide range of alien social and personal problems.

Alien workers are admitted to the islands under provisions of the Immigration and Nationality Act. An employer theoretically informs the Virgin Islands employment security agency that he needs a specific type of worker, such as a domestic. If the agency certifies that there is no native labor available, which is normally the case because of a shortage of unskilled labor, an alien is imported to fill the slot. Included in the process is the employer's posting of a $10 bond for the alien.

SOME STAY ILLEGALLY

Many times, however, an alien will enter the islands on a 29-day tourist's visa, find a job and overstay his limit. The study estimates that there may be 2,500 to 4,000 illegal aliens in the territory.

The study said, "The bending of certification process seems to be unworkable at least on a legal level. Employers and agencies in the Virgin Islands wink at aliens working and seeking work while on visitors' visas; we found instances of aliens who were bonded by one employer and working for another. We found many cases of illegal aliens unaware of their status."

John McCollum, president of the company that prepared the study, said in an interview today that the alien dilemma stemmed from "economic discrimination" from the majority black native islanders who dominate the territory.

"Racial and social discrimination are almost non-existent," Mr. McCollum said. "Aliens freely mingle with native islanders and whites, but they feel discrimination precisely because they are aliens—people with no economic, social or political rights. It's not because they are black. If they had the money, they could buy anything anyone else can."

Last October, a community organizer from Mr. McCollum's company working on a contract from the College of the Virgin Islands helped from the Alien Interest Movement on St. Thomas.

The organization was described by Mr. McCollum as an "alien community union" or "social protest group" similar to the Congress of Racial Equality on the mainland. "But they're nonmilitant in the sense as some of our domestic civil rights groups. They are militant in the Caribbean sense, though, because they challenge authority. On the islands, there is no strong tradition of aggressiveness. The tempo is lower."

Nathaniel Richardson, a 29-year-old upholstery repairman from St. Martin, is president of the group. In a recent telephone interview Mr. Richardson contended that his group, which can draw about 100 aliens to a meeting, hopes to organize a credit union, as well as a drive for better wages, housing and medical facilities.

In April, the organization encouraged about 75 aliens to march on Government House on St. Thomas to demand better housing. Mr. Richardson has also met with Dr. Melvin Evans, the territory's Governor.

No specific programs have been worked out, however, and the movement's main activities have been the holding of fund-raising dances and the publishing of a newsletter.

Another group composed mainly of aliens, the Citizens-Noncitizens Commission, which apparently has about 20 members, has discussed alien problems with the island government. Representatives have also met with Governor Evans.

A small elementary school at Barren Spot on St. Croix, moreover, is administered by aliens, who also teach the classes.

The study estimates that about 2,000 alien children are not attending the territory's crowded schools. Often the children are barred because of their uncertain or temporary status.

Yesterday, however, Governor Evans issued an order that permitted aliens to register their children with the Department of Education, according to the Governor's administrative aide, Leopold Benjamin. Governor Evans is attending a Governor's conference in Colorado and was not available for comment.

THE MARINE CORPS AND BLACK POWER DEMANDS

Mr. TALMADGE. Mr. President, admirers of the Marine Corps, myself included, were disheartened by the recent acquiescence on the part of the Marine Commandant to militant Black Power demands.

Last Friday's Atlanta Journal contained an editorial column written by associate editor John Crown—a retired marine officer—who compared the commandant's action with that of some college presidents who gave in so readily to radical students during the wave of campus riots that swept the country last spring and fall.

Since the founding of this country, the U.S. Marine Corps has built for itself a well-deserved reputation as the world's most elite and efficient fighting organization. It has been with a great deal of regret on my part that we have witnessed over the years an undermining of Marine Corps training and esprit de corps by erstwhile do-gooders who somehow seem to think that the Marine Corps trains choir boys and not fighting men.

Now Commandant Chapman has himself struck a blow against the tradition of the Corps by granting a special dispensation to Marine Black Power advocates, as outlined in Mr. Crown's column.

Like Mr. Crown, I should think that the Marine Corps would be the last to buckle under to such nonsensical pressure.

I bring Mr. Crown's column to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

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

[From the Atlanta Journal, Sept. 5, 1969]

THE U.S. MARINE CORPS—THERE ARE SUPPOSED TO BE NO DIFFERENCES

(By John Crown)

As one who has always had a special feeling for the United States Marine Corps, it was with dismay and shock to see the current commandant cave in to militant demands as though he were a college president.

There was even contradiction in what he said.

On the one hand he announced that "Afro" haircuts would be permitted for black Marines and that under given circumstances the Black Power clinched fist salute would be tolerated.

On the other hand he said there would be "total impartiality" in dealing with Marines of all races, colors and creeds.

How he reconciles "total impartiality" with a special dispensation for "Afro" haircuts and a Black Power clinched fist salute escapes me.

This coming November the Marine Corps will observe its 193rd anniversary.

In those years the Leathernecks have caught the public fancy as an elite military organization, noted for its esprit de corps and readiness to fight in the national interest.

As an assault echelon, the Corps pioneered in the military use of helicopters. And it tailored itself as a unique self-contained air-ground team capable of dealing any enemy mortal blows.

What has kept the Marine Corps alive—even in the face of concerted and powerful efforts to abolish it or merge it with the Army—is its team spirit, the selfless feeling within each individual Marine that he is a part of the over-all organization and that his contribution is important to the Corps as a whole.

The Marine Corps has had "characters," individuals who have stuck out as different.

But until now it has not had groups of faceless individuals who were determined to act contrary to the team—to ignore Marine traditions and regulations—and who were able to get official sanction for doing just that.

The Marine Corps has had minority groups within it since its inception, but they have molded into an effective cohesive group.

It seems to me that giving dispensation for special quirks will, in time, intensify the difference that exist. And as they intensify, the foundation on which the Marine Corps rests will be jeopardized.

Past events have shown that to give concessions under duress only serves to whet the appetite of the recipient.

Gen. Leonard F. Chapman, Jr., commandant of the Marine Corps, noted that one of the complaints was that "soul music" was not played in Marine clubs. He said that in future such music would be played.

What about the other minority groups? Will they, too, get special dispensations on the music they want to hear in the clubs, on special type haircuts, on special type salutes? Where does it end?

That is the fallacy of caving in to minority group demands and recognizing special differences within an organization that is supposed to contain no differences. There are always other minority groups and if you recognize one you should recognize all. Continuing recognition of differences will destroy whatever cohesive organization you might have had.

Since the news of Gen. Chapman's announcement has been published, it has been both interesting and sad to see the scope of reaction among my colleagues. Both former Marines and those who have never been connected with the Corps have had caustic comments to make.

"I never thought the Marine Corps would be the first to crack," one non-Marine associate commented as we passed each other in the hall.

I do not doubt that Gen. Chapman has serious problems to solve. After all, problems are part and parcel of being commandant of the Marine Corps.

But this response has the familiar ring of the response from Harvard University and Columbia University and all the other cream puff colleges.

It is not the response I would expect from a Marine.

TAX EXEMPTION ON MUNICIPAL BONDS

Mr. HOLLINGS. Mr. President, pending before the Committee on Finance is a rather extensive and far-reaching tax reform bill. Certainly, every Senator should be interested in tax reform and fiscal responsibility with an eye toward equitably spreading the tax burden of our Nation's economy. There is, however, a portion of the bill which causes me grave concern. It concerns the elimination of the tax exemption on municipal bonds. There is a major question as to whether a case has been made for such a proposal, but, more important, at this stage it seems quite clear that such a program would cripple municipal governments in their capital improvements. In that regard, the city council of the city of Newberry, S.C., on August 12, 1969, promulgated a resolution opposing such proposed legislation for sound and competent reasons which I commend to the attention of this body.

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

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

STATE OF SOUTH CAROLINA, COUNTY OF NEWBERRY, CITY OF NEWBERRY

Whereas, there is now pending before the Senate Finance Committee certain measures pertaining to tax reform passed by the United States House of Representatives, and

Whereas, certain proposals included in these tax reforms would adversely effect issuance of municipal bonds by removing the present income tax exemption status, and

Whereas, the proposed "Federal Subsidies" to cities included in the proposal would not adequately compensate for the increased interest cost on municipal bonds, and

Whereas, municipalities, both large and small, are faced with near insurmountable financial problems with no "built-in" tax resources tied to the economy such as the State and Federal levels of governments enjoy, and

Whereas, the provisions which would eliminate tax exemption on municipal bonds, if enacted by Congress, will completely cripple municipal governments in so far as major capital improvements are concerned, including those financed in part by Federal Grants-in-Aid, since municipal bond issues are the sole source of revenue for such expenditures, whether by local initiative or on a "matching funds" basis, and

Whereas, leading public officials, economists and sociologists throughout the nation have expressed the view that the "urban crisis" and/or "plight of the cities" can best be solved on a local level and have strongly advocated a greater cooperation between municipal and federal governments, and

Whereas, in the light of these facts, the House passed version of the tax reform measures pertaining to municipal bonds would seem illogical and ill-conceived, leaving much to be desired in the way of "greater cooperation,"

Now, therefore, be it resolved, that the City Council of The City of Newberry, South Carolina does go on record as *strongly opposing* the proposed legislation relating to removal of tax exempt status of municipal bonds and could only view enactment of these measures by the United States Congress as a "direct attack" on the municipal governments of these United States, and

Be it further resolved, that a copy of this Resolution be forwarded to the Congressional Delegation of South Carolina, The National League of Cities and the Municipal Association of South Carolina, with a request that all the resources of their command be brought to bare to prevent passage of the suggested legislation.

Done this 12th Day of August, 1969, in Council duly assembled.

CLARENCE A. SHEALY, JR.
Mayor.

CECIL E. KNAIRD,
Councilman.

JOHN ORMAN,
Councilman.

D. GARDEN, JR.
Councilman.

CARMAN BOUKNIGHT,
Councilman.

CLAUDE W. PARTANO,
Councilman.

W. PRESTON MCALBANY,
Councilman.

Attest:

WINIFRED CULCOSURE,
City Clerk.

SENATOR HAROLD E. HUGHES

Mr. MANSFIELD. Mr. President, one of the bright lights in the Senate—and there are many—is the outstanding junior Senator from Iowa (Mr. HUGHES). I have watched his career with interest and am very much aware of his great record as the Governor of Iowa—a career which I predict will be more than matched by his work in the Senate.

As some writers have described him, he is "a man of balanced contradictions." But as a Senator he has been steady and modest but determined in his objectives. He minces no words, and one always knows where Senator HUGHES stands.

He has done an outstanding job as the chairman of a subcommittee tackling the problems of alcoholism and drug addiction—both of which are becoming increasing curses on the American scene and both of which have received too little attention up to this time. I want the Senate to know that I am very proud of the way Senator HUGHES has been conducting the hearings of the subcommittee of which he is chairman, that I wish him well in his continuing attack on these problems, and that I am looking forward to legislation which will result from the initiative he has shown in these and other respects. I am only hopeful that the subcommittee which he heads, now operating with neither funds nor staff, will be provided with enough money to undertake the thorough and detailed study of the problems which it has tackled, to the end that benefits for all our people—both young and old—will result.

Mr. President, I ask unanimous consent to have printed in the RECORD an article by Arlo Wagner, published in the

Washington Daily News of Saturday, September 6, 1969.

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

[From the Washington Daily News, Sept. 6, 1969]

SENATOR HUGHES IS BEING TALKED UP FOR VICE PRESIDENT

(By Arlo Wagner)

Freshman Sen. Harold E. Hughes (Iowa), who is being increasingly mentioned as a possible Democratic vice presidential nominee in 1972, is a recovered alcoholic who heads a new Senate sub-committee on alcoholism and narcotics.

This new post is nothing unusual for Sen. Hughes, who has frequently turned his personal experience with alcoholism to political advantage. Popularly admired for having licked his problem, he was elected governor of Iowa in 1962 on a seemingly contradictory campaign pledge to institute liquor-by-the-drink sales in the state—a promise he quickly carried out in his effort to dry up bootlegging.

Once described by a writer-friend as "a man of balanced contradictions," Sen. Hughes is an avid outdoorsman whose office walls are hung with hunting trophies including an American elk's head. But he favors strict gun controls.

He constantly and affectionately supported Lyndon B. Johnson, but carried strong complaints to the then-President in 1967 from Democratic governors. "We minced no words," he said afterward.

CUSS AND PRAY

Former Indiana Gov. Roger Branigan once said Sen. Hughes could cuss out people at a meeting and then lead them in prayer. He has privileges as a lay minister by virtue of Southern Methodist University correspondence courses, but he can and does cuss like the truck driver he was.

Altho his new sub-committee has neither funds nor staff, Sen. Hughes already has called drunks, alcoholics, convicts, dope addicts, judges, crusaders and police to tell what they know and have experienced.

He thinks alcohol is America's biggest executioner, considering the part it plays in heart attacks, cirrhosis of the liver and auto accidents. Combined with the problems of marijuana, heroin and dream drugs, Sen. Hughes figures his job is comparable to solving simultaneously the Vietnam war and civil rights disorders.

TREATMENT CENTERS

He is co-sponsor of a bill which would research the alcohol-narcotics problem and build treatment centers. He is indirectly critical of President Nixon's plan which critics say overemphasizes the arrest and jailing of drug users.

"The turned-on younger generation can't be turned off by simply flicking a switch labeled 'stiffer prison sentences,'" he said.

Sweeping his feet off his desk and stretching brawny arms above wavy black hair, he poured out supportive statistics, paused and added apologetically: "As you can tell, I'm something of a zealot on this."

Sen. Hughes, 47, is six-foot-two. Most of his 230 pounds seem concentrated in a muscular chest. Thirty years ago, he was nicknamed "pack" because he was like a pachyderm in the Ida Grove, Iowa, high school football line.

FOOTBALL AND MUSIC

He was an all-state guard, all-state tuba player and discus champion. His baritone sounded in a Methodist choir loft and he tasted whisky first when he was 18 at the State University of Iowa on a modest football scholarship, working part-time as a steamfitter.

When he was 19, he married Eva Mae Mercer. The first of their three daughters had been born when Sen. Hughes was drafted for World War II service. The Army trained him to be a BAR (browning automatic rifle) man because it took the largest man in the squad to carry it. Because it was such a devastating weapon, the man who fired it was a prime enemy target. He fought thru Sicily and Salerno, as he puts it, "like an animal, to stay alive."

Sen. Hughes had learned soon after his first drink that he was one of those "who couldn't quit until the bottle was empty." But, back from the war, he figured he had earned a right to drink and did. Until 15 years ago. He quit "cold turkey" when he woke up one day in Des Moines, 120 miles from home, and didn't know how he got there.

He then switched "vices"—to politics. A trucker, he was angered by the Iowa Commerce Commission, wholly manned by Republicans, which he thought ruled consistently for big truck lines. He joined the Democrats. He ran for and got elected to two terms on the commission. And after one previous primary-election defeat, Sen. Hughes got nominated for and won the 1962 gubernatorial race with a campaign for a realistic liquor law. He appealed to Iowans' revulsion for hypocrisy, pointing out that private "key clubs" and taverns were selling liquor by the drink even tho state law permitted only package sales.

The effect was, he said, that Iowans were getting their whisky by circumventing the law, encouraging illegal bootlegging and, incidentally, depriving the state of taxes on the contraband liquor.

IGNORES ADVICE

Sen. Hughes ignored advice to take it easy because Republicans still controlled the legislature. He said in his inaugural address: "It is sometimes said that the knack of skillful government is to hang back, do as little as possible and make no mistakes. I hope there is another way for, between you and me, this prospect does not invite my soul."

As governor, he disposed of several traditions. Refusing to cut ribbons opening stores, he said: "I didn't know the people wanted their governor to be a darn fool."

He flouted the traditional use of middle-priced cars and National Guard planes. He got a Lincoln Continental and a $60,000 six-place plane—and won his next election by 429,000 votes.

An alcoholism rehabilitation system was established, prisons were reformed, capital punishment abolished, tax structure overhauled, aid to schools quadrupled and property taxes on household goods repealed.

He clings to as much privacy as possible on Sundays at church and home with his wife, Eva, and their 17-year-old daughter, Phyllis. Two older daughters are married and living away.

PROTOTYPE TO STRETCH DEFENSE DOLLARS

Mr. HART. Mr. President, for months news about military procurement has been dominated by reports of huge cost overruns on major weapons systems. The C–5A, the gigantic cargo plane ordered from the Lockheed Corp., has been the topic of several congressional committees. The General Accounting Office estimates, assuming the purchase of 115, that the total bill will be $5.2 billion, some $1.8 billion above original estimates and more than $2 billion above contract target prices. Some increase is attributable to inflation, but at least $400 million of the overrun comes from "technical difficulties," requiring redesign of several elements.

In June the Defense Department announced the cancellation of an $875 million procurement of the Cheyenne helicopter gunship. The Army said the contractor failed to meet performance specifications, and the Government apparently will lose most benefits of this estimated $193.5 million research and development.

A few weeks ago an Assistant Secretary of Defense revealed that the Minuteman II missile is expected to cost almost $4 billion more than originally estimated. He also disclosed that the price of a rescue submarine has increased 2,700 percent.

Mr. President, I hope none of us has forgotten the lessons of the F–111 program, originally called the TFX—Tactical Fighter Experimental. It was one of the largest tactical airplane programs ever contemplated by the U.S. Government. The TFX was to be an all-purpose plane, capable of great operational flexibility in the performance of tactical missions with a unique variable-geometry swept-wing design which would enable the plane to operate at high supersonic speeds as well as low subsonic speeds. It was designed to be used by the Air Force as a bomber, fighter, or reconnaissance plane, and to be used by the Navy and Marine Corps for off-the-carrier and air-to-air combat in both limited and general war.

The TFX program called for the production of over 1,700 planes, of which 235 would be for the Navy. The cost of these planes was estimated by the Defense Department to be about $6.5 billion.

During most of 1962, the Boeing Co. and General Dynamics Corp. actively engaged in a competition—I call attention to the fact that it was a design competition only, what is often referred to as a "paper competition"—for the research, development, and production contracts.

On three successive occasions in 1962 Boeing was recommended by the military services through the Source Selection Boards as the contractor. Each time the civilian Secretaries ordered both companies to return to their drawing boards to rework their proposals.

In November 1962 the fourth evaluation was completed; it was decided by the Board that the Boeing plane could be produced for $100 million less than its competitor, while it had superior operational capabilities including a ferry range of over 1,000 miles more than the General Dynamics design, a bomb carrying capability more than 50 percent larger and other features the Tactical Air Command considered of great advantage.

Again the civilian Secretaries considered the matter and on November 24, 1962, reversing all recommendations, announced that the contract would go to the General Dynamics Corp.

Mr. President, the first TFX, called the F–111A, was delivered in October 1964 and made its first flight in December of that year. The Navy received its version—called the F–111B—in May 1965 and the Strategic Air Command received

its fighter-bomber version—termed the FB–111—in July 1967. All versions began to undergo test and use in combat. Three were lost in Thailand in March 1968 and the remainder were returned to the United States. An F–111A crashed in Nevada and 42 were grounded in May. In August there was a ground fatigue failure during test. In early September all combat flights were suspended and training flights were restricted. On September 23 there was an additional crash of an F–111A, and all F–111 flights were suspended.

In the meantime, the Congress had denied fiscal year 1969 funding for the F–111B, and the British Government had canceled its order for the F–111K. Secretary Clifford called for a cutback in the program during the closing months of 1968, and today the program is but a fraction of the size originally proposed.

Mr. President, I dwell on the TFX program because it is a classic example of the "paper competition," where no testing of a flyable airplane is contemplated or possible until long after the procurement contract has been let. The Nation commits itself to production of a weapons system purely on the basis of designs submitted and representations made by prospective contractors.

The action of the Senate and House of Representatives in calling attention to these huge overruns is certainly a public service, and I congratulate especially the Senator from Wisconsin (Mr. PROXMIRE) and his Subcommittee on Economy in Government of the Joint Economic Committee, Representative PIKE, the Senator from Mississippi (Mr. STENNIS), and the Armed Services Committee. The public interest has been served well by their rooting out and disclosing these facts.

I agree with my colleagues that the Congress must get more information and make detailed reviews of the defense procurement process. For that reason I cosponsored an amendment offered by the junior Senator from Pennsylvania, added last month to the military procurement bill (S. 2546), which would set up a systematic quarterly contract reporting mechanism, and would give the General Accounting Office authority to audit a contractor's books and subpena his records.

But I am concerned—and I know they are, too—about the root, the source, of the problem.

I ask: What can be done to get to the cause—as opposed to the result—of these vast overruns?

I ask: Is the answer in the method of procurement of these billion-dollar weapons systems?

I ask: Can competition in procurement—much greater competition than presently exists—help to eliminate or ameliorate these problems?

Last year, the Subcommittee on Antitrust and Monopoly began a study of the effect of the Defense Department procurement policies on competition and concentration. Our interest arose out of the great reduction in competition, especially in the area of large weapons systems, over the last several years, and out of the increasing economic concentration within the defense industry. In fiscal 1968, about $44 billion, almost one quarter of the entire Federal budget, was spent on defense procurement. Only 13.4 percent of military contract awards, in terms of dollars, was awarded on a formally advertised competitive basis in fiscal 1967. That figure in itself seems extremely low, but I have to report that it dropped 11.5 percent in fiscal 1968. Procurements of a single-service nature constituted 58 percent of the total, in terms of dollars, for fiscal 1968. These figures show a record low for competition and a record high for single-service procurement in 1968, when compared with the past 5 years. I think it is clear that the Subcommittee on Antitrust and Monopoly has a legitimate interest in defense procurement.

At our 1986 hearings, a suggestion for more competition, termed "parallel undocumented development," was made by one of the witnesses, Dean Ralph C. Nash, Jr., of the National Law Center at George Washington University. I regard this proposal as being of the greatest importance.

Dean Nash called for competitive award and pricing of production of weapons systems on the basis of demonstrated prototypes, instead of relying on paper studies, theoretical plans and elaborate proposals. This requires sustaining two or more contractors well into the period of engineering development.

This is not the first time prototyping has been suggested to the Defense Department. In 1958 the Rand Corp., an Air Force contractor then and now, submitted to the Air Force a paper, "Military Research and Development Policies," containing some of the most important elements of Dean Nash's recommendation. The authors, Burton H. Klein, W. H. Meckling and E. G. Mesthene, described "a good development policy" as one which frequently would include having two or more alternatives and would call for a decision only after initial test data showed their relative merits. Such a policy, they said, would make only modest financial commitments to a specific configuration until test results are available. Likewise, they said, a good development policy would require that equipment be brought to a test as early as possible at each stage of a development program.

During the TFX procurement in 1963, when the contract had been awarded to General Dynamics Corp., Boeing offered to prototype additional planes for the purpose of testing and cost evaluation. Boeing actually submitted a figure of $105 million each for two additional planes—one of the Navy type and one of the Air Force type—so that a demonstration could be performed for both services. The proposal was not accepted.

In 1963, Rand Corp. submitted to the Air Force a memorandum entitled "The Role of Prototypes in Development (U)." The authors of this paper were Burton H. Klein, T. K. Glennan, Jr., and G. H. Shubert. The paper reviewed thoroughly the desirability of prototyping aircrafts during the course of development. In using the term "prototype" the authors referred to a vehicle or component, the primary purpose of which is to test a design concept and to obtain the information necessary for making sound decisions on weapons systems development. I prefer this usage, but I point out that in some cases the term "prototype" simply refers to the first production item off the production line.

In examining alternative procurement techniques, the Rand study called attention to the "development-production" approach, which called for large, early financial commitments, based on design competitions, with large production contracts awarded at the conclusion of design competitions. An example of this type of approach used at the Pentagon in recent years is the "total package" procurement concept. Rand listed certain inherent disadvantages to this system:

First. The strategic uncertainty of military hardware should not be disregarded—expensive and important mistakes can be made in judging enemy capabilities 5 to 10 years hence; second, predicting the course of technology is difficult and uncertain; third, the cost uncertainties of this approach raises question marks—making major decisions at a time when only design studies are available may not lead to the desired cost result.

On the other hand, Rand favored the "expedited-prototype" approach, which would put airplanes and subsystems very quickly into test, before big money decisions are made. Rand argued that with this approach it is possible, for a given sum of money, to have more programs underway at any given time and thus possible to cover a wider range of strategic contingencies.

So far as the problem of technological obsolescence is concerned, prototype programs obviously can provide a hedge against this kind of uncertainty. If there are several alternative aircraft to perform an anticipated mission or group of missions, there is a higher probability of achieving the desired capability. Finally, Rand pointed out that the prototype approach promised an efficient and relatively economical method of determining what is being bought.

Rand concluded its study with the flat statement that it had been unable to find consistent support for the advantages claimed for the "development-production" method of procurement, whereas the "expedited-prototype" method seemed to offer substantial practical advantages. It appears that not a great deal of attention was given to the Rand study.

Following our hearings in 1968, I suggested to the Comptroller General of the United States, Mr. Elmer Staats, that he and his staff evaluate parallel undocumented development as a method of procurement. I am pleased to report to the Senate that the Comptroller and his staff made a most thorough investigation. More than 80 persons were interviewed in the Department of Defense, including the military services, the Bureau of the Budget, NASA, the Office of Science and Technology, at a considerable number of military contractors and universities and at the Rand Corp. In an Antitrust Subcommittee hearing

on July 14, 1969, the Comptroller General presented his report to the Congress, "Evaluation of Two Proposed Methods for Enhancing Competition in Weapons Systems Procurement".

In his report, the Comptroller General described parallel undocumented development as having three elements: First, it requires competitive engagement to be sustained through further, more substantive stages of development, second, contractor selection would be based on demonstrated performance of hardware, and third, most Government-purposed documentation would be deferred until the winning contractor is selected.

To understand this proposal, one must be aware that, at present, most new weapons systems are taken through two phases—concept formulation and contract definition. These are work frames designed to be logical networks of planning events. Each event in each network is intended to be derived from and conditional upon success of its predecessor.

Weapons systems or other technological hardware, expected to cost $25 million or more in R. & D. costs, or $100 million or more in total production costs, generally are studied throughout both stages. The winning contractor is seleted at the end of contract definition.

The Comptroller General pointed out that the end products of contract definition studies have often been more speculative than substantive. They are usually a set of performance specifications, models and mock-ups, technical and management plans and briefings of source selection officials. It is important to note, however, that at the end of contract definition the decision is made whether or not to proceed into engineering development and which contractor is to be the winner for that phase. The same contractor often gets the production award, which follows, frequently for a huge dollar figure. The performance specifications, target prices and delivery schedules are spelled out in the contract signed at the end of contract definition. The winning contractor is thus elected the sole-source for follow-on production.

These processes are what I already have referred to as "paper competition." The proponents of parallel undocumented development contend that competition should be sustained further into the development phase. New weapons systems nearly always involve technological advancement, new integration of components, or novel configurations. Furthermore, it is a practical impossibility to visualize from speculative paper the attributes of competing designs—much less the probable cost—and confidently pick the best one. The logic of deferring such a grave decision until more unknowns are resolved seemed compelling to the Comptroller General.

Events of the last 10 years have shown us, Mr. President, that contractors respond to paper competition with more paper: Tons of data and drawings, elegant representations, sumptuous brochures, and other displays. Many people feel that some contractors succeed in buying in by outdoing the others with allurements of superior performance, lower prices, better schedules, and what is referred to throughout the industry as gold plating. I expect that some contractors buy in inadvertently because the paper exercise provides only a dim view at best of what detailed production drawings or test articles will reveal. A contractor's promises about complicated hardware that has never been built are simply not verifiable at this stage.

Mr. President, there are some indications that when this brief but very lively contest is over, the winning contractor's top talent is sometimes replaced by second stringers who actually carry through the contract. This gives the impression that the emphasis now is on brochuremanship and not on quality production.

The concept of parallel undocumented development has as an essential element the creation of operable prototypes, or "flyaways," before production commitments are made. The Comptroller General pointed out that this element is dependent on the premise that there can be no valid assessment of performance, price, or reliability—much less confidence in the design—unless physical particles are demonstrated and tested.

For example, a new Air Force fighter, the F–15, now is in the contract definition stage. It has not been prototyped, it has not been flown, it will be a product only of paper competition unless plans are drastically changed.

Mr. President, I would be the first to agree that leadtime in weapons acquisition is quite important, but I suggest that this factor has been overemphasized by those who are opposed to prototyping. They say that prototyping takes too much time, that development time is already very long with the present system. They say that it takes time to build several prototypes and to test them, and to redesign when improvements are suggested.

I suggest that the time element may not be as important as has been indicated in the past. I agree with those who argue that the military services sometimes overstate the urgency of their programs. Urgency in development probably is one of the leading causes of the cost overruns of recent years. As a result of this urgency, the technique of "concurrency," that is, production which is simultaneous with development, has been used. One element of concurrency is the element of telescoping development planning. This brings about the paralleling of planning events, even though many knowledgeable authorities indicate that these planning events are best conducted in sequence. Telescoping brings about the shortcutting of such events as component reliability tests, environmental tests, and other qualifying steps.

Mr. President, I agree with those who suggest that time might be saved by prototyping because proven hardware boosts confidence in the design of a weapons system. I am not surprised to hear it argued that when a design has been approved, production commitments can be made with a greater confidence that substantial design changes will not appear later to cause further delays.

It is argued in the Pentagon that prototypes are very costly. High-priced contractor and Government staffs must stand by while prototypes are tested and evaluated. Fears are expressed that the testing which is involved in prototyping may add as much as a year or even more to the development time. But, Mr. President, I agree with the Comptroller General that if a billion-dollar failure can be avoided by the early test of hardware, the cost of prototyping is not significant.

If a concept is poor and is canceled out as a result of prototyping, this is much less expensive at this stage than it would be after contracts are signed, production lines are set up and the time of initial operational capability has arrived.

Furthermore, I suggest that the cost of a product is going to be much more visible after prototyping than it can possibly be at the end of the present contract definition phase. I believe that this is probably one reason why we have experienced these huge cost overruns. Very probably, there has been some rather tenuous cost-estimating in the contract definition phase as we know it.

Mr. President, if two contractors were undertaking the design of a system, working in a competitive environment, building prototypes, knowing that only one would be awarded the ultimate contract for the manufacture of the system, I believe this would provide the strongest possible inducement to design a system that is economical to manufacture and to operate. I believe that this competition would be good for the military and good for the taxpayers.

During our hearings, representatives of the Comptroller General gave the opinion that prototyping major subsystems would have caused cost reduction on the C–5A. The Cheyenne helicopter—now canceled—they said, could have been a parallel development with two prototypes produced by competing contractors. The Comptroller General's staff felt that this would have given greater visibility as to costs—and the cost estimates would have been more valid. They felt also that it would probably have been useful to prototype the TFX, where production costs have been quite high compared to development costs.

Certainly I agree that "fly-before-you-buy" makes sense. I am not at all sure that there is any weapons system, except perhaps a space vehicle, that is so expensive that prototyping would not be a wise technique to use. I suspect that the procurement people are concerned about obtaining funds from Congress for prototyping, which does admittedly involve paying for something you will never use. But I suggest that Congress in the future will be more observant with respect to the early contract phases of important weapons systems. The action last month on the amendment offered by the Senator from Pennsylvania is evidence of this development.

Essential to the concept of parallel undocumented development is the idea that Government-purposed documentation is expensive and inhibits parallel development of hardware. Elimination of this could balance the cost of prototyping.

Austere development—that is, development that shortcuts or bypasses institutionalized procedures and formalities and requires documentation later of the winner's product only would be used. The Comptroller General's investigation of this aspect turned up no hard information as to how much money could be saved by austere documentation. But estimates are that 20 percent of development costs could be saved if such documentation were not required. There is no doubt that the present documentation techniques substantially increases the cost of developments.

I think also these documentation techniques tend to slow down the development period. It is very interesting that Lockheed developed and delivered the U–2 plane, which became perhaps the world's most famous surveillance aircraft, within 90 days after development was initiated. I understand that General Dynamics developed its Charger aircraft on a relatively undocumented basis, using only corporate funds. Testimony also indicated that the French develop aircraft in this manner.

Those who propose prototyping on a relatively undocumented basis, argue that there is a great deal of waste in early data about procurement, maintenance, support, training, and other factors, because the final system is not yet visible and the design changes are practically certain to occur.

It was brought out in our hearings that the Rand Corp., and some people in industry feel very strongly that with austere development the costs would go down and research and development would be improved enormously. There would be a freer climate for design approaches, for innovations, so that the contractors would feel challenged to do their best. A witness from the General Accounting Office pointed out that the whole competition would be much livelier under an unrestricted research and development climate where each contractor is working under broad general specifications rather than under requests for proposals which are extremely detailed. He pointed out that the RFP for the F–15 aircraft totals about 2,500 pages, a fantastic amount of detail.

It is argued that good engineers design for maintenance reliability and operability, and that documentation during the development stage simply diverts them from the central job of development.

Also, the Government staff presently assigned to a contractor's plants during the development stage could be substantially reduced if austere documentation were the rule. The contractor's liaison staff can be reduced or even eliminated—some of those interviewed by the Comptroller General's staff estimated the liaison ratio as high as 5 to 1. In investigating prototype in France, the Rand Corp., learned that Dassault, which developed and produced the Mirage aircraft, produced a prototype of the Mirage III, regarded by some as the best fighter in the world, with 14 engineers and draftsmen, plus 70 shop fabricators. The military projects staff at Dassault consists of only five to 20 people.

Instead of restricting developers with detailed design specifications, those who favor austerity argue that the developers should be given performance requirements only and should be allowed free rein to try new approaches, find novel solutions, and perhaps accomplish technological breakthroughs. In other words, stimulate creative people to create, rather than disparage their interest and imagination with onerous detailed instructions. Let them see what they are developing: A prototype is a much better energizer of innovation and advancement than designs on paper.

In March 1969 the Assistant Secretary of the Navy, Robert A. Frosch, discussed the question of documentation in a speech. He pointed out that it is a vast waste of time and effort to consider maintainability, reliability, and operability from the very beginning of the process. To have a complete plan for the logistics of the maintenance of a ship that has not yet been designed is ridiculous, according to Secretary Frosch. He referred to overruns in expenditures generated by a complete maintenance and reliability plan for what was no longer the design and had not been the design—of a weapons system—for 3 months.

I suggest, Mr. President, that attention be given to the elimination of plans of this type.

The Comptroller General concluded his study with support of parallel undocumented development as an acquisition strategy for advanced weapons systems, and other military hard goods which first, seek substantial innovation, second, are to be produced in quantity, and third, have a low or moderate ratio of development to total acquisition cost.

He stated these reasons for favoring this concept: First, rival performance of physical hardware can be tested and compared before the production go-ahead decision is made. Second, the overrun problem should diminish because contractors would not be forced to price out manufacturing costs before critical unknowns have been dispelled. Third, two or more design responses to mission requirements can be appraised. Fourth, it should be easier to back away from doubtful design concepts before heavy investments are sunk in them. Fifth, it provides flexibility to respond to new technology and the design can be revised or cancelled before Government and contractor are over committed. Sixth, there should be stimuli to creativity at work in which more innovations may be achieved. Seventh, the competition would tend to stimulate the marketplace; contractors would seek to excel in manufacturing economies and achieve superior reliability, maintainability, and operating cost effectiveness in their competing products.

Mr. President, the Comptroller General calls attention to the fact that there are programs now in early development which may be candidates for competitive prototyping under austere conditions. He mentions the F–15 fighter aircraft, the Subsonic Cruise Armed Decoy (SCAD), and the AX close support aircraft. I have sent a copy of the Comptroller General's report to the chairmen of the Armed Services Committee and the Appropriations Committee in both the Senate and House of Representatives, and have asked that these committees give consideration in particular to this recommendation. I do not suggest that my judgment or the Comptroller General's judgment on this be considered as authoritative, although I call attention to the fact that the Comptroller General's staff interviewed a great many people who are quite knowledgeable in the area before he came to his conclusion.

I think that if the situation is unclear, these committees may wish to obtain a judgment from independent and qualified experts. The Comptroller General suggested that experts from the Office of Science and Technology or experts referred to the committees or to individual members by the Office of Science and Technology might provide valuable and knowledgeable judgments on this question. I commend this point of view to the committees and their members.

It appears that during the next 10 years a total of perhaps $17 billion may be spent on procurement operation and maintenance of the F–15. About 700 planes currently are planned.

The Comptroller General testified that he understood that the proposal made by Rand Corp., last year for prototyping the F–15 has not been accepted by the Department of Defense. He did not know how much detailed consideration was given to this recommendation, nor do I know. I would hope, however, that further consideration will be given to the possibility of prototyping this most important aircraft in view of the huge sums involved over a long period of time. I can understand how there would be substantial costs, in terms of development, which would have to be financed if this proposal were adopted. Over the long term, however, substantial sums might be saved and a superior performance for this aircraft might be gained if there were a prototyping technique used now. Add to this the possibility of prototyping with only austere documentation, and it seems to me that there is a real possibility of doing the Nation an important service.

I invite attention to the fact that the Comptroller General has suggested that prototyping is useful where there is a low-to-moderate ratio of development costs to total cost. He cited, as an example, a weapon, such as an advanced fighter aircraft, that will be needed in substantial quantity over a period of years and will remain in the defense inventory 15 to 20 years or more. He said to us:

> Life cycle costs are the ones that really count. Competition on performance and price during development can affect billions of dollars of future outlays. But if competition is absent in initial development, it is forever lost.

Mr. President, it is clear from the Senate's consideration of Defense authorization bills that a harder look at the Defense Department budget and in particular at the sums being allocated for the purchase of weapons systems is now ac-

cepted. I believe that in the post-Vietnam period, which we hope is not far away, defense costs can be cut without damaging the national security. If we do not find ways to do that, the Defense budget can rise to more than $100 billion during the next few years.

Prototyping, then, and in particular the concept of parallel undocumented development, can contribute to the national security and welfare. If we can reduce the military budget, and add the billions we should save by this process to our expenditures for our domestic programs—transportation, housing, pollution, and many others—we will have taken, indeed, a giant step for mankind.

SENATOR EVERETT McKINLEY DIRKSEN

Mr. HOLLINGS. Mr. President, our hearts are a little empty today as we pay tribute to one of the greatest Senators and truly great Americans who ever graced this Chamber with his presence. Everett Dirksen, as much as anything, was a Senator's Senator and as such was respected by everyone who met him. Senator Dirksen's mark on history will be recorded not so much for his stand as an unflinching Republican leader, but as a man who was able to see needs and fulfill them, see trends and interpret them, see humor in serious problems and lighten our load with his quick smile and ready wit. As a politician, he was without peer. But I think what endeared him to most of us was his humanity, his gentleness, and his everlasting spirit. The Senate will not be the same without him because no one can fill his shoes. To many of us, Everett Dirksen symbolized what is great about the U.S. Senate. He had the affection of his fellow Senators and the admiration of the American people. The last page has been turned in one of the unique chapters of American political history. I fear we will not see his equal for a long time to come.

THE INTERNATIONAL CANCER CONGRESS TO MEET IN HOUSTON

Mr. YARBOROUGH. Mr. President, I invite the attention of the Senate to the 10th International Cancer Congress, to take place in Houston, Tex., in May 1970. The congress is sponsored by the International Union Against Cancer, a nongovernmental voluntary organization dedicated to control of cancer. Seventy nations are represented in the International Union.

Its hosts in Houston next May will be the National Academy of Sciences and the University of Texas M. D. Anderson Hospital & Tumor Institute.

This meeting of research and cancer control organizations from all over the world will bring together the world's knowledge on the causes and treatment of this still unconquered threat to human life. It will also afford a perspective on the avenues of further investigation that are most promising in leading to cure and prevention of this disease.

The choice of the M. D. Anderson Hospital & Tumor Institute as a host to the Congress is highly appropriate.

While the hospital is devoted to care of cancer patients, the institute is devoted to basic medical research and medical education. Its current clinical investigations seek the cause of cancer, its diagnosis, and the effect of various treatments.

As chairman of the Subcommittee on Health, I look forward to the session of the Tenth International Cancer Congress and its conclusions. The war against cancer is one of the great unfinished wars of medical science. To find the means of controlling cancer deserves to be one of the goals of the decade of the 1970's, and it is not a goal only for Americans, but for all mankind.

SENATOR EVERETT McKINLEY DIRKSEN

Mr. McGEE. Mr. President, our flags are at half staff for a great American and a great public servant. I dare say the Senate of the United States has lost one of its all-time favorites with the death of Everett McKinley Dirksen. Commentators are recalling that Senator Dirksen, who often allowed as how he had aspired to a career as an actor, provided a dash of theatrics to the national capital scene. Indeed, he did, and he was probably more beloved for doing so.

To those of us who worked with Ev Dirksen, however, there is much more to remember than his flamboyant eloquence. It masked but could not hide a serious dedication to this country and its people. It was the finishing touch to a thorough and wily knowledge of parliamentary maneuver—a skill in which Ev Dirksen was unmatched.

Senator Dirksen was not without honors, of course. As the leader of his party in the Senate, he proved an able, articulate spokesman and a capable tactician. We who live on the other side of the political fence, however, remember well that Ev Dirksen's philosophy could not abide blind opposition for opposition's sake. We can recall that his word was his bond and that his graciousness was as great in defeat as it was in victory. And we know well that one never dared count him out until all the votes were in, for he was tenacious, adaptable, convincing, and persuasive.

Ev Dirksen's passing is hard to believe and harder to accept. It will be difficult to replace him and, no doubt, impossible to do so in kind. This great Capitol itself has taken on a new historical presence and will echo the distinctive voice of the Senator from Illinois for thousands upon thousands of Americans from this day on.

Ev Dirksen's passing, then, is like a death in the family, for the Senate and for the entire country. With my colleagues, I mourn his loss, and particularly grieve for his widow and his daughter, the wife of our distinguished colleague from Tennessee (Mr. BAKER).

ANOTHER CALL FOR A BAN ON DDT

Mr. NELSON. Mr. President, at the 47th convention of the Izaak Walton League of America this summer in Cincinnati, Ohio, the league delegates unanimously approved a resolution supporting a national ban on the use of DDT and related persistent chemical pesticides. I ask unanimous consent that the league's resolution be printed in the RECORD.

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

THE IZAAK WALTON LEAGUE OF AMERICA RESOLUTION CALLING FOR A BAN ON DDT

Whereas, the use of DDT and like persistent chemical pesticides have an adverse effect on most forms of life and seriously threaten the quality of the environment; and

Whereas, other pesticides and control measures have been and are being developed which do not have such effects;

Now, therefore, be it resolved, by the Izaak Walton League of America, in convention assembled at Cincinnati, Ohio, this 10th day of July 1969, that it supports enactment of legislation to ban the use of DDT and like persistent chemical pesticides.

UCLA FOLKLIFE CENTER ENDORSES S. 1591

Mr. YARBOROUGH. Mr. President, as I have stated on numerous other occasions this year, I feel that the preservation of our rich and varied folk culture is a matter of great urgency. Last spring, I introduced S. 1591, a bill to create an American Folklife Foundation which would be charged with preserving this valuable heritage.

Recently, I received an endorsement of this proposal from Mr. Wayland D. Hand, who is the director of the Center for the Study of Comparative Folklore and Mythology at the University of California at Los Angeles.

Mr. President, I ask unanimous consent that the letter from Mr. Wayland D. Hand, dated August 5, 1969, be printed in the RECORD.

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

UNIVERSITY OF CALIFORNIA,
LOS ANGELES,
Los Angeles, Calif., August 5, 1969.

Senator RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR YARBOROUGH: I should like to give my wholehearted support to you in your efforts to create The American Folklife Foundation, as provided in S. 1591.

Your statement on the need for The American Folklife Foundation, as contained in the CONGRESSIONAL RECORD under date of Thursday, March 20, 1969, is admirable indeed and I compliment you on the fine perception you have shown and the means you set forth for the conservation and study of America's wonderful folklore heritage.

I am sure that the professional folklorists throughout the country will rally behind you, and if there is anything I can do to help, please let me know.

Yours sincerely,

WAYLAND D. HAND,
Director.

SENATOR EVERETT McKINLEY DIRKSEN

Mr. PASTORE. Mr. President, the whole world was shocked into sadness Sunday by the unexpected death of U.S. Senator Everett McKinley Dirksen.

For the whole world had a deep affection for this great orator—this "old-

fashioned American" as he liked to call himself—distinguished statesman as we knew him—and the stanch friend it was a privilege to possess through these 19 years of his and my Senate service.

With the Dirksen eloquence absent from this Chamber, the Senate cannot be the same. And we shall miss his priceless wit and wisdom.

His was a voice to charm, speaking out of a heart of courage and compassion. His was a kindness to encourage the ambitious—to understand and assist the weak—and not desert them.

His was a senatorial wisdom geared to the security of his country that he had served in uniform. His was a gift to contribute commonsense to a worried land—a land that loved him personally regardless of party.

Everett McKinley Dirksen believed—as he said—in the Declaration of Independence and the Constitution of the United States.

He understood the challenges of our changing times—and he met them. He could talk down the high and haughty, and he could speak up for the underdog.

Great legislation of our time, more often than not, owed its enactment to the patriotic commitment of this man.

Each of us has a precious memory of his helpfulness. An aisle might divide us on issues, but no aisle divided the innate decency of this man—always the gentleman—ever the friend.

Many voices in many tongues will speak the eulogy of Everett McKinley Dirksen, and history will write the epitaph for this powerful figure of his times.

So—humbly—we shall speak of him as an old-fashioned American, with a love of family that inspired decency, a love of country that inspired dedication, grateful for freedom's blessings—concerned that these blessings might be preserved and shared by all—an able advocate of the American dream and the American destiny.

Out of our hearts we speak our sympathy to his dear ones—those who had the special fortune intimately to love him—and intensely to be loved by this good man.

PRESIDENT NIXON SHOULD GRASP THIS GREAT OPPORTUNITY TO ACHIEVE PEACE

Mr. YOUNG of Ohio. Mr. President, the decision to agree to a 3-day cease-fire in Vietnam to mark Ho Chi Minh's death offers President Nixon a new opportunity to make a fresh beginning toward bringing about peace. He missed that opportunity when he took office this last January. Now, the death of President Ho Chi Minh, with its incalculable impact on North Vietnam, gives him an unexpected opportunity to hasten peace in Vietnam and to enable us to withdraw our Armed Forces. The VC announced a cease-fire during a period of 3 days. I propose that President Nixon announce that we Americans not only favor a cease-fire for 3 days but propose that both sides stop all offensive action and that we have a cease-fire throughout the entire month of September. Thieu and Ky who could not remain in control in Saigon without the support of our Armed Forces will oppose this. Their militarist regime represents but 20 percent of the entire population of South Vietnam. President Nixon should not let this militarist tail wag the dog.

During this period of mourning, U.S. commanders in South Vietnam have been ordered to fall back to defensive positions where this is feasible, to avoid casualties and to withhold support from South Vietnamese troops. By announcing that this cease-fire will continue throughout September and perhaps longer, President Nixon has a golden opportunity to make it clear to the new rulers in Hanoi that the United States sincerely desires an end to the fighting in South Vietnam. I am hopeful that the President will take advantage of this new chance that has been opened to him in the search for peace in Vietnam.

The most important question at this time is not what happens next in Hanoi, but rather what occurs here in Washington. To make the most of his second chance the President will have to instigate changes in his policy of troop withdrawal and in his attitude toward the Saigon militarist regime.

Of course, the Saigon militarist regime headed by Thieu and Ky will strenuously object to any extension of the cease-fire or to any change in our policy, just as they originally refused to accept a 3-day cease-fire. The fact is that these tinhorn dictators could not remain in power for more than 3 days without the support of our Armed Forces. They are well aware of the fact that once there is peace in Vietnam, they will be forced to flee and to join their unlisted bank accounts in Hong Kong and Switzerland.

The much heralded withdrawal of 25,000 troops from Vietnam has been moving at slower than a snail's pace. At best, it was a mere token gesture. Our total troop level in Vietnam is now only about 2,500 below what it was when President Nixon was inaugurated on January 20, 1969.

Under President Nixon as our commander in chief, at this time we are maintaining more than 587,000 of our Armed Forces in Vietnam, Thailand, and offshore from Vietnam. Furthermore, unfortunately, from January 20 to September 4, 1969, 61,159 Americans have been killed and wounded in combat. At the same time 45,920 so-called friendly forces—too friendly to really fight—of South Vietnam have been killed and wounded.

At the present rate of withdrawal a couple of hundred of years could elapse before we finally withdraw from that ugly civil war in Vietnam. The administration policy remains one of talking withdrawal, but not acting on it. It is obvious that Ambassador Bunker, who is subservient to the regime of Thieu and Ky, and American military leaders in Saigon, have been successful in their efforts to slow down or completely halt the pace of withdrawal.

The facts are that the Nixon administration has not really applied pressure to Thieu and Ky to put together a broad-based regime including all political elements in South Vietnam. On the contrary, Thieu recently formed a new regime remarkable for its narrow base and lack of popular appeal. After months of talk about broadening his government during which he was unable to attract a single representative of any forces except the military clique which he himself represents, Thieu has eased out Prime Minister Huong and replaced him with yet another general representing that same militarist clique.

If there is ever to be peace in Vietnam, it must be based on compromise. It is clear that Thieu will not move in that direction unless President Nixon compels him to do so.

Ho Chi Minh's death and the agreed-to 3-day cease-fire offer the President a chance to break the deadlocked Paris negotiations. It is anticipated that for a period of from 6 to 8 weeks there will be a lull in VC activity while Ho's successors form a new government and establish themselves in power. While it is too early to know what the attitude of these men will be, we may reasonably hope that they will be less intransigent than Ho, who demanded what appeared to be unconditional surrender by the United States.

If the administration is sincere in its desire to end our involvement in Vietnam and to withdraw from that ugly war, then extending the 3-day cease-fire to at least a month can be the beginning of that effort. We have nothing to lose. We have everything to gain.

THE PESTICIDE PERIL—XLV

Mr. NELSON. Mr. President, the threat to our environment from the continued use of persistent, toxic pesticides should be of concern to every individual in the United States.

It was 7 years ago that Rachel Carson first brought this controversy into full public view when she warned in her book, "Silent Spring," that the world environment would quickly become despoiled by pesticides that persist and accumulate in the environment. However, it has only been in the last year that public pressures have finally brought about some significant action in providing improved controls. Since the beginning of this year, when Sweden became the first country to ban the use of DDT, Denmark and the States of Michigan and Arizona have also taken steps to ban this pesticide. Many other countries and States of our Nation are at present considering measures to restrict and regulate DDT and related persistent pesticides.

Citizens of New Jersey have particular reason for alarm. This summer, the U.S. Department of Agriculture revealed that Newark Airport and McGuire Air Force Base were among 56 U.S. military and civilian airports which have received massive applications of dieldrin, a pesticide 40 to 100 times more toxic than DDT, during the past decade to safeguard against exotic species of potentially harmful insects coming into the United States from overseas.

This news sparked a major conservation dispute which resulted in the Department of Agriculture announcing a

30-day halt to all its pesticide program pending further study. After the expiration of the 30-day investigation, the Department announced that the use of certain pesticides would be restricted in the agency's Federal-State pesticide control programs. However, the agency unfortunately decided to delay action on its pest control programs at airports and is still giving the matter further consideration.

Two articles written by James M. Staples, and published in the Newark, N.J., Evening News, report on this matter. I ask unanimous consent that they be printed in the RECORD together with another article by Mr. Staples reporting on the findings of a 2-year survey by the U.S. Bureau of Sports Fisheries and Wildlife which revealed the presence of DDT in 584 of 590 samples of fish taken from 45 rivers and lakes across the United States.

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

ADMIT PESTICIDE USE AT NEWARK, MCGUIRE

(By James M. Staples)

Newark Airport and McGuire Air Force Base are among 56 U.S. military and civilian airports which have received massive applications of dieldrin, a highly toxic pesticide, during the past decade, an official of the U.S. Department of Agriculture said today.

The latest in a growing number of national controversies over continued indiscriminate use of pesticides, the dieldrin revelation brought shocked protests from conservationists.

An Agriculture Department spokesman in Washington said the new dispute has brought a temporary halt in the dieldrin treatments around airports, pending discussions with "concerned parties."

He said the reasons for the heavy dieldrin dosages are to safeguard against exotic species of potentially harmful insects coming to the United States from overseas, and accidental transfer of American pests, such as the Japanese beetle, abroad or elsewhere in this country.

Like DDT, dieldrin retains its chemical identity for years in the natural environment. Scientists say that both chemicals, members of the family of chlorinated hydrocarbons, break down gradually under natural conditions into other chemical forms which often are as dangerous as the original materials.

MORE TOXIC THAN DDT

"Dieldrin is from 40 to 100 times more toxic than DDT," said Roland Clement, executive vice president of the National Audubon Society, New York. "It's use in such concentrations and in such a widespread way is an outrage."

U.S. Sen. Gaylord Nelson, D-Wis., a leader in campaigns to ban use of DDT and related pesticides like dieldrin, revealed 56 airports had been blanketed with the latter chemical. He renewed his appeal today for a ban on pesticides in the DDT family.

Nelson also noted that a pending Agriculture Department recommendation that DDT no longer be applied by air anywhere it can wash into waterways, lakes or estuaries "is merely a step in the right direction . . . but not enough."

Donald Shephard, director of the Agriculture Department's plant pest control division, confirmed the Newark and McGuire treatments, which "are considered still effective." He said his department considers five to seven years as the "effective" period after application of three pounds of granular dieldrin per acre.

"The dieldrin in this form is too heavy to blow in the wind, and is always applied by hand or machine—never from the air—in order to insure its being restricted to the target zone," Shephard said. "We concentrate on areas where cargo planes are loaded and unloaded, plus a larger perimeter area where insects could escape into the grass."

Such use of dieldrin has been blamed for a recent fish kill in Little Creek, a stream which receives runoff from Dover Air Force Base in Delaware.

A Delaware state official who requested anonymity said that he understood that dieldrin was applied over most of Dover Air Force Base just prior to a heavy rainfall on June 14–15. The fish kill occurred on June 16, involving mainly catfish and eels, two of the toughest species of fish known.

Chemical analysis of the water in Little Creek was performed in Delaware, proving that metallic compounds were not present in enough strength to be responsible. A similar kill several years ago was traced to metal plating wastes washing into the stream from aircraft maintenance shops at the air base.

Samples of the dead fish and eels were packed in dry ice and sent to federal water pollution control laboratories in Edison and Cincinnati, Ohio, for pesticide testing which is still underway.

Ecologists and conservationists are mounting a growing attack on DDT, dieldrin and other chlorinated hydrocarbons. Recent studies have shown that DDT remains in microscopic particles which wind and rainfall have carried to all parts of the earth.

Even penguins in Antarctica contain DDT in their bodies, according to one investigator. Others have proven that many species of birds such as hawks and eagles are becoming extinct because DDT causes eggshells to be so weak from lack of calcium that eggs are crushed by the mother's weight during incubation. Others report that humans are potentially endangered by genetic damage caused by such pesticides.

Frank McLaughlin, executive director of the New Jersey Audubon Society, which is unrelated to the National Audubon Society, said, "This is horrible. It's poisoning our whole environment. Compared to dieldrin, DDT looks like baby food."

AIRPORT PESTICIDES BAN IMPOSED PENDING REVIEW OF U.S. POLICY

(By James M. Staples)

A U.S. Department of Agriculture official said yesterday that massive usage of dieldrin and related pesticides at public and military airports will be halted for 30 days, pending a review by the Interior Department.

A major conservation dispute was touched off two weeks ago when it was revealed that Kelly Air Force Base in Texas was to receive a massive application of dieldrin to safeguard against the spread of insects which might arrive from overseas.

Objections of conservationists halted the scheduled Texas application, but U.S. Sen. Gaylord Nelson, D-Wis., later revealed that 56 airports, including Newark and McGuire AFB in New Jersey, had already undergone dieldrin treatment during the last decade.

Donald Shephard, head of the plant pest control division of the agriculture department, said, "We are reviewing our treatments and putting down on paper all the possible alternatives, along with their advantages and disadvantages. Then we will consult with the Interior Department to draw out views of ecologists and other experts there."

Shephard said the airports received the strong pesticide applications to keep foreign pests from gaining a foothold here, and to keep problem insects from being carried from one part of the United States to another.

NO RECENT USE

McGuire AFB near Trenton was originally tested with dieldrin. But, chlordane has been used on the 5,000-acre air base since 1963, an Air Force spokesman said.

Dieldrin was used from five to seven years ago at Newark, LaGuardia and Kennedy airports, said a spokesman for the Port of New York Authority, which owns and operates them.

"The U.S. Department of Agriculture wanted it done, we paid for the chemical and they applied it. None has been applied since those initial doses," said the PA spokesman.

Shephard confirmed that some public and military installations have received chlordane or heptachlor treatments because of local conservation problems.

Sunlight tends to break down chlordane and heptachlor quicker than dieldrin, he noted.

Because chlordane is less toxic than dieldrin, the agriculture department experts say it should be applied at the rate of 10 pounds per acre to equal the potency offered by three pounds of dieldrin.

Being shorter-lived than dieldrin, chlordane must be applied more often and thus represents a more expensive protection, the same authorities said.

Dieldrin, deemed from 40 to 100 times more toxic than DDT, and heptachlor are among five chlorinated pesticides which the National Audubon Society has said should be banned. Others on the list are DDT, aldrin and endrin.

Chlordane is a similar pesticide which the National Audubon Society advises be used only by professional applicators under conditions of exceptional need. In this category, established by Audubon, are three other pesticides: BHC, endosulfan and toxaphene.

Audubon officials cite the near extinction of the bald eagle, falcon and osprey as examples of the effects of the chlorinated hydrocarbon pesticides, such as DDT. They retain their chemical identity 10 or more years and are passed upward from lower to higher orders of creatures through their food supplies.

Enzymes produced in hawks and eagles to combat the effects of the pesticides cause the cutting of calcium supplies, resulting in thin eggshells which collapse under the weight of incubating mothers.

The effects of such chemicals in humans are still debated, but recent Russian research suggests that effects are noticeable only after about 15 years of exposure, an Audubon spokesman said.

It is known that every human carries concentrations of DDT dissolved in his body fats, making research difficult because there is no comparison with DDT-free humans.

A recent incident at Dover AFB in Delaware is being cited by conservationists. Little Creek, which flows through the base, was the scene of an extensive killing of catfish and eels. State officials blame the use of dieldrin at the base.

Although less dramatic and of less direct concern to humans, the Dover incident in being compared by naturalists with last year's biological accident in Utah. About 6,000 sheep were killed when winds carried deadly nerve gas outside an Army testing area.

"It happened that a heavy rain hit after Dover AFB received an application of dieldrin pellets. This caused poisoned water to drain into Little Creek. It rained June 14 and 15, and the fish were killed on the 16th," said a Delaware official.

PESTICIDES' TOLL ON U.S. WILDLIFE CONFIRMED

(By James M. Staples)

A white perch taken from the Delaware River near Burlington contained the highest concentration of DDT of any fish found in

the United States during a two-year federal survey, according to a government paper.

It contained 45.27 parts per million. The U.S. Food and Drug Administration recently set five parts per million as the maximum DDT amount in fish which is considered safe for human consumption. The parts per million measurement is the ratio of pesticide to body weight.

The report has prompted the Delaware River Basin Commission to request its fish and wildlife technical assistance committee to evaluate the pesticide pollution in the river and its tributaries. The committee is an advisory group of fish biologists from New Jersey, New York, Pennsylvania and Delaware.

The survey by the U.S. Bureau of Sports Fisheries and Wildlife during 1967 and 1968 showed DDT in 584 of 590 fish taken from 45 rivers and lakes.

It also showed high concentrations of dieldrin, a close but far more toxic chemical relative of DDT, in Delaware River fish. The highest single dieldrin reading came from yellow perch in the Connecticut River.

ESTABLISHMENT BASE READINGS

A bureau spokesman said the samplings were taken in February and September of 1967 and 1968, and are to be continued to measure differences from the base established those two years.

The Burlington site was the only sampling location in the Delaware River. The Hudson River, which also showed high pesticide readings, was sampled at Poughkeepsie, N.Y.

Sen. Gaylord Nelson, D-Wis., revealed the content of the bureaus survey. It is scheduled for government publication in September.

Nelson said, "The study confirms . . . Rachel Carsons assertion in 1963 that there will be an environmental disaster unless this is quickly brought under control."

Similar studies are being completed for ducks and starlings.

One spokesman said New Jersey is just about the last state in the Northeast to persist in using DDT for mosquito controls, which might account for the unusual concentration of that pesticide in the Delaware River fish."

USED ON TOBACCO CROPS

He said the dieldrin concentrations in Connecticut River fish probably could be traced to its use on tobacco crops along that river's shores.

In addition to DDT and dieldrin, the study included aldrin, chlordane endrin, lindane, heptachlor, heptachlor explode and toxaphene. Dieldrin is considered from 40 to 100 times more toxic than DDT.

All are chlorinated hydrocarbons, which ecologists and conservationists charge retains their chemical identities for many years after application, threatening many species of birds and may be endangering man.

Fish, birds, animals and humans build up concentrations of such pesticides in their body fats. It is estimated that every American carries 12 parts per million of DDT in their bodies. Once introduced into the environment, the chlorinated hydrocarbons are borne by winds and water throughout the world.

They accumulate in bodies of microscopic creatures and their concentrations increase as one species devours another. Thus ospreys, eagles and gulls build up higher concentrations than are found in any fish they may eat.

From five to eight white perch were sampled at Burlington each of the four times. DDT concentrations were February 1967, 31.72 PPM (parts per million); September 1967, 36.73 PPM; February 1968, 45.27 PPM, and September 1968, 34.12 PPM.

Dieldrin concentrations in white perch from the Delaware, for the corresponding periods were .81, 1.24, .22 and 25 PPM. The Food and Drug Administration's safety limit for dieldrin in fish is only .3 parts per million.

For the Hudson River, the highest single DDT reading was a goldfish, with 14.4 parts per million, in February 1968.

Spokesmen for the Bureau of Sports Fisheries and Wildlife emphasized that the limited testing done so far has failed to turn up any national seasonal trends in pesticide concentrations. They said also that some slight variations in findings could have resulted from analysis being made by more than one laboratory.

Delaware River fish samplings also included catfish and suckers, neither of which had readings as high as the white perch. It was noted that the perch eats other fish and insects while the catfish and suckers are "bottom feeders" consuming tiny life forms which are lower on the food chain.

Another important factor is that the perch carries more fat in its body than catfish or suckers.

The federal survey found DDT also appeared in concentrations of more than five parts per million in Cooper River, South Carolina; St. Lucio Canal and Apalachicola River in Florida; Tombigbee River, Alabama; Rio Grande River, Texas; Lake Ontario, Lake Michigan, the Illinois River in that state; the Arkansas and White Rivers. Arkansas, and the Sacramento River, California.

Dieldrin samplings of more than .3 PPM also appeared in the Savannah River, Georgia; the Apalachicola, Tombigbee, Rio Grande, Illinois, Arkansas and White Rivers, plus the Red River, Minnesota; San Joaquin River, California; Rogue River, Oregon, and Lakes Ontario and Huron.

THE 350TH ANNIVERSARY OF THE LANDING OF FIRST NEGROES AT JAMESTOWN ISLAND, VA.

Mr. SPONG. Mr. President, the first Negroes landed at Jamestown Island in Virginia 350 years ago and this significant event in our Nation's history will be commemorated at ceremonies at Jamestown Festival Park on Sunday, September 21, at 3 p.m.

Few Americans, I expect, realize that the Negroes' roots run so deeply in this country or that persons of African descent arrived so early at Jamestown, where our Nation was born.

The principal speakers at the commemoration ceremonies will be Dr. Charles H. Wesley of Washington, D.C., who is executive director of the Association for the Study of Negro Life and History, and Dr. Samuel DeWitt Proctor, Sr., dean of the Graduate School of Education at Rutgers State University, New Brunswick, N.J.

Both Dr. Wesley and Dr. Proctor are educators, authors, and former college presidents. Dr. Wesley has been the president of Wilberforce University and Central State College, both in Ohio. Dr. Proctor is the former president of Virginia Union University in Richmond, Va., and A. & T. College in Greensboro, N.C. In addition, Dr. Proctor served a tour of duty as association director of the Peace Corps in Washington.

The Commonwealth of Virginia will be represented at the commemoration program by Lt. Gov. Fred G. Pollard.

The committee for the commemoration of the 350th anniversary of the landing of Negroes at Jamestown consists of a number of Virginians who are prominent in both the Negro community and the business and professional life of our State. In planning the program at Jamestown, they have set four objectives, which are as follows:

1. To contribute to the development of a healthy pride and respect among Negroes and Americans generally for our forebearers of African descent.

2. To promote historical accuracy as to the struggles of the American Negro to achieve his rights as a person and as a citizen of the United States.

3. To apprise the public of the contributions of Negroes to the life, technology and culture of Virginia and of the United States.

4. To stimulate interest in the erection of a suitable marker in honor of the arrival of these persons of African descent.

Mr. President, I am confident much thought and hard work has gone into the planning of a program of this type and I hope it will contribute to a greater understanding by all Americans of our rich, historical heritage.

The steering committee for the commemoration program is composed of W. Lester Banks, P. B. Boone, Oliver W. Hill, Esq., Mrs. Helen Howard, Dr. Walker Quarles, Rev. Melford Walker, S. W. Tucker, Esq., and Dr. J. Rupert Picott.

Other committee members are:

W. E. Barron, Paul S. Bell, Raymond H. Boone, John M. Brooks, Charles E. Brown, Theodore N. Burton, C. Clayborne Bush, Mrs. Virginia Carrington, Miss Elaine Carthly, John Culver, Mrs. Mary E. Culver, J. H. Dillard, A. G. Edwards, Melvin W. Elliott, Mrs. Willa Elliott.

Rev. Egbert J. Figaro, Rev. L. Francis Griffin, Sr., David E. Gunter, Rev. Curtis W. Harris, Sr., Linwood Harris, Dr. John B. Henderson, Dr. Thomas Henderson, Dr. Robert M. Hendrick, Jr., Mrs. Beresena Hill, Mrs. Bertie Huggard.

John Q. Jordan, Joseph A. Jordan, Jr., Rev. Calvin C. Knight, Moses D. Knox, David E. Longley, Henry L. Marsh III, Esq., M. C. Martin, William T. Mason, Esq., Rev. Raymond S. Mitchell, David Muckle, Mrs. Bernetta West Munford.

J. Jay Nickens, Jr., Royal A. Patterson, Mrs. Bessie Pryor, Dr. W. L. Ransome, Dr. Wm. Ferguson Reid, R. L. Scales, H. H. Southall, Mrs. Helena Stolls.

Rev. J. B. Tabb, Bernard E. Taylor, Dr. J. M. Tinsley, Clarence Townes, Jr., Mrs. Ruth Valentine. Franklin Waller, Mrs. Pauline F. Weeden, J. B. Williams, Dr. Philip Y. Wyatt.

THE AGLAIAN STUDY CLUB OF GALVESTON, TEX., SUPPORTS 100,000-ACRE BIG THICKET NATIONAL PARK

Mr. YARBOROUGH. Mr. President, the Aglaian Study Club of Galveston, Tex., has adopted a resolution calling for the establishment of a 100,000-acre Big Thicket National Park in southeast Texas. They recognize that unless action is taken to preserve this unique and beautiful wilderness, it will be soon destroyed by the insensitive acts of modern industry.

Not only is the Big Thicket renowned for its rich and diverse plant life, it is important as a natural sanctuary for many species of birds. In addition to the 300 species of birds that live in the Big Thicket year around, the area is a major resting place for countless numbers of migratory birds. It also is the only area in the United States where the legendary

ivory billed woodpecker, once thought to be extinct, may be found.

Unfortunately, the Big Thicket is disappearing at the rate of 50 acres per day. We must act now if we are to save this natural wonder for the enjoyment of our people and future generations.

Mr. President, I ask unanimous consent that the resolution be printed in the RECORD.

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

Whereas, the Big Thicket of Texas is a meeting place for eastern, western and northern ecological elements; and

Whereas, this is the last stand in Texas of the nearly extinct Ivory-billed Woodpecker; and

Whereas, this beautiful and unique area is rapidly being destroyed by bulldozer and chain saw; therefore

Be it resolved that The Aglaian Study Club of Galveston, Texas, urges the preservation of at least 100,000 acres containing the most unique areas of the Big Thicket, these areas to be connected by environmental corridors; and

Be it further resolved that the Interior and Insular Affairs Committee of the Senate of the United States be requested to set immediate hearings on S4 which would create a Big Thicket National Area.

Mrs. R. L. MONTGOMERY, Jr.,
President, Aglaian Study Club.

PROTECTION OF FOREST LAND

Mr. METCALF. Mr. President, I had occasion recently to read an excellent editorial in the Western News, a fine weekly newspaper published in Hamilton, Mont. The editorial calls for the protection of land that has been set aside for forest land and should, in my opinion and in the opinion of Western News Editor Miles Romney, remain set aside.

I think the editorial states in a poetic way the concern of a man who hopes that a part of our past should be preserved so those in the present and future may enjoy it. I agree wholeheartedly with Mr. Romney's comments, and recommend the editorial to those who care about our heritage. I therefore ask unanimous consent that the editorial be printed in the RECORD.

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

LOOKING FOR PREY FROM UP IN THE AIR

The eagles fly high in great circles. Often a single eagle is soaring through the air, another time a pair, and sometimes a family. They revolve in great patterns. Often the giant bird seems to float through the air, hardly moving a feather in its widespread wings. It rides upon the air currents and for minutes moves not a wing.

Again this bird exerts itself in flight with a number of wing strokes which propel it as it desires into another pattern of circular soaring. It is a remarkable sight. No wonder that man watched these giant birds and yearned to fly himself—and finally did!

It may be a long time but at some point in the eagle's flight the soaring ceases and the bird drops toward earth like a bullet, a living bomb of feathers following two sharp talons which have uncanny ability to strike, kill and hold some prey which the sharp eyes of the eagle has discerned when it was soaring aloft.

That is the eagle's mission in life, to sight, catch, kill and provide the prey as food for itself and its young. The mastery of the air which led us to watch the bird with awe, marveling at the precision and beauty of its flight, is but part and parcel to maintaining life for its kind, keeping a ratio between the various types of life, and doing this through its ability to see that which is below upon earth to its personal advantage. It is not putting on a show just to win plaudits from admiring humans.

Last week two turbo-prop airplanes carrying 18 members of a so-called land use committee of the Western Forestry and Conservation Assn. and about ten U.S. Forest Service officials, flew over the Bitter Root and other parts of the northwest. The planes carried their passengers over not only the Bitter Roots but the Idaho Primitive Area, the White Clouds area of the Stanley National Forest, the Seven Devils Scenic Area of the Snake River, the Sawtooth Primitive Area, the middle fork of the Salmon River, the Magruder Corridor, and along the east side of the Selway-Bitter Root Wilderness Area.

The members of the association are concerned about the withdrawal of lands from multiple use said one of their spokesmen.

It might be asserted the group were concerned also with looking for prey upon the face of the earth covered in form of the remaining bits of the national forest purportedly owned by the public. While they did not plummet to earth, like the predatory eagle, they may see fit to return to the areas visited again in another manner. There is reason to wonder if the forests possess any protectors of that national reserve created during the Cleveland administration, amplified during the administration of Theodore Roosevelt, held in reserve for whom, until the bulk of privately owned timber was exhausted?

There is no quarrel with the legitimate harvest of timber but by the same token there should be no quarrel with preserving a small segment of the what was once a vast forested area in this nation, for the uses of the masses of Americans who in theory are the owners of the property. Multiple use forsooth, what use remains of the ravaged carcass of the rabbit once it becomes the prey of the eagle?

SECOND NATIONAL AIR EXPOSITION

Mr. CANNON. Mr. President, for 3 days last month the National Aviation Club of Washington, D.C., staged the second National Air Exposition at Dulles International Airport.

It was a great air show, and I was privileged to be a member of the National Aviation Day Honorary Committee. It was free to the public, and the public responded. Estimates of total attendance ran over 400,000 for the 3 days.

I compliment the cooperation given the National Aviation Club by the Department of Defense and the Department of Transportation.

This great air show was well described by an editorial published in the Washington Evening Star of August 19, 1969. 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:

DULLES AIR SHOW

Three cheers and an oak leaf cluster to the National Aviation Club and its hundreds of helpers for a remarkably well-done job of organizing and staging the weekend's air show at Dulles.

It may be no match for the Paris Air Show as yet, but the operators are on the right track.

Of course, the airplanes and accessories on display were impressive, and the aerial demonstrations fascinating. But in many years of air show watching, never have we seen one so geared to accommodation of the people in the stands. First aid stations and lost-children tents were accessible. Announcers actually told you what was going on. There were none of the usual long, dull spells. Traffic control was excellent. There were soft drinks and snacks everywhere. And, best of all, so were rest rooms.

Then there was the grandeur of the technology. Britain's manta-ray shaped Vulcan nuclear bomber and supersonic Lightning fighter. Canada's spectacular forest fire fighting amphibious water bomber. The French navy's Breguet patrol plane. And America's fantastic F–111 in a 700-plus mile per hour pass in front of the stands. Plus all manner of other airplanes and helicopters doing everything aircraft are supposed to and a lot of things they aren't. And right in front of nearly a quarter-million people each day.

But in the end, the show was stolen from even the Navy's Blue Angels. Lockheed stole it with a spectacular performance by the C–5 Galaxy. As the huge craft took off the roar of its engines was almost drowned out by the sighs of astonishment from a crowd that hardly thinned until the aeronautical giant had long disappeared over the horizon.

PUBLIC RAPID TRANSPORTATION TRUST FUND

Mr. CRANSTON. Mr. President, several weeks ago, President Nixon showed that he appreciates the magnitude of the transportation crisis facing the country when he proposed that $10 billion be made available over a 12-year period to assist in the development of an adequate public rapid transportation system in and around America's cities.

However, as I stated at that time, I am deeply disappointed that the President did not propose that the trust fund system be utilized as the means by which the necessary funds would be obtained.

An overwhelming majority of the Nation's mayors and transportation leaders have said that the trust fund offers the best opportunity to insure a constant flow of Federal funds for the development of an adequate public transportation system.

The Federal highway system, which is funded by the use of a trust fund, has been a tremendous success insofar as financing is concerned.

I believe we must utilize a similar type of trust fund to finance the development of a desperately needed public transportation system.

Clearly, the adoption of the trust fund method of financing would enable mayors and other local officials concerned with providing adequate public transportation to plan their programs with greater confidence and flexibility.

With this in mind, I have introduced in the Senate legislation which was initiated by Representative KOCH in the House which would establish a trust fund providing $10 billion over the next 4 years to meet the Nation's public transportation needs.

I have also joined the Senator from New Jersey (Mr. WILLIAMS) as a cosponsor of his mass transit proposal which establishes a trust fund providing $1.8 billion over the next 5 years.

Under the President's proposal the mass transit financing would depend on

appropriations by Congress from the general fund. In my view this method of financing the Nation's mass transit needs is clearly inadequate since the availability of funds would depend on the whim of Congress rather than on an independent and assured source of revenue.

My State of California with its large metropolitan areas is particularly in need of Federal assistance for public transportation.

Recently the California Senate and Assembly passed a joint resolution urging Congress to enact legislation setting up a trust fund for the development and support of urban public transit systems.

Additionally, the Los Angeles Times, in commenting editorially on President Nixon's mass transit proposal, strongly endorsed the trust fund concept as the means to assure stable financing for public transportation.

Mr. President, I ask unanimous consent that the joint resolution by the Senate and Assembly of California as filed with the secretary of state on June 25, 1969, and the Los Angeles Times editorial of August 27, 1969, entitled "Transit: A $10 Billion Answer" be printed in the RECORD:

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

S.J. RES. 19

Relative to federal funds for urban public transit

Whereas, At the present time, federal participation in urban public transit programs is in no way comparable to the more adequate federal participation in aviation and highway programs; and

Whereas, It is impossible for state and local governments to plan expenditures and initiate programs in the area of urban public transit without having adequate and dependable assistance from the federal level; and

Whereas, A trust fund, similar to that set up for highway programs, which does not depend upon yearly congressional appropriations, is needed for urban public transit in order to allow for planning over a reasonable period of time; and

Whereas, There is now legislation before Congress embracing this trust fund concept and which is a step in the right direction; and

Whereas, It appears that urban public transit is a necessary adjunct to our highway system in California and throughout the nation, as a means of transporting the large populations of certain metropolitan areas; and

Whereas, The urban public transit trust funds should be drawn from a source other than highway trust funds, since in California, and other states, even at present rates of collection and expenditure of trust funds, highway needs will not be met; and

Whereas, Such federal assistance should also provide for protection of the interests of employees of presently existing transit systems which may be affected thereby with respect to collective bargaining rights, continuation of pension rights, paid retraining programs, reemployment priorities, and dislocation allowances; now, therefore, be it

Resolved by the Senate and Assembly of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the Congress of the United States to enact legislation setting up a trust fund for the development and support of urban public transit systems with provisions to protect the interests and welfare of employees of existing transit systems; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Secretary of Transportation, and to each Senator and Representative from California in the Congress of the United States.

TRANSIT: A $10 BILLION ANSWER

President Nixon's proposal to drop $10 billion in public transportation fareboxes both pleased and disappointed officials of local government.

Although no other administration has offered so comprehensive a support program, the means of financing mass transit systems has stirred growing controversy.

Mr. Nixon's own party generally has held that developing alternatives to the private automobile is primarily the responsibility of local jurisdictions. House Republicans even opposed the modest transportation assistance program now in effect.

The Administration bill, however, declares that rapid urbanization "has made the ability of all citizens to move quickly and at reasonable cost an urgent national problem."

Local officials liked the Administration's rhetoric but not the results of White House arguments over financing the 12-year program. The mayors wanted a trust fund, similar to the means of paying for the interstate highway system. What they got was something called "contract authority."

The President's program, in essence, would commit Congress to the spending of $10 billion in 2–1 matching grants to local jurisdictions for capital outlay and research projects. Funding, however, would be subject to congressional appropriation each year.

Such a plan may look good on paper, the mayors contend, but it provides no basis for the kind of long-term bond financing needed for the building of transit systems. The same argument was made by Transportation Secretary John Volpe, who also pushed for a transit trust fund.

The Times believes that adequate public transportation is so important an urban need that Congress should establish a trust fund to assure stable financing.

As President Nixon himself said "Until we make public transportation an attractive alternative to private car use, we will never be able to build highways fast enough to avoid congestion."

Some of the revenue now going into the highway trust fund for use in urban areas, therefore, should be diverted to the financing of transit system construction. Taxes on highway users would be well spent if they slow the proliferation of vehicles and make city and suburban freeways less congested.

Even with proper financing, the $10 billion program cannot ease all the traffic jams of a nation whose cities will have another 100 million population by the year 2000. California, for instance, could only expect a maximum of 12½% of the available funds in one year—hardly a bonanza for Los Angeles, San Francisco, San Diego and other cities.

Yet Federal help could be a significant factor in accelerating the Southern California Rapid Transit District's more flexible approach to mass transit, which involves more innovative use of buses as well as other transportation modes.

Congress should act this year on effective financing for alternatives to the private automobile—and the concrete, congestion and fumes it causes.

OUTDOOR WRITERS ASSOCIATION OF AMERICA HONORS TWO TEXAS WRITERS

Mr. YARBOROUGH. Mr. President, at their annual meeting in June 1968, the Outdoor Writers Association of America presented Evinrude Writing Awards to Henry Stowers of the Dallas Morning News and Dan Klepper of the San Antonio Express & News for their outstanding articles on the preservation and use of our natural resources. The association makes these awards annually to those members whose work best creates an awareness of the need to preserve the natural beauty of the Nation's waterways and of their potential for recreational use.

Mr. Klepper's article, "The Battle of Braunig Lake," tells how a 4-year crusade for public access to a large reservoir started with a no fishing sign, and culminated in a 100-acre recreational area. Mr. Stowers in his article, "The Trinity River Scandal," takes a critical look at one of Texas' major rivers which he refers to as "a 500-mile sewer."

The conditions which these talented authors describe are not limited to Texas. They are all common in all of our more heavily populated States. Man's pollution of his environment is a critical problem to which we must soon face up if we are to maintain life as we know it today.

Mr. President, I ask unanimous consent that the award-winning articles, "The Battle of Braunig Lake" by Dan Klepper from the San Antonio Express & News, and "The Trinity River Scandal" by Henry Stowers, from the Dallas News, which were reprinted and published by Evinrude Motors in the second edition of their publication, Let's Protect Our Waterways, be printed in the RECORD.

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

[From the San Antonio (Tex.) Express-News]

THE BATTLE OF BRAUNIG LAKE

(By Dan Klepper)

(NOTE.—A four-year crusade for public access to a large reservoir started with a no-fishing sign and culminated in a 100-acre recreational area.)

NO-FISHING SIGN

Let's take a look at three lakes, one owned by a private company, another owned by a river authority and a third owned by a public utility.

All three reservoirs serve the same purpose . . . almost. The three lakes provide sources of cooling water for generating station.

Alcoa Reservoir, owned by the Aluminum Company of America, is a 703-acre lake near the town of Rockdale in Milam County.

The reservoir has been open to fishermen for a number of years, and it continues to produce excellent strings of fish.

A concessionaire sells bait and rents boats. A fisherman can launch his own boat for a nominal fee. Only small motors may be used on the lake.

Another cooling system lake is Bastrop, a new reservoir on Spicer Creek. The 906-acre lake is owned by the Lower Colorado River Authority.

Bastrop will be opened to fishermen June 1. The LCRA will lease concession rights to someone for the sale of bait and the rental of boats.

Two access points have been provided. Boats can be launched for a nominal fee. Certain areas of the lake will be off limits to boaters for safety reasons.

A ski area will be marked with buoys and fishing areas will be restricted to small motors. The lake will be open from sunrise to sunset.

Fisheries biologists report the lake is full of bass.

Lake Braunig in the southeastern part of Bexar County is a 1,350-acre reservoir owned by the City Public Service Board of San Antonio.

It is larger than either Alcoa or Bastrop, and it, too, is capable of producing fishing for a large number of people.

But there is a no-fishing sign at Braunig.

I contacted the City Public Service Board last September and learned that "discussions" with the city had taken place regarding the lake and the possibility of the city operating recreation facilities on the reservoir.

More than seven months have passed. Nothing more has taken place.

A couple of weeks ago a fellow fished a small section of the lake and caught 15 black bass in 45 minutes before he was told to leave. The largest bass weighed four pounds.

Last Sunday, News photographer Bill Goodspeed drove by the lake and saw 22 fishermen crowded around a small part of the lake that extends beyond the CPSB's wire fence and under a highway.

Goodspeed said the fishermen had more than 100 black bass, including one that appeared to weigh about six pounds.

Last September I wrote a column headlined "Will Braunig Lake Produce the Fish?" I pointed out that, as a boiler cooling reservoir, the heated water pouring back into the lake might keep the waters warm enough to allow year-around growth of fish.

Braunig was filled with water from the San Antonio River. Pumps on the river are located below the mouth of the Medina River and the canal that carries treated effluent from the sewage treatment plant into the river.

Inland fisheries biologist Elgin Dietz accompanied me on the inspection tour of the lake last September. He said he would be willing to make a study of Braunig to determine what the high fertile content of the water will do to fish.

He pointed out, however, that he could not begin the study unless requested by the CPSB or the city to do so. He has not been contacted by either agency.

It appears that the question already has been answered. At least a section of the reservoir seems to be full of fish.

If the remainder of the lake can provide as good fishing as one small cove and if the fish are in good condition, anglers are missing out on what could be some of the hottest bass fishing in this area.

RUMOR SQUELCHED

The City Public Service Board announcement that Lake Braunig will remain closed to fishermen should squelch the rumor that "the lake will be opened next month." This rumor has been as consistent as a clock. It has been cropping up each month for the past year.

In a statement issued Monday at the insistence of board member John H. Morse, the CPSB said it cannot open the reservoir to fishermen until a public health official assures the board there is no danger involved in taking and eating fish from the contaminated water.

The announcement probably will have little effect on fishermen now using the lake. Anglers undoubtedly will continue to fish "over the fence," and trespassers toting rods and reels will continue to slip through the barbed wire fence at night.

The CPSB has known for months that the waters of the lake are "polluted." The board drew up a "white paper" on the situation, detailing why the lake cannot be opened, several weeks ago but did not release the contents of the paper until Monday.

Braunig was filled with water from the San Antonio River. The water in the lake . . . and the river . . . contains treated sewage effluent and it harbors coliform bacteria, an organism that, according to the board, "can transmit disease or virus infections."

We've been living with this bacteria since year one. And we're not likely to get rid of it. A few of the organisms aren't bad.

The method of checking the amount of sewage pollution in a given body of water is to make a "coliform bacteria count." The U.S. Public Health Service then sets up maximum allowable standards.

For example, drinking water can contain up to 50 coliform bacteria per hundred milliliters.

The bacteria will be found in most—if not all—surface water in the United States. "Death of the Sweet Waters," a book published this month, author Donald E. Carr, tells about a battle between fishermen of the lower Columbia River in the Northwest and sewage effluent.

"The fishermen wanted a coliform standard for the river of 150, which is very low," Carr states. "It is swimming-pool quality, unheard of in a modern river."

The standard was adopted in the States of Oregon and Washington by the Public Health Service, but, as Carr points out, it remains to be seen whether it will be enforced.

The coliform count in Braunig is high. An average of 25 months of testing, according to the CPSB, showed 5,595 coliform bacteria per hundred milliliters. The CPSB did not point out that from August of 1964 through August of 1965, the average lowered considerably . . . to 4,100.

If Braunig is too polluted to allow "contact" recreation, including fishing, other waters in this vicinity might be in the same . . . or worse . . . condition.

Consider the river itself. Coliform bacteria counts in the San Antonio River near Braunig run much higher than in the CPSB's reservoir. Yet, no one has suggested we ban fishing in the river.

Tests were made on Woodlawn Lake in October, 1963. Six samples were taken from various areas of the 45-acre lake. The coliform bacteria count ranged from 880 to 240,000 and averaged 92,980! Yet the lake was not closed to fishermen.

Mitchell Lake probably has the highest coliform bacteria count in this area. Duck hunters have boated on it, stuck their hands in it, waded in it and have eaten ducks killed on it for decades. Many of the ducks fed on the aquatic products the fertile waters provided.

Yet no one suggested we ban hunting on the lake. In fact, the hunting was stopped only within the last three or four years when the reservoir came under the jurisdiction of the city.

Fishermen cannot expect a public health official to step forward and say, "There's no danger to catching fish in or eating fish taken from Braunig Lake."

Too little is known of the coliform bacteria. Virus organisms so far have not been isolated from treated sewage water.

Since this is the case, the CPSB's attorneys have advised against opening the reservoir to the public. The attorneys feel serious legal liability might be involved.

"The lake, one of the first of its kind in this section of the country to utilize sewage effluent, has attracted the attention of a number of water scientists," says the CPSB.

Perhaps fish scientists also should be invited to study the reservoir, for even though the board insists that the lake "was not contemplated for any other purposes than furnishing cooling waters for the power plant," sooner or later the multiple use concept must be applied to every foot of available water.

The growing horde of recreation-seeking Americans will demand it.

OVER THE FENCE FISHING

The main fishing area is maybe 60 yards wide and one man deep. Fishermen line the rocky embankment almost shoulder to shoulder.

And they do a lot of talking between bites. Mostly about the lake, the fish that are in it, the catches they have made or have seen.

They have casting hazards. The main fishing area borders a county road, and they must cast under wires strung on telephone poles.

They also have a fine rest for their rods and reels and cane poles. It's the taut, barbed-wire fence that separates the fisherman from the water.

There's another fishing area across the road. The water cuts through a deep channel beneath a bridge, then spreads over an acre or so of land.

Fishermen sit on the bank and fish here. Or they wade it. It is shallow, not more than waist deep in most areas, but it has yielded some mighty big fish, the fishermen say.

On the rock embankment on the west side of the road many of the fishermen use surf-casting rods, heavy lines and big reels. They make prodigious casts into the arm of the lake.

And then they sit back and wait for a bite. Fish-eating grebes bother the fishermen. The little birds, expert swimmers and divers, steal the big minnows on the fishermen's hooks. But the fishermen fight back.

When a grebe shows an interest in someone's bait, the fishermen use slingshots to hoist rocks in the grebe's direction to frighten it away.

These are the fishermen who fish "over the fence." It has become such a popular fishing spot with residents of southeastern Bexar County that no other words are needed to describe the location.

If a fisherman says he has been fishing over the fence, he refers to the "public" part of Braunig Lake, the City Public Service Board's big reservoir off Corpus Christi Rd.

The other side of the fence is an inviting place. The long arm of the lake stretches toward the tall, impressive-looking power plant.

To the left is the lengthy, earthen dam. To the right, the man-made bar that will separate the warm from the cool as the lake water is drawn through cooling towers.

Signs prominently displayed on the fence proclaim "No trespassing," and across the fence are signs that read "Danger keep out—Premises patrolled by Stanley Smith Detectives, Inc."

The signs mean what they say. Guards patrol the lake's shores day and night in radio-equipped Scouts. But neither guards nor signs stop the trespassers.

A lot of fishermen cross the fence, a guard remarked. Most of them are caught and told to leave, but a few slip by the guards. He told of recently seeing two fishermen run for the fence with so many fish they had to drag them.

P. W. Ricks, retired San Antonian, is an ardent member of the over-the-fence-fishing clan. He says he has caught some big fish from the road, including black bass to 7 pounds and catfish to 7½ pounds.

A few days ago he had three bass that weighed a total of 21 pounds.

The lake covers 1,350 surface acres. It was filled with water from the San Antonio River, and it was stocked with black bass by the Parks and Wildlife Department in May, 1963.

The CPSB has not opened it to fishermen. Nor has the city-owned utility announced to the public why fishermen have not been allowed to use the reservoir for recreational purposes.

Members of the "over-the-fence" brigade talk a lot about this. Some are convinced the lake will be opened in the near future. Others are convinced it will never be opened.

They sit and watch their corks or the tips of their rods. And they look yearningly at the broad expanse of water on the other side of the fence.

A HEARING SET

A hearing on Rep. Jake Johnson's bill to open Braunig Lake to fishermen is scheduled this afternoon in Austin, and it appears the hearing before the Game and Fish Committee of the House will be well attended.

The hearing is set for 2:30 p.m. in the old Supreme Court room on the third floor of the Capitol.

The San Antonio Bass Club, which has voted in favor of the measure, will send representatives to the hearing, as will the San Antonio Anglers Club, the Alamo Bass Club and the Hill Country Casting Club.

The board of directors of the 650-member Anglers Club voted last week to support Johnson's attempts to open the City Public Service Board reservoir to the public.

Johnson said he also will have several other witnesses appear to give testimony on the measure.

I talked with five of the 10 Bexar County representatives last week and found a couple only lukewarm to the bill.

They all said, however, that if Johnson can produce a public health official who will say there is absolutely no danger to the water in Braunig, they would be in favor of opening the reservoir to anglers.

Braunig was filled with water from the San Antonio River. Since a large—a very large—part of the river's flow south of San Antonio is provided by treated sewage effluent, the CPSB maintains that the lake waters are contaminated and polluted.

Johnson will not be able to find a public health official who will say without reservation that it is safe to fish in Braunig. After all, the lake does contain sewage effluent.

By the same token, it is doubtful that any public health official would go out on a limb to say it is perfectly safe to fish in the San Antonio River south of the city.

The count of bacteria in both the river—and in the city's Woodlawn Lake—is higher than in Braunig, and if this county's representatives choose to oppose the bill on the basis that no public health official will certify Braunig's waters are danger free, then perhaps these same representatives will sponsor legislation to close the river and Woodlawn to fishing until some health official gives these waters an "all-clean" signal.

Several of the representatives I talked to apparently did not realize that fish are being caught from Braunig at this time.

The truth is, fishermen have been using the lake—in spite of no-trespassing signs, pollution signs and regular guard patrols—for the last four years.

The lake was stocked with black bass by the State Parks and Wildlife Department in May 1963. More than 23,000 black fingerlings went into the reservoir.

A City Public Service Board employe made application for the fish. He used the CPSB's mailing address for the return address on the application.

The Parks and Wildlife Department complied with the request and stocked the fish. And they grew rapidly in the fertile water.

Three years later fishermen were regularly taking bass weighing four to six pounds from the reservoir. Some of the anglers were fishing that small arm of the lake which crossed under a public road.

They lined the barbed wire fence almost shoulder to shoulder to cast into the water.

The CPSB put a stop to that by erecting an earthen dam across the little cover.

But the CPSB has not been able to stop fishermen who sneak into the reservoir at night and on gray days when visibility is poor.

Although the lake is patrolled night and day, it is so large it is difficult to patrol successfully.

Braunig covers 1,350 surface acres of water, and the number of fishermen sneaking in to fish at night seems to be increasing.

"I was out last Saturday night," one fisherman said, "and there were so many cigarettes being lighted they looked like fireflies."

Rep. Jake Johnson's bill to open Lake Braunig to fishermen received a warm reception Tuesday by members of the Parks and Wildlife Committee of the House.

The bill, which was the subject of a two-hour debate late Tuesday afternoon, is in hands of the attorney general where its constitutionality is being determined.

If the attorney general rules the measure is constitutional—and there is very good reason to believe he will—the bill will be sent to a subcommittee for some changes and probably will be reported favorably back to the full committee.

All of the problems of opening the City Public Service Board's 1,350-acre cooling reservoir to the public were aired during the hearing.

Two witnesses appeared in opposition to the measure. They were J. T. Deely, assistant manager of the CPSB, and the board's attorney, James Baskin.

Both contended that fishing in the lake is a "local problem which should be solved locally."

I agree. But San Antonio sportsmen have been trying to solve the problem locally with the CPSB for the past three years, and after finally tiring of butting their heads against the board's brick wall, they took the only alternative they felt they had left . . . local legislation.

Deely gave two reasons why the board has kept the lake closed. One, the possibility that the water, which is primarily treated sewage effluent, contains virus diseases, and, two, liability of the CPSB in case someone gets sick from fishing in or eating fish from the reservoir.

Deely also pointed out that the board is considering making the lands surrounding the reservoir a bird and wildlife sanctuary—complete with nature trails.

He said the San Antonio Zoological Society is interested in establishing a branch of the zoo to house rare animals and birds.

Witnesses appearing for the bill included Charles McTee, representing the 77-member Hill Country Casting Club; G. G. Gale, representing the 250-member San Antonio Bass Club; Tom Brosig, representing the 80-member Alamo Bass Club; Jack Martyn, representing the 650-member San Antonio Anglers Club; Jerry Henckel, assistant San Antonio city manager; Bill Wells, sewage treatment engineer for the City of San Antonio; Dr. Herman Wigodsky, San Antonio physician; and this writer.

An impartial witness, but one whose testimony perhaps carried the greatest impact, was G. R. Herzik, chief of environmental health of the State Health Department.

Herzik quoted at length from a letter to Johnson from Dr. James E. Peavy, commissioner of health for the Texas State Department of Health.

Herzik said that contrary to what has been said, the State Department of Health "has not said fishing on Braunig should be prohibited."

Herzik paid tribute to Wells and the San Antonio sewage treatment facility when he said:

"We feel that the effluent in Braunig is such high quality that it is better than you'll find in waters in some of the rivers in Texas which contain no effluent."

"Braunig's waters are of such quality that we have no fears about its health potential," he added. "We don't think we should swim in it or ski on it, but attempts to prohibit fishing would not be realistic.

"We have been unable to find where any disease has been transmitted from fish taken from waters similar to Braunig's. We do not feel prohibiting fishing in water of this quality would be desirable or recommended."

When asked about the possibility of contracting hepatitis from the water, he said, "we have no record to show that hepatitis is more prevalent in areas where fish are taken from this type of water than anywhere else."

Wells testified that the lake has constantly continued to improve itself. He said the chemical quality of the water compares with U.S. Health Department standards for drinking water and that the biological content of Braunig's waters is far better than waters in portions of the San Antonio and Medina Rivers and Woodlawn Lake.

BRAUNIG LAKE TO OPEN

Braunig Lake, the City Public Service Board's 1,350-acre cooling reservoir, will be "officially" opened to the public early next year.

The board announced Monday it has signed a lease agreement with the San Antonio River Authority to operate the lake solely for public outdoor recreational activities, primarily fishing.

The agreement, which will be for 25 years, is contingent on the approval of the river authority's board of directors. The board is scheduled to meet Tuesday morning to act on this matter.

If the board approves, SARA will assume control of the lake and a 100-acre tract of adjacent land around the lake.

Under this five-year lease, the river authority will reforest these tracts with seedlings to provide wooded areas for the future.

Braunig, which is located near Elmendorf in the southeast section of Bexar County, has been the center of a two-year controversy over fishing rights.

Braunig was the scene of a highly publicized "fish-in" May 2. Apparent purpose of the fish-in was to protest the CPSB's refusal to open the lake to fishermen.

The reservoir was filled with water from the San Antonio River, which contains a high degree of treated sewage effluent.

The CPSB maintained that the water is too contaminated for fishing, but State Health Department officials have stated that the fish are safe to eat if properly cooked.

Fishermen have continued to fish the lake in spite of no-trespassing and posted signs. They have encountered little or no interference from security guards since the fish-in.

The lease agreements were the result of discussions between David Brune, manager of the river authority; O. W. Sommers, general manager of the CPSB; and board attorney W. L. Matthews.

SARA will operate the lake and the 100-acre tract on a financially self-sustaining basis by charging entrance and boat launching fees.

The 100 acres under 25-year lease will be developed as a park. Facilities will include picnic tables, cooking grills, drinking water, launching ramp, concession building, comfort station, roads, parking area, information center and toll gate.

A contract concessionaire will sell bait, tackle, picnic supplies and beverages and will rent boats and motors.

The river authority's plans call for facilities to be completed and fees to go into effect March 1, 1968.

No fees will be charged until facilities are completed, Brune said. "Unauthorized" fishing will be allowed from Dec. 1 until March 1 except in the construction area on the west side of the reservoir.

Regulations set for the use of Braunig are tentative and subject to change. They call for the lake to be open approximately 10½ months out of the year. The reservoir will be closed for 42 days, probably during late December and January, to allow for employee vacations.

Certain areas of the lake around the power plant, intake and outlet will be buoyed and will be off-limits to boaters and fishermen.

Use of the facilities and the lake will be by permit only after March 1. Permits will be issued only at the information gate at the entrance to the recreation area.

Permits will cost $1 for persons 14 and over and 50 cents for children 7 to 14. In addition, $1 will be charged for launching privately owned boats.

There will be no charge for children under 7 years old.

Users of the lake and picnic area will be issued tags which they must wear and which must be relinquished when the holder leaves the area.

Plans call for the lake to be open only during specified hours, probably between 45 minutes before sunrise to 45 minutes after sundown.

Bank, wade and float fishing will be allowed only in certain areas. Hunting will not be allowed on the reservoir or adjacent lands, and there probably will be a horsepower limit on outboard motors.

Swimming and water skiing will be prohibited on the lake.

[From the Dallas Morning News]

THE TRINITY RIVER SCANDAL

(By Henry Stowers)

AUGUST 1, 1967

A trip down the Trinity River from Dallas should be a pleasant outing. But it isn't. It will make you sick. That is what it did for me.

This summer I had the opportunity to visit along and on most of the Trinity's 550 miles as it twists and winds to the Gulf at Trinity Bay near Galveston. And I have never seen worse pollution, especially in the Fort Worth-Dallas area and for fifty miles below Dallas.

I talked to veteran canoers such as Ben Nolen and Bob Narramore, president and vice-president of the Canoe Association of Texas, who have made many trips on all of Texas' rivers that will float such craft. "The Trinity takes first prize," they stated flatly. "That is if there were a prize for being dirty."

On one trip recently Nolen and Narramore counted 55 dead hogs and cows floating in the river along a stretch less than five miles.

These, according to area farmers, were probably found dead in truck shipments and dumped into the river at isolated spots. And the area was practically in the Dallas city limits.

A. W. Cullum III, president of the Dallas Woods and Waters Club, and I saw occasional dead cows in the river above Dallas during a recent canoe fishing trip. We figured they had gone down the muddy bank for water and bogged down.

Fishing above Dallas is still popular on the East Fork of the Trinity. But you have to go a long way below Dallas, as far as 50–60 miles, before you see an angler. For down there all fish except garfish and some rough fish like carp have long been killed by polluted water.

I've talked to many old timers in the area, and very few can remember when fishermen caught channel catfish, bream and crappie below Dallas. One is Harvey Campbell, Dallas News proofreader. "That was 65 years ago, though," he said.

The Trinity has a huge watershed, one which covers over 17,000 square miles.

Because of this watershed's moderate to heavy rainfall, the Trinity has a flow of almost 6,000,000 acre-feet near its mouth, exceeded only by the Neches, Red and the Sabine River Basins.

Rising in its East Fork, West Fork, Elm Fork and Clear Fork in Grayson, Montague, Archer and Parker Counties, the main stream of the Trinity begins with the junction of the Elm and West Forks at Dallas.

In the Trinity valley there are more people and industries than in any other river basin in the state. Six big reservoirs, Garza-Little Elm, Lake Worth, Eagle Mountain Lake, Bridgeport and Lake Lavon, have already been completed. Numerous others down the river will be built as the Trinity Canal project is completed. That target date is 1980.

Dallas has one of the most modern sewage treatment systems in the country. It removes 93 per cent of the pollution strength from the effluent it discharges. Other cities and communities along the Trinity are improving their methods.

Maybe it is a dream, but the Trinity Canal and its numerous lake reservoirs could become a fisherman's paradise. By the time it is completed, Texas should have well over 10,000,000 people. And judging by present figures, half of them will want to fish.

It is not an easy problem. Water pollution has not only endangered or wiped out fish and wildlife near many large urban areas, but it has become an urgent health problem for humans. Chicago and other cities on the Great Lakes are highly apprehensive over rising contamination of water.

The Houston-Galveston area, particularly the bays that link the two cities, have almost been ruined for fishing and swimming by the dumping of raw sewage and enormous amounts of industrial waste. Fishing in Galveston Bay used to be excellent. Today it is poor. Residents I have fished with said they would not eat fish, shrimp or oysters taken from the bay. Parks and Wildlife Commission biologists told me the bay and ship channel were terribly polluted.

Yet it seems that with good planning we could someday have 550-miles of river fishing in addition to the lakes enroute, good, clean swimming and camping areas and even additional pure water sources.

It will either be all that, or it will remain a 550-mile sewer that we will bequeath to our children and grandchildren.

AUGUST 3, 1967

Trinity River pollution is scandalous, everyone agrees. But what to do about it before it can be restocked with fish, before canoers and campers can cruise the stream without risking hepatitis or other diseases, brings confused answers.

The 3,000,000 people who live in the watershed, a vast area of over 17,000 square miles, can do a lot. Town sewage disposal plants could be much more efficient. Manufacturers could work out some way in which wastes and detergents would not be dumped in the river. And farmers and ranchers could watch their use of crop sprays, weed killers and other insecticides more carefully.

Small communities along the river could see that the river is not used for trash and garbage disposal. We found many places where old salvaged automobiles, rotten lumber, sawed down trees and limbs and even old furniture were dumped into the river channel.

During flood seasons these cast-offs are floated downstream and form trash and log jams, some very large and complicated.

Old dams, still partially blocking the river, could be cleared out and this would permit better water passage, also eliminating the backed up water and acres of foam from detergents to sit for days.

A raise in the fees for fishing and hunting licenses appears to be a partial solution, making it possible to hire more game wardens and to provide more funds for them on such projects.

Charged with the care of Texas waters and keeping them clean are the State Parks and Wildlife Department, the Railroad Commission, State Health Department, Water Development Board and the Water Pollution Control Board (changed this year to the Texas Water Quality Board).

All are virtually penniless when it comes to fighting river pollution.

There is no way known here of how to clean up the Trinity River without spending a lot of money.

And we are faced with the prospect of having to re-use our water after it has been treated in sewage plants, something we are going to need a lot of educating about before we accept the fact.

A vote of yes on the bond projects next Tuesday will give Dallas flood control money badly needed, as well as funds for water and sewage treatment needed now. Dallas water department representative Cecil W. Williams said several communities pooling their money could come up with more efficient and less expensive treatment plants, an example of this being done now found in Dallas, Irving and Grand Prairie.

Congress has approved the 550-mile Trinity Canal. Money should be appropriated early next year after the Corps of Engineers has completed the second feasibility study. And work on it will probably start soon thereafter.

Curing the cause of an epidemic is much cheaper than treating the patient. If through a campaign 10,000 farmers and ranchers could be induced to dispose of their trash and garbage without dumping it into the river, if 200 towns and cities would see that the same is done, and if industries would take even more severe precautions, the river can be cleared of contamination before the canal is built, and at far smaller cost.

Most of us want to see the Trinity Canal become a fact. We know it will be a great economic asset. And Texas is also in dire need of more recreational facilities, fishing areas, boating areas, camping and swimming spots and hunting sites.

And blessed would be the names of the state's leaders who get on the ball and see that this is done before it becomes like Galveston Bay and the Houston ship channel area—too little and too late.

THE ENVIRONMENTAL QUALITY: THREAT TO THE EVERGLADES

Mr. TYDINGS. Mr. President, the Everglades National Park, in south central Florida, is one of the Nation's unique and priceless natural resources. It is a fragile ecological system where the beauty and serenity of nature exists in unrivaled fashion.

Over a million people visit the park each year and come away awed by its splendid magnificence.

Now, in the name of "progress," the Dade County Port Authority wants to build the world's largest jetport a few miles north of the park. This will deprive Everglades of its water supply, upon which it is utterly dependent. The result will be the destruction of this great park.

What is particularly disturbing is that this incredible project has the financial support of the Federal Government, through the FAA and OHSGT.

Conservationists across the Nation are incensed by the insensitivity and sheer stupidity of the project.

Fortunately, the Senate, through its Committee on Interior and Insular Affairs, has recognized the threat. By its hearings a joint study by the Department of Transportation and Department of the Interior has been authorized to evaluate the environmental impact of the airport on the park. But this could be insufficient, for 2 miles of completed runways already disrupt sections of the great wilderness. Decisive, immediate, top-level action is required.

Such action should be taken by the newly formed Presidential Environmental

Quality Council. The Council is a response to the need for a high-level body capable of establishing and coordinating policies and programs regarding environmental quality.

It is precisely the body that should act. Since the Department of Transportation is a member of the Council, as is the Department of the Interior, they should be required by Dr. Lee DuBridge, the Council's Executive Secretary and Science Adviser to the President, to report on what they are doing to maintain environmental quality in the Everglades National Park.

I have written to Dr. DuBridge, urging him to convene a meeting of the Council for this purpose. I ask unanimous consent that my letter to Dr. DuBridge be printed in the RECORD, as well as the articles on the Everglades in the September 5 issue of Life and the July Sierra Club bulletin. Additionally, I ask unanimous consent that the Evans and Novak column from the August 8 Miami Herald also be printed in the RECORD.

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

SEPTEMBER 2, 1969.

Dr. LEE A. DUBRIDGE,
Executive Secretary, Environmental Quality Council, Washington, D.C.

DEAR DR. DUBRIDGE: I am deeply distressed by the threat to Everglades National Park posed by the construction of the new Dade County airport.

The airport will be the world's largest, thirty-nine square miles with runways six miles long. Just six miles from the Park, the airport will wreak havoc with the fragile and unique ecology of the Everglades. The national park, third largest in the nation, is dependent for water on sources beyond its boundaries. The airport will block much of the superficial drainage to the park and contaminate with pesticides, petroleum residue and other pollutants the ground water that does reach Everglades.

Additionally, air pollution from the projected 900,000 annual jet operations will pour thousands of tons of carbon monoxide and nitrogen oxide on the park. Perhaps even more important, the noise of the aircraft will destroy the peace and solitude of this magnificent natural refuge.

I feel strongly that Everglades National Park is a priceless and irreplaceable natural treasure. No effort should be spared in preserving it.

The Department of Transportation, in an apparent violation of Section (f) of the Department of Transportation Act, has already provided over $800,000 to Dade County for planning and developing of the airport. Regrettably the Department appears determined to proceed with construction regardless of the disastrous impact this will have on the park.

Within the Executive Branch, only the Department of the Interior has raised a lonely voice of protest.

When the President established the Environmental Quality Council he created a mechanism whereby such examples of departmental insensitivity to the environment could be reviewed and rectified. I respectfully urge you to convene a meeting of the Council to establish a policy and program that will protect Everglades National Park.

As the Department of Transportation is a member of the Council, they should be required to issue a full report justifying their action. As the Interior Department is also a member, they should provide information on the environmental abuse which this airport will bring to the park. The Council is thus a particularly useful vehicle to insure that responsible Federal action is taken concerning Everglades.

With best wishes.

Sincerely,

JOSEPH D. TYDINGS.

[From Life magazine, Sept. 5, 1969]

THE EVERGLADES: UNLESS THE WORLD'S BIGGEST JETPORT IS STOPPED, WE WILL LOSE A UNIQUE WILDERNESS

(By John D. MacDonald)

In the beginning you do not see very much or hear very much, and you do not understand.

Then one afternoon there was no movement of the air. There was heat, sweat and a silence so vast that when I heard a mosquito near my ear, it was exactly like a night sound of long ago in Mexico, hearing a truck in its lowest gear whining down the mountains miles away. A thunderstorm moved toward me and toward the west. By the time it began to stir the air in hot gusty puffs, it was a startling indigo wall across the world, a constant rumbling, and I stood in strange golden yellow light waiting for it.

Cooler air then, and good wind, with each gust making its own shape as it came across the saw-grass pastures. Fat pink lightning banging down, and then the oncoming roar from far away of the smashing, drenching rain. When it ended, I could hear the same roar, receding, hurrying west. Incredible smell of a well-washed twilight, and 10 trillion frogs and toads and peepers welling into a deafening rain-chorus. Birds in that straight, no-nonsense flight pattern of heading for the rookery. Fragile insects flying. (How did they escape the smashing rain?) Some blooms closing, and leaves folding, and other blooms, spicier, opening on the hammocks and uplands where the tree frogs are.

Then I began to understand that it is not memorable fragments, but a complex unity, all of it a savage and symmetrical pattern of interwoven, interdependent lives, from gator to gnat, from bald cypress to microdot of green algae, from giant metallic dragonfly to spider-shaped invisibility of the redbug. It is a complexity which took eons to style and plan itself for this special place, climate condition, through unending trial and error.

Now we are on the brink of destroying that complex unity. Experts in such matters—biologists, hydrologists, geologists—have all come to the same alarming conclusion: if we proceed with the plans to establish a commercial jetport squarely across the last natural watershed in south central Florida, we will kill what is left of the Everglades, kill the Everglades National Park, upset the water tables and the water supply in all south Florida, cripple the shrimp industry, stunt commercial and sports fishing, invite salt intrusion and possibly even alter the very climate of the Florida peninsula.

The jetport tract, all 39 square miles of it, is 45 miles west of Miami, about 55 miles east of Naples on the gulf, roughly a third of it in Dade County, the rest across the line to the west in Collier County. In late September of 1968, less than a week after the first parcels of land were acquired by condemnation proceedings, the Dade County Port Authority at Miami let a contract for a two-mile east-west jet training runway with taxi strips and aprons. The strip is completed. It is the first phase of the plan to build the world's largest jetport—big enough to enclose Los Angeles Airport, Dulles, Kennedy, San Francisco and a cluster of several smaller fields as well. Federal funding for this monster project could exceed half a billion dollars.

The commercial-political-financial establishments of Dade, Collier and Monroe counties are sweaty with the excitement of a new boom, huge profits, explosive growth. Every bit of this silent wilderness land around the jetport site is privately owned, and much of it has already changed hands in heavy-risk commitments. One Miami real estate agent has assembled a package almost as big as the proposed jetport itself for a single corporate buyer. Collier County leaders have stated in Naples that they intend to make the jetport area the largest industrial center in Florida, and boosters are already talking about such projects as cutting a deep-water canal from the gulf to the jetport to barge in the jet fuel and construction materials, and getting the authorized extension of Interstate 75 from Tampa to Miami officially realigned to bisect the jetport, with a thousand-foot right-of-way from the gulf to the Atlantic.

The Everglades National Park is already in such fragile condition that only by the most careful planning could it be nurtured back to health and stability. So why save a sick park when it stands in the way of progress?

If it were merely that it is a unique 1.4 million-acre wonderland, visited by over a million people a year, merely an eerie, silent environment for gator, wood ibis and tree snail, one might be able to make some kind of a feeble case for the proposed jetport location. But over the last 40 years the U.S. Army Corps of Engineers has demonstrated for all of us what the death of the Everglades might mean.

The Engineers came clanking into the central Florida area in the late 1920's and built the Herbert Hoover Dike to tame Lake Okeechobee, arbitrarily lowered the water level of the lake by five feet, and later dug arrow-straight canals to help the gentle meandering rivers carry the fresh sweet rainwater more hastily into the sea.

Rainfall is the secret of the Everglades, of the park, of all south Florida. It averages 63 inches a year, falling mostly during the subtropical rainy season from gigantic thunderstorms grumbling and banging and drenching their crisscross pattern through the great river of saw grass, then trickling and seeping its way down the long gentle slope from the central lakes and rivers, through the saw-grass prairies with their island hammocks of cypress, live oak and palmetto, down to the semicircle of mangrove coast bordering Florida Bay and the gulf from Biscayne Bay to the Ten Thousand Islands. This slow movement effectively extends the nourishment of the rainy season into the dry season, and the only source of fresh water for south Florida is the rainfall.

The Engineers kept "improving" things, shuttling the life-giving water into the sea when there was more water than the drained and filled cane lands, pasture lands, vegetable lands south of the dike system needed. But there are cycles of wet years and dry years, and during the dry years, the rain-deprived Glades began to parch and burn, because the Corps of Engineers had stolen its margin of safety.

The worst disaster came during the Second World War. By 1945 the Everglades was burning night and day, and the people on both coasts were choking in acrid smoke, watching water wells turn brackish, canals dry up, salt intruding into the soil at the rate of 1,000 feet a day as tides came up the canals; watching cattle die, and groves die, and tomatoes and sugarcane die. They demanded that somebody do something.

So a Water Control District System was established in Dade County, and by 1947 the Corps of Engineers began establishing a Flood Control District. A vast system of canals, dikes and gates was constructed in Florida's eastern watershed so that water could be diverted from the Everglades Park during dry spells, and excess water dumped on the park during wet spells. So now the park, as Art Marshall, a biologist with the

Bureau of Sports Fisheries, puts it, "gets instant drought or instant flood."

The effect on the park has not been happy. Thanks to man's management and the work of the Army Corps of Engineers, the water level has fluctuated from one bad extreme to the other, and decimated the park's plant life and wildlife.

When the Glades die, not only is there destructive salt intrusion (from the ocean waters backing up into the park), but the exquisitely productive balance of the brackish estuaries in the mangrove hem of the wide skirt of the park is also upset. According to a University of Florida study, this skirt is "one of the richest breeding grounds for marine life on the continent."

Despite the obvious lessons of the immediate past, the Corps not long ago got around to "improving" the lovely meandering Kissimmee River flowing into Lake Okeechobee from the north. They straightened it, diked its marshy banks, turned it into a sandy-banked drainage ditch. Now heavy rains that took weeks to crest down into the lake can come racing down in a matter of days or hours, as if the Engineers sought to justify the flood control system by arranging for a higher incidence of floods. This enables them to shunt even more runoff water into the Glades and park when least needed, and run even more off into the Atlantic Ocean.

Now that the Corps of Engineers has turned the water supply system in the eastern watershed into a menace instead of a blessing, the only hope left for the Everglades Park is the western watershed, which up until now has retained a reasonably natural seepage-flow from Big Cypress Swamp north of the western end of the park. It has been survival insurance, to some limited extent.

The jumbo jetport will go right in the path of this ancient flow, and even if great care is taken within the jetport areas to keep that flow moving as naturally as possible, the urban growth and industrialization around the jetport would make such concern futile.

It is the entire complex that will finish off the park, mostly by dramatically altering the volume and the characteristics of the essential water flow. That southward flow will be used water, treated and released. It will leave so much nitrogen-compound nutrient from animal and human waste in the water that, according to Frank Nix, longtime hydrologist at the park, the explosive growth of undesirable algae would crowd out the natural algae, fundamental to the life support system of the Glades and the park.

In addition to water pollution, there will be soil pollution—the inevitable fallout from the unburned components of jet fuel, inefficiently consumed at low altitudes, and unburned fuel jettisoned in emergency situations.

Nor is jet noise compatible with that strange and unique flavor of the Everglades, with a silence so brooding and intense that the sudden slap-splash of a feeding fish is as startling as an explosion. What such noise might do to the reproduction rate of the wild birds, already diminished thanks to the ingestion of DDT in the food chain, is not yet known, but one could hardly expect it to be beneficial.

The Everglades and the national park cannot survive this final insult. The ramifications of the death of an entire ecological system have always been more grave, more far-reaching, more deadly to man himself than anyone realized until the process of decay was too far along to be reversed.

Conservation efforts, concerned with water tables and marine productivity as well as with the existence of one of the great national parks of the world, are met with the customary amused, patronizing derision typical of all such opposition.

William Burrows, writing in a big national travel magazine's recent special gee-whiz issue about air travel, makes the condescending observation that the proposed jetport in the Everglades "makes almost everyone happy except conservationists. The latter are afraid that planes winging over the swamps may collide with wood storks and dump excess fuel on alligators, turkeys, wild hogs, and other animals."

Alan Stewart, director of the Port Authority, lumps all the bird life in the park into one species called "yellow-bellied sapsuckers" and calls the conservationists "butterfly chasers." Stewart says that cities always rise up around airports. "If the conservationists want to stop industrial and commercial development," he says, "they are going to have to save their pennies and buy up the land." On the 23rd of last April, 19 national conservation organizations, including Audubon, Sierra, National Wildlife Federation and the Natural Area Council, demanded a construction halt at the jetport. A letter was sent to Department of Transportation Secretary Volpe urging that he stop the construction by cutting off federal funding.

At this point, the Senate Committee on Interior and Insular Affairs scheduled hearings on the potential environmental problems of the jetport. During these hearings Transportation Secretary Volpe and Interior Secretary Hickle authorized a special study under Dr. Lunar Leopold, senior scientist of the U.S. Geological Survey, directing a team of scientists to examine in detail the threat of harm to the park. The study team used a three-stage approach to the problem—possible damage by the jet training port alone, possible damage by the training port plus the passenger jetport, and possible damage by the jetport plus the urbanization-industrialization of the surrounding privately owned lands, where the surveyors are now so busily aligning their transit bubbles and driving their county stakes.

The report, which has now been completed and will soon be officially submitted to Volpe and Hickle, indicates that the present jet training port will cause progressive damage to the park, and if the passenger jetport is built, the destruction will be irreversible.

Meanwhile, the Dade County Board of Commissioners has hired former Interior Secretary Stewart Udall to prepare a plan for mitigating or eliminating adverse effects of the proposed jetport and to consider alternate sites. Conservationists hope that Udall's proposals will point to the same conclusion as Dr. Leopold's report—that the only solution for the jetport is not to build it at the present site.

This time the decision can be made before death occurs. The equation is simple, clear and elegant. Is this the place where, finally, we stop brutalizing our environment in the name of that sort of progress which makes things quite different—but never any better, and usually worse than we could have believed?

[From the Sierra Club Bulletin, July 1969]

DADE COUNTY PORT AUTHORITY

The nation's third largest national park is in trouble, serious trouble. As Undersecretary of the Interior Russell Train stated at the June Senate Interior hearings on the Everglades, "Everglades National Park has the dubious distinction of having the most serious preservation problems facing the National Park Service today. . . ." Everglades National Park is in as much jeopardy as the 22 endangered species of fish and wildlife that find refuge within its boundaries.

The fragile, unique ecology of Everglades National Park is utterly dependent on a reliable supply of pure, fresh water. But the sources of this supply exist outside the park's boundaries, in the sloughs and sawgrass savannahs of the Everglades to the north, in the strands and marshes of the Big Cypruss Swamp to the north and west, in Lake Okeechobee almost 70 miles north, and even in the Kissimmee Prairie beyond the lake. And, ever since the 1880's, man has been busy as the proverbial beaver draining, diking, ditching, and otherwise "managing" this water.

The real trouble began in 1948 when Congress authorized the construction of a gigantic flood control, drainage, and reclamation project north of Everglades National Park. Still under construction (at latest count it was $170 million old and still only 48 per cent complete), the project already has the capability of completely shutting off the park from its source of surface water, which was proved during the long and severe drought of the early 1960's.

Designed and built by the Army Corps of Engineers, the project is administered by a state agency, the Central and Southern Florida Flood Control District (FCD). Both of these agencies have been notably more understanding of the project's other water users: citrus growers, beef ranchers, sugarcane growers, vegetable farmers, real-estate developers, and municipal water users. However, since the appointment of conservation-minded Chevrolet dealer Robert W. Padrick to the chairmanship of the FCD's board of governors, the national park has fared considerably better.

But there is no way to insure that the next FCD chairman will be as understanding of the park's problems as Bob Padrick; so the only long-range solution is to secure for Everglades National Park a guarantee to its miniscule, but absolutely necessary share of the project's water. The Corps has several times entered into agreement with the National Park Service, but has backed off each time. The people of the United States have been waiting 21 years now for this guarantee, and in each of those 21 years Congress has appropriated several millions of public dollars to advance construction of the flood control project. It's high time for Congress to secure for the people of the 49 other states their interest in Everglades National Park. That's precious little to ask for all that equity in the water project.

THE NEW ENEMY

But, while conservationists and the National Park Service were engaged in this long struggle to secure the park's water supply, Everglades National Park took a mean blow below the belt from an entirely different foe. On September 18, 1968, ground was broken in the ecotone between the Everglades and the Big Cypress Swamp for the world's largest airport. Just imagine, an airport of 39 square miles, large enough to hold Kennedy, Los Angeles, San Francisco, and Washington national airports with plenty of room left over to spare; with runways six miles long, capable of handling the largest and fastest jet transport aircraft—and just six miles away from, and "upstream" of, Everglades National Park.

Though not exclusively a water problem, the jetport certainly will have an impact on this resource. First consider the degradation of the waters flowing into Everglades National Park from the use of pesticides, fertilizers, and detergents on the airport site, from the inevitable fuel spills, from the effluent of the 35 to 40 million passengers it is expected to serve by 1985. Then, consider the tons of hydrocarbons, petrochemicals, and carbon particulates from unburned and partially burned fuel that will be dumped into water on its way to the park during approach, landing, takeoff, and climbout.

Perhaps even more important is the broad threat to both water quality and quantity posed by the massive development of the Big Cypress Swamp that will be spurred by the construction and operation of the world's largest jetport. It has been estimated that a city of 500,000 to one million inhabitants will spring up in the wilder-

ness of the Big Cypress Swamp. The drainage required by a development of this magnitude (remember, this is Florida swampland) would siphon off a substantial portion of the park's Big Cypress water supply. And the potential pollution of the rest is fantastic.

In April of this year, the Sierra Club joined with 20 other conservation organizations to oppose the jetport's development at the present site and requested Secretary of Transportation John Volpe to withdraw his department's support and to actively encourage the relocation of the facility.

Jetport backers, including not only the Port Authority but also other Miami and Dade County economic interests and several major airlines, are quick to point out to conservationists that the Big Cypress lands in Collier and Monroe counties are subject to undesirable development whether or not the jetport is developed at the present site. True, but the jetport will accelerate and magnify the development. As Nathan P. Reed, special assistant to Governor Claude R. Kirk, pointed out to the Senate Interior Committee:

For years competent biologists and ecologists have wondered what would happen to the park if the peripheral Big Cypress lands were ultimately developed. Due to the money squeeze, the problem remained insoluble. In my opinion, the park cannot be saved for future generations if the Big Cypress is allowed to be developed. Even "planned development" will surely wreak havoc with the water route.

Without the development catalyst of the jetport there might, just might, be time to acquire enough of the Big Cypress and to zone enough of the rest to preserve the western Ten Thousand Islands section of Everglades National Park. With the jetport, that slim chance is lost.

TRANSPORTATION ACT VIOLATED

Last year, at the urging of Senator Henry M. Jackson, Congress amended the Transportation Act to require consultation between the Secretaries of Transportation and Interior prior to approval of any transportation program or project which uses park, wildlife, or recreation lands of federal, state, or local significance. This language was designed to prevent just the sort of disaster that now threatens the Everglades. The FAA has made an airport construction grant of $500,000 to the Dade County Port Authority without the required consultation between the Secretaries of Transportation and the Interior, and without the required demonstration that (1) there was no "feasible and prudent alternative" and that (2) the airport program included "all possible planning to minimize harm" to Everglades National Park and State Water Conservation Area 3, an important state outdoor recreation area. Not only that, but the Department of Transportation's Federal Railway Administration has announced a $200,000 grant to study high-speed ground transportation connecting the jetport with Miami, 52 miles to the east, and plans are under way to route Interstate Highway 75 connecting Tampa-St. Petersburg and Miami past or through the jetport site.

Port authority and FAA officials have lately been given to public expression of conservation platitudes, but the record is clear: it's the same old flim-flam. The memorandum from the Port Authority staff to the Dade County commissioners recommending the jetport project mentions Everglades National Park just once: "The Everglades National Park south of the site at Tamiami Trail assures that no private complaining development will be adjacent on that side." This great national park was seen exclusively as a buffer, "with no one to complain about the noise except the alligators." And as for the "environmental concern" the jetport sponsors profess to share with the Interior agencies and private conservation organizations, *Aviation Week & Space Technology* published the following statement in their May 22, 1969 issue—before the rising tide of public concern began to well up:

"The bulk of the takeoffs will be out over the 15 miles of clear zone of the undeveloped state-owned water conservation area. . . . Climbouts could then turn south over the Everglades National Park, providing what the airport officials believe to be optimum environmental operating conditions."

This doesn't pass muster as sound environmental planning.

At present the air over Everglades National Park is pure and clear. But what will it be like if the jetport is developed at the present site? Figures on pollutant emissions from jet aircraft engines are readily available from the Department of Health, Education, and Welfare or the Society of Automotive Engineers and are highly reliable. But some inside-outside figure can be calculated to provide an idea of the magnitude of the air pollution problem. Based on 900,000 flights a year—the projected operation level as a full-blown commercial jetport—the airport's annual contribution to the Everglades atmosphere will be something like this:

Carbon monoxide: 9,000 to 72,000 tons.
Nitrogen oxides: 4,150 to 6,000 tons.
Hydrocarbons: 13,000 to 40,250 tons.
Aldehydes: about 1,000 tons.
Particulates: 1,260 to 3,250 tons.

That is big-league air pollution.

And the prognosis for noise pollution isn't much rosier. The supersonic transports the jetport is being built to accommodate (the sign at the gate bills it as "the world's first all-new jetport for the supersonic age") are expected to be noisier than the current generation of jets. And how noisy is that?

When the Anglo-French Concorde made its maiden flight this past winter, NBC reported, "On takeoff, the rear of its four engines could be heard in villages 20 miles away." And the Concorde is expected to be even noisier on approach. Last year *Aerospace Technology* reported, "It is expected that the Concorde will exhibit sideline noise levels of about 118 PNdB [decibels of perceived noise], according to U.S. engineers, and may show a rather startling 124 PNdB figure during approach. . . ." Boeing's studies show that its larger, faster, and more powerful SST will probably generate a sideline noise level of 122 PNdB. As a yardstick, 120 decibels is considered the threshhold of pain. The current subsonic commercial jets at takeoff generate noise levels three miles away in the range of 120 PNdB.

It is difficult to determine what the noise levels would be within Everglades National Park, but it's a safe bet that they would be considerably higher than a typical national park "noise"—the rustling of leaves, which is rated at 10 decibels. Talk about uproar; if the jetport is developed at the present site, it will turn the wilderness quietude of Everglades National Park into bedlam. Nine hundred thousand flights a year average out to more than 100 flights an hour, 24 hours a day, 365 days a year.

NEEDED: ONE HELL OF AN UPROAR

Fortunately, Section 4(f) of the Transportation Act gives the Department of Transportation a clear mandate to move the jetport if a "feasible and prudent alternative" exists. At the June 3 hearing before the Senate Interior Committee, alternative sites were identified by two state witnesses: Nat Reed of the governor's office and FCD Chairman Padrick. The sites they identified are both on state-owned land, so a land swap with the Port Authority would make things relatively simple.

But the push for another site isn't going to come from Miami, not while either alternative would benefit Fort Lauderdale, West Palm Beach, and other cities north of Miami along Florida's Gold Coast. The push is going to have to come from Washington, by shutting off the federal subsidy for development at the present, destructive site. And Washington isn't likely to push too hard without a push from the general public. Everglades National Park might well become the first national park to be dis-established, unless the American people stand up in its defense. So far, through the various federally supported programs and projects of diverse agencies and departments, the American public has unwittingly been subsidizing the destruction of Everglades National Park.

As long as the various federal departments and their agencies pursue their separate ways, ignoring the several laws that exist to promote—and that even require—inter-departmental coordination and sound environmental planning, there can be no hope for preserving and restoring the American environment. In many ways the Everglades problems are symptomatic of an even larger problem. Hopefully, President Nixon's new Environmental Quality Council will roll up its collective shirtsleeves and go to bat for Everglades National Park. For if the Everglades are lost, America will have gone one hitless inning toward losing the whole environmental ballgame.

The first step down the long road toward saving Everglades National Park is moving the jetport away from the park. As Senator Nelson observed, moving the jetport will cause one hell of an uproar in Dade and Collier counties. But the jetport isn't likely to be moved unless there is one hell of an uproar in the 50 states of the Union over the threat to Everglades National Park. Conservationists who want to see Everglades National Park given at least a fair chance of survival, are writing President Richard M. Nixon, as well as their senators and congressmen. If the jetport isn't moved, say goodbye to the continent's only subtropical national park and to the world's only Everglades.

[From the Miami (Fla.) Herald, Aug. 8, 1969]

NIXON'S WORD COULD BLOCK GLADES JETPORT

(By Rowland Evans and Robert Novak)

WASHINGTON.—President Nixon will soon give the first clear sign of his future course on politically explosive conservationist questions when he decides whether to protect the irreplaceable Everglades National Park in Southern Florida from a huge new jetport.

The reason the President himself has to decide is a sharp backstage disagreement inside the administration. The interior Department, surprisingly conservationist under Secretary Walter Hickel, not only opposes the jetport but is insisting privately that federal law prevents the Transportation Department from approving it. Secretary John Volpe's Transportation Department favoring the jetport, vigorously disagrees. Thus, if the jetport is to be blocked, it will be up to Nixon.

Immediately at stake is a priceless national resource. Sen. Gaylord Nelson of Wisconsin, a leading conservationist, charged during a Senate interior committee hearing that construction of the jetport would be "a disaster and the end of the Everglades as a unique wilderness."

But beyond the Everglades, the White House decision will be an unmistakable sign of its direction in the increasingly political issue of environmental control. While pleased by Hickel's new interest in these issues, conservationists in and out of Congress are watching the Everglades case as it reveals presidential policy.

The Interior Department joined the issue inside the administration on May 29 when it wrote a privately circulated legal opinion, contending that section 4F of the Transportation Act bars Volpe from approving any project endangering a national park unless he can prove the project is essential and there is no alternative site. In the case of the Florida jetport, say Interior Department officials, no such proof has been offered.

But at the Transportation Department, 15 blocks away, the law is read differently. Volpe's lawyers say he has no legal authority to deny federal sanction to the jetport or refuse navigational guidance for it.

Thus, it is clear that the transportation department will not impede jetport development unless there is White House intervention. "If we get President Nixon on our side," an Interior Department official told us, "we might be able to stop this jetport. If we don't, we haven't got a chance."

Backing up the Transportation Department are major airlines who see the jetport as essential to ease over-crowded conditions at Miami International Airport. The jetport's first runway will open next month as a training facility for Miami-based pilots and crews with 150,000 annual training flights planned for the single runway.

If this were the extent of the jetport, conservationists would not be so apprehensive. But Interior Department officials are convinced that Dade County envisions the biggest jetport in the world—the major airline terminus of the southeast, capable of handling new jumbo jets and futuristic supersonic transport. The construction that would proliferate around such an airport would doom Everglades Park, polluting its waters and destroying its unique ecology they feel.

Actually, a decision in favor of the jetport was made at the Transportation Department long before the Republicans took over. During the Johnson Administration, the Federal Aviation Administration (FAA)—part of the Transportation Department—granted $500,000 to the Dade County Port Authority to start the jetport.

Moreover, the Transportation Department's lame duck Democratic officials last December approved—but did not announce—an additional $200,000 grant for research on high-speed ground transport from Miami and Tampa. Word leaked out only when Dade County officials announced $200,000 contract for the study to TRW, Inc., the giant construction firm.

But the Transportation Department under Volpe shows no basic disagreement with those decisions. It has just approved another $163,000 grant for landing lights on the existing single runway—thereby antagonizing Sens. Nelson and Henry M. Jackson of Washington, the interior committee chairman, who had criticized the earlier $700,000 in grants made without studying their impact on the environment.

JETPORT COMES BEFORE GLADES

WASHINGTON.—Development of a super jetport in the Florida Everglades west of Miami is more important than protection of Everglades National Park, the Florida secretary of transportation said Thursday.

"I am more concerned with people than alligators," Michael O'Neil said during a news conference in Gov. Claude Kirk's Washington office. "I am not an ecologist. I call Everglades National Park a swamp. My children can't play in it. It's a wonderful natural resource, I'm sure, but I think people come first and I think transportation comes first."

O'Neil said he had just completed two days of meetings with officials of the Department of Transportation and found them "very enthusiastic about the jetport."

Location of the 39-mile-square airport on the northeastern edge of the national park has been vigorously protested by the major conservation organizations. They claim it will cause air, water and noise pollution that will have adverse effects on the park.

During a recent hearing on the park's problems by the Senate Interior and Insular Affairs Committee, Nathaniel P. Reed, special assistant to Gov. Kirk, testified the Dade County Port Authority did not consult any state agency before choosing the site.

"Had they," he said, "I would be willing to say another site with less ecological impact could have been found. But before we knew it, sir, that field was there."

O'Neil disputed this. "The governor has not indicated that to me at all," he said. "The governor was in Miami and was briefed on the jetport plans while they were still being developed."

O'Neil said he and Reed disagree on the effect of the jetport on the park, but he thinks they can work out their differences.

The Dade County Port Authority has given assurances it will protect the park, he said.

"Right now, this week, Dade County Port Authority officials are in California meeting with the National Academy of Sciences to discuss this problem," O'Neil said.

The jetport will have to be licensed by the state, he said, and his agency will provide the license.

TAX REFORM BILL

Mr. McINTYRE. Mr. President, one of the most important pieces of proposed legislation being considered by this session of Congress is the tax reform bill, recently passed by the House and pending before the Senate.

I wish to speak briefly today about what I consider to be one of the most significant parts of this legislation—its provisions affecting private foundations and other charitable organizations.

In the United States, private philanthropy has come to play an important role in providing resources for numerous activities with which Government cannot or does not involve itself. Charitable organizations establish experimental programs on the frontiers of many different fields of endeavor. They serve to enrich the pluralism of our social order.

The valuable contribution of charitable organizations to our society has long been recognized in our tax laws. The Internal Revenue Code has for many years provided preferential tax treatment for such organizations. Not only has it exempted such organizations from income tax, as with many other nonprofit institutions, but it has also granted income, gift, and estate tax deductions to persons contributing funds to them.

Unfortunately, some individuals have sought to take advantage of these tax benefits and to turn them into instruments for their own personal profit. The Department of the Treasury documented a number of such abuses in its report to Congress in 1965 on the activities of private foundations.

That report showed several instances of self-dealing between foundations and those who controlled them. It showed, for example, that one foundation received approximately $400,000 in deductible contributions from the owners of a grocery chain, distributed a small portion of the funds to charitable organizations, and then used the remainder to construct buildings which were immediately leased back to the donor's grocery chain.

The report also showed instances of undue delay in the distribution of foundation income. It showed, for example, that 25 percent of all private foundations did not expend for charitable purposes annually an amount equal to their net income. Thus, while an immediate deduction was being allowed for gifts to these foundations, there was a substantial delay in the flow of their funds into charitable undertakings. In fact, one foundation was shown during the 17 years of its existence to have distributed only one-tenth of 1 percent of its funds to charity. Its only real purpose had been to function as a tax-free holding company for its donor.

And the report showed many instances of excessive foundation involvement in the active conduct of business enterprises. This part of its discussion was highlighted by its reference to one foundation with a controlling interest in 26 separate corporations, 18 of which were going business concerns. One of these was a large metropolitan newspaper, with gross receipts of many millions of dollars. Another operated the largest radio station in the State. Also controlled were a lumber company, several banks, three large hotels, a garage, and a number of office buildings. Concentrated largely in one city, these properties represented an economic empire of substantial power and influence. And, because of their favorable tax treatment, these businesses had a distinct advantage over their taxable competitors.

These and other well-documented abuses are the direct cause of those provisions of the House-passed tax reform bill affecting charitable organizations. As the examples I have chosen make clear, some of these abuses have been serious indeed. They obviously require correction, and I heartily endorse those provisions in the House-passed bill which would in fact correct them.

My purpose today, however, is to call attention to several other provisions in the House-passed bill. These provisions would do little to remedy past abuses of which a minority of foundations have been guilty, but they would do much to interfere with the vitally important work in which the majority of foundations are engaged. They present a blatant case of overkill and seriously threaten the role of charitable organizations of all kinds in our society.

Our Finance Committee will begin hearings tomorrow on the private foundation related provisions of the House-passed bill. I hope that the committee will examine all of these provisions with the utmost care and that it will see fit to eliminate any which would hinder legitimate charitable endeavors. I would like to focus my remarks today on just four provisions which, even in the absence of any detailed hearings, are obviously in need of amendment or deletion.

First. The 7½-percent tax on the investment income of foundations: This is clearly not a provision designed to eliminate past abuses. It singles out all foundations, good and bad, and accords them less favorable treatment than charitable organizations generally. It is obviously predicated on the belief that foundations are less worthy than other charitable organizations.

Even if this were true, such a tax would be a dangerous precedent. If foundations can be taxed now, then why not any other charitable activity in disfavor at some future time, such as churches, schools, hospitals, and so forth. A tax on

foundations would be an opening wedge against the whole tax-exempt status of charitable activities.

And clearly it is not true that private foundations are less worthy than other charitable organizations. The basic function of private foundations is to make their funds available to other such organizations, and if foundations are hit by this tax, these other organizations will themselves be affected by the fallout. I know, for example, that Dartmouth College—my alma mater and a leading educational institution in the State of New Hampshire—has been receiving from foundations approximately $1.5 million per year. If its contributors are hit by this punitive tax, Dartmouth itself will feel the effects. What could be more senseless at a time when tuition rates at our leading universities are already being raised practically every year?

Second. Gifts of appreciated property to private foundations: Much of what I have just said can be repeated here. I see no reason why a gift to a private foundation should not receive the same treatment as a gift to any other charitable organization. This provision, too, is a clearly punitive rather than an abuse-correcting measure. It, too, constitutes a dangerous precedent and threatens harm indirectly to many organizations not directly subject to it.

Third. Limitations on the programs of private foundations: The objectives of the program limitations in the House-passed bill are quite proper. Foundations should stay away from lobbying and from the support of individual political candidates. Unfortunately, the language of the House-passed bill is so broad that it would clearly encompass many activities which cannot fairly be regarded as lobbying or electioneering. Many well-known and widely accepted charitable organizations conduct activities which necessarily go well beyond the "nonpartisan research and analysis" permitted by the House-passed bill. In an appendix to this speech I have listed 13 such organizations. Their activities are such that I believe both lawyers and foundation trustee would be very reluctant to make further grants to them if the present language stands. Mr. President, I ask unanimous consent to insert this list of organizations, and a brief description of their respective activities, in the RECORD at the conclusion of my remarks.

Fourth. Penalties on foundation trustees: The House-passed bill would impose a punitive tax on any foundation trustee who approved a grant which did not meet the program limitations of the bill. There is no better way that I could indicate the harm threatened by this tax—which would be equal to 50 percent of the amount of the grant in question—than to refer to a letter I received recently from the trustee of an important foundation in my own State. His remarks were basically as follows:

These Trusts don't seek to influence legislation directly nor to support "propaganda." But I would be scared to death if this bill became law to make a grant of $53,000, such as I just did, to the New Hampshire Hospital Association to study how the State might improve ambulance service. It is likely that any such report and study will suggest a number of inadequacies in existing ambulance service. It is very likely to suggest legislative remedies. Were this to be classed as "an attempt to influence legislation" or an attempt to "support propaganda", I would be subject to a personal tax of $26,500. I am not that generous nor rich an individual. As a foundation executive forced to operate under such a threat, I would undoubtedly withdraw into a tight shell and make grants only to the "Genteel Society for the Study of Etiquette and Tea Service conducted by the ladies auxiliary of some church of a well-accepted Protestant denomination." If other foundation executives have no more courage than I, the proposed legislation could take an awful lot of vitality out of foundation activity.

Mr. President, there are other provisions in the House-passed bill which bother me also. My purpose has not been to be inclusive, but by reference to some of the most obvious problems to draw attention to the critical task which confronts our Finance Committee when it begins its hearings in this area tomorrow. I trust that the committee will seek out and eliminate all provisions in the House-passed bill which would hinder the activities of charitable organizations in our society. I trust that it will do all it can to expand, not contract, the ability of the private sector to contribute to a solution of our social problems. And I pledge my own continuing efforts to this end. It is my intention to make a further statement in this field, with my own detailed recommendations, in the very near future.

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

APPENDIX

QUALITY OF THE ENVIRONMENT

Conservation Foundation

The Foundation advises local and regional conservation organizations, citizens and communities on conservation concerns. It engages in public education and in efforts to organize citizens for sustained action on behalf of regional planning, clean rivers and conservation legislation. The organization publishes a bi-weekly newsletter with a circulation of 20,000 in which it frequently takes an editorial position. Its comments have often reached the general news media. In addition, it has received a number of quantity orders for specific issues, such as one requested by the National Center for Air Pollution Control for 10,000 copies of an issue that focused on this problem. The Newsletter's articles and commentaries frequently discuss and take a stand on conservation legislation, including all major bills pending in Congress.

Massachusetts Audubon Society

This 74-year old organization does conservation research, conservation-oriented education on all levels, and acquires land for conservation and operates some 30 wildlife sanctuaries. The Center has assembled an extensive source file on environmental problems in the New England area and now serves several hundred local and regional newspapers and radio stations with two weekly news columns. Other public information programs include a magazine for young people and a series of analytical reports on conservation topics ranging from mosquito control to noise pollution. The program of the Center was actively involved in promoting the passage of several key pieces of legislation. These include a wet-lands protection bill in Connecticut and a constitutional amendment in New Hampshire for reform of property taxes.

National Audubon Society

The Society's main objective is to improve the physical environment through a variety of activities, including prominently the publication of information highlighting environmental problems and marshalling support for their solution. One of the means the Society uses to gather public support for its goals is its semi-monthly newsletter. The 2,000 newsletter copies go to the Society's officers and affiliated organizations. Another is the monthly magazine *Audubon*, with a circulation of some 80,000. The bulk of these are distributed to the Society's national membership. However, some 5,000 non-members also subscribe to the magazine. The Society addresses itself extensively to pending conservation legislation. It features a column on the "National Outlook," describing federal programs and pending legislation. Lately it has reported extensively on problems raised by the use of DDT and other pesticides, culminating in a nationwide campaign to "Ban DDT," which received wide news coverage at a time when several bills dealing with pesticide control—one to prohibit the sale or shipment of DDT for use in the United States—were (and still are) pending in Congress.

CRIMINAL JUSTICE

National Legal Aid and Defender Association

NLADA was organized to promote organized legal services for the poor. One of its main goals is to obtain local community support for its program, much of which requires legislation. It advises local people how to go about achieving needed reforms. Local defender project directors speak before Rotary, Lions, PTA and church groups, and the national director speaks at bar association meetings, law schools and Law Day programs. Statewide public defender systems have been implemented in a half-dozen states and in all cases, the NLADA has been a major force behind this effort.

The American Law Institute

The Institute's main purposes are to promote the clarification and simplification of the law and its better adaptation to social needs, to secure the better administration of justice and to encourage and carry on scholarly and scientific legal work. A.L.I. does legal research, restatements of the law and drafts model legislation. It publishes its views and recommendations. It attempts to affect the opinion of lawyers and judges, whose views have special weight on a wide range of legislation. It is associated with the American Bar Association in a Joint Committee on Continuing Legal Education, which publishes materials and organizes conferences and courses. The Institute has drafted a Model Code of Evidence, a Code of Criminal Procedure, a Model Penal Code and the Uniform Commerical Code, which has now been adopted in almost all states.

REGIONAL PLANNING

Regional Plan Association, Inc.

RPA conducts studies and prepares plans for the New York metropolitan region (22 counties). Its reports have highlighted trends and major issues for decision, in a concentrated projection for specific future years of job and population locations, travel patterns, retail patterns, open space demands, and other concerns of planners. It has engaged in a major effort to alert and educate the public to projected needs of the metropolitan area, through publications, the organization of many public meetings and through an effective public relations program to secure effective and continuing news coverage of proceedings, findings and recommendations. Among its public education efforts has been a series of five television shows ("Goals for the Region Project"). RPA has consistently been involved in promoting legislative action consonant with its objectives,

such as the establishment of the Tri-State Transportation Committee by New York, New Jersey, and Connecticut; higher state appropriations for support of commuter railroads; fast rail service, between Boston and Washington, support for five New York State bond issues for park acquisition, and for the World Trade Center.

Greater Philadelphia Movement

The organization's purpose is to promote governmental, economic, social and physical improvement in the Philadelphia metropolitan area. GPM's program is specifically aimed at citizen education on regional issues and encouragement of citizen action to promote regional cooperation in solving problems such air pollution which cross state boundaries. The educational objectives are accomplished through a 38-member tri-state Committee on Regional Development. A broad-based regional citizens' organization is now being developed to provide continuing citizen education at the grass-roots level on recommendations of the Committee for regional action. GPM is engaged in rallying public opinion in support of draft legislation on airport and other transportation development, as well as air pollution control.

Metropolitan Fund, Inc. (formerly Southeastern Michigan Metropolian Community Research Corp.)

The Fund is engaged in research and education on problems of the six-county region of Southeastern Michigan centered on Detroit. It finances research to identify metropolitan needs and aspirations and to suggest alternative policies and programs, and it seeks public support for these policies and programs. The Fund's publications are widely circulated in the area. It sponsors a "citizen information-education-response" program in which local citizens groups gather for discussion sessions with civic leaders and public officials on regional issues.

Through its studies, the Fund has been deeply involved in promoting the establishment of at least two regional governmental devices which required local legislative action—the Southeastern Michigan Council of Governments, and the Southeastern Michigan Transportation Authority. It is now engaged in generating support for legislative action on such issues as building code reform, joint purchasing arrangements, disposition of abandoned vehicles, and solid waste disposal.

ADMINISTRATIVE REFORM

Citizens conference on State Legislatures

The major purpose of the Conference is advancing legislative modernization at the state level. It attempts to build a constituency for legislative reform on subjects ranging from state legislators' salaries to staffing the committee structure, and the length of legislative sessions. It has been the prime source of support for approximately fifteen citizens commissions. Much of its work is done by marshalling public support, through press conferences, assistance in the preparation of magazine articles, issuing reports and generally seeking to generate interest in and concern for reforms of state legislatures. The organization's purpose is to affect the whole legislative process on the state level—with reform activity underway on a variety of problems in 40 of the 50 states.

The council of State governments

The broad purposes of the Council are to strengthen state government and its public services and to preserve its role in the American federal system; to promote cooperation and more effective working relations on the state-local, interstate, and state-federal levels. The Council is an organization which serves as the staff arm for several affiliates: The National Governors Conference, the Conference of Lieutenant-Governors, the Conference of Court Administrators, and the Council of State Planning Agencies. Approximately 16 other orgnizations in such fields as parole, probation, mental health, civil defense, and personnel work with the Council. The Council makes studies and reports, frequently at the request of affiliate or cooperating organizations. Reports are widely distributed, going to over 600 addressees on the Council's national mailing list. The Council also has two periodicals: *State Government Quarterly* and *State Government News*, which seek to enlist public support for Council goals. The Council's Committee on Legislative Modernization issued a report in December 1968 containing a number of recommendations; some of which have been adopted by some states.

National Municipal League

The purpose of the League is to assist citizens in the improvement of government, and to strengthen government at the state and local level. The National Conference of the League brings together public officials, editors, civic leaders, students and others for workshops on current issues. It develops and publishes background materials designed to build public support for the modernization of state and local government. The League of Women Voters regularly turns to the National Municipal League for help in this area. The League has often been involved in assistance to constitutional conventions, most recently in Chicago. There it convened a forum of state legislators who had filed to be delegates to the Illinois constitutional convention and arranged for them to meet with civic groups and experts on constitutional revision.

HOUSING

Urban America, Inc.

This organization assists in developing public policies and stimulating action to improve the quality of life in the nation's cities. Its Nonprofit Housing Center, has worked with hundreds of non-profit housing sponsors throughout the nation. In all cases, major emphasis has been on generating public opinion in favor of these organizations, and almost every instance involved some change in state or local legislation. Urban America publishes two periodicals (*City* and *Architectural Forum*) which analyze and report upon major public issues in urban affairs, including legislative events at all levels of government. Urban America, under contract with the Urban Coalition, also was responsible for the recently published book "One Year Later" which reviewed implementation of the President's National Advisory Commission on Civil Disorders and which made a major impact in the general news media. This, incidentally, was one of the many large-scale public information campaigns which the Urban Coalition is conducting in cities throughout the nation. Three statewide development corporations were developed with Urban America's aid, all having some measure of state government support and involving legislative change. The Housing Center took the lead in alerting non-profit sponsors to the dangers of language in the 1968 Housing Bill which would have required higher payments on low and moderate income projects. The States Urban Action Center of Urban America provides consulting services to more than a dozen states on a broad range of urban issues, aimed directly at bringing about legislative changes. Late in 1968, with Urban America's assistance, a small group of Congressmen and private urban leaders formed the National Committee on Urban Growth Policy for the purpose of developing recommendations for legislation needed in shaping urban growth. The group helped generate the creation of a new Congressional Committee, the Committee on Urban Growth.

Rural Housing Alliance

The Alliance provides educational materials, technical assistance and financial aid for the development of rural, and particularly self-help housing. One of RHA's major purposes is the education of the general public on the deficiencies of rural housing policies and programs. Two monthly publications—the *Low Income Housing Bulletin* and *The Self-Help Reporter*—regularly call attention to legislative developments related to rural housing and usually comment critically on the inadequate size and scope of rural housing authorizations. Annual conferences sponsored by RHA also discuss these matters with a view to stimulating action by conference participants to urge more federal attention to rural housing problems. Managers of projects which utilize RHA's advice and assistance are encouraged to keep their Congressional representatives informed of their problems and needs. The RHA staff keeps in close touch with relevant federal agencies, chiefly HUD, OEO and Farmers Home Administration (FMHA). They were heard by both the House and Senate Banking and Currency Committees on self-help amendments to the 1968 Housing Act. At the request of FMHA, RHA staff helped draft amendments to Title X of the Housing Act establishing self-help programs for rural areas under FMHA.

SENATOR EVERETT McKINLEY DIRKSEN

Mr. MURPHY. Mr. President, it is always difficult to bear the death of a close friend, but it is especially hard when the deceased friend was a symbol of vitality, spirit and life.

It is for this reason, therefore, that we suffer such deep and sincere distress at the passing of Everett McKinley Dirksen, for this beloved colleague of ours had that rare, divine gift of remaining intensely alive in his activities and of touching everything he did with the electrifying magic of his own philosophy and personality.

In addition, he understood better than any other man the art of objective compromise.

Consequently, he got things done, and much of the major legislation of his era, for which others frequently received the credit, would never have come into being without the careful guidance and exceptional craftsmanship of this great leader.

Furthermore, he kept things in perspective and acted accordingly.

When assaults on old-fashioned patriotism were abroad in the land, the mellifluous and inspiring voice of the senior Senator from Illinois could be heard reminding our Nation of the "Gallant Men" whose past heroism he recommended as a course for our future.

When the business of the Senate seemed about to become submerged in a quagmire of procedural formalities, an ingenious quip or an aptly recited quotation from our colleague would return the proceedings to their appropriate course.

When the complex and conflicting considerations surrounding the major issues of our time piled one upon another to form seemingly insoluble dilemmas for those charged with the responsibility of voting on them, Ev Dirksen made his decisions honestly and courageously ac-

cording to the dictates of his unshakeable integrity and his deep-rooted love of country, and in so doing he set an example of statesmanship which was both an inspiration and a guide.

It is said that Ev Dirksen thought he might have liked to be an actor.

My former profession would have welcomed him proudly, for he would have done us a great honor and he would have been a great performer.

I say this not primarily because of his outstanding oratorical ability and his remarkable innate showmanship, but because he had that magnificent insight into life which permitted him to recognize that there are two thespians' masks, one for tragedy and one for comedy, and that even the gravest problems which confront us must be viewed not only through the mask of tragedy but also through the other mask, which symbolizes the essential, God-given joy of life and man's need to preserve it.

Yes, Ev Dirksen loved life and its happiness, and his enthusiasm was catching.

Therefore, he would have been a star in any field of endeavor.

If we are, as Ev Dirksen would have reminded us with one of his frequent Shakespearean quotations, "merely players" on the stage of this world, then our colleague will always be remembered as one who accepted one of the most difficult parts ever presented to any Government leader in our history and whose performance in this vital and sensitive role will continue to make this a better land in which to live for untold generations to come.

More than all this, though, I shall miss his warm friendship, his wise counsel, and his deep dedication to his country, all of which, combined in my memory, will make me remember him as one of the greatest Americans it has been my privilege to know.

My most heartfelt sympathies are extended to Mrs. Dirksen and our late colleague's entire family.

EVERGLADES

Mr. NELSON. Mr. President, I ask unanimous consent that two items be printed in the CONGRESSIONAL RECORD at this point. The first is an excellent editorial published in the New York Times expressing support for the efforts of conservationists, the Department of the Interior, and now Florida Governor Kirk to prevent the construction of a superjetport in the area of the priceless Everglades National Park. The second is a resolution adopted by the United Southeastern Tribes, Inc., supporting the Miccosukee Tribe of Florida in calling for a halt to the construction of the Everglades jetport until a comprehensive study has been made to determine the ecological effects of such a jetport on the area. The Indian concern in this matter is one more important reason why appropriate action must be taken immediately to protect Everglades National Park and the surrounding areas, including the Indian lands.

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

A JETLESS EVERGLADES

The battle to preserve the wildlife and ecology of Everglades National Park, the last great natural watershed in south central Florida, is being joined again only a few weeks after all hope seemed lost. Last-ditch efforts by conservationists and an aroused public have alerted the Department of the Interior and Governor Kirk of Florida to the urgent necessity for saving this national treasure before it dies under the pressure of commercial development and the killing fumes of jets.

It is the eleventh hour but not yet a lost cause. One long runway has already been completed and a second is being built on a 39-square-mile site that would become a major commercial jetport in the future. It would be used at first as a training facility for commercial fliers and aircraft and eventually serve the growing needs of the Miami area.

The threat to the Everglades is obvious. Even more than the pollution caused by a busy jetport, there would be the new wastes caused by industrial and commercial development springing up for many miles around. The plants, fish, animals and birds, including many species on the rare and endangered list, would face destruction. The silence of this subtropical wilderness would be replaced by the scream of the jet engine, the rasp of the motor car, the sound of the tossed beer can landing.

The Interior Department's study under Dr. Luna Leopold, senior scientist of the U.S. Geological Survey, should be released without hesitation. It is reported to show how gravely the Everglades would be harmed by a jetport. The Dade County Board of Commissioners has shown responsibility by hiring former Secretary of the Interior Stewart Udall to submit a plan for avoiding damage to the Everglades—and possibly recommending alternate sites away from the national park. Mr. Udall's plan ought to be made known before the bulldozers rip up more land for the runways.

Governor Kirk is said to be ready to offer state land that is north instead of west of Miami. This could be the solution to save the Everglades and at the same time meet the needs of the metropolitan area for a new airport. Such an offer, combined with the Leopold and Udall studies, would balance human and natural needs—and demonstrate again that destruction of precious parkland is not necessary in Florida or anywhere else.

RESOLUTION No. USET 19–69

To: Support the Miccosukee Tribe of Florida in Jet Port controversy.

UNITED SOUTHEASTERN TRIBES, INC.

Whereas, the Miccosukee Indians of Florida have for more than a century hunted and fished over the area of the proposed Everglades jetport, and have reservation land in the vicinity of the proposed jetport, and

Whereas, the United Southeastern Tribes, Inc., sympathize with the concern of the Miccosukee Indians that the proposed jetport and related commercial development will destroy the privacy, means of livelihood and traditional way of living of the Miccosukee Indians, threaten their health and safety through air and water pollution, and eliminate the animal life and natural habitat with which and from which the Miccosukee Indians have subsisted for so many years,

Now therefore, be it resolved, that the United Southeastern Tribes, Inc., petition the President of the United States on behalf of the Miccosukee Indians, that the United States shall in the proper discharge of its responsibility toward the Miccosukees:

1. Halt construction of the Everglades jetport until a comprehensive study has been made of the effects which it may have on the ecology of the area, especially in relation to the Miccosukee Indian people, and

2. If a determination is made that the jetport can be constructed with due regard for the interests of the Miccosukees, insure, by careful planning, the protection of the reservation lands of the Miccosukees, and their right to continue their traditional way of life in privacy, and make adequate provision to prepare the Miccosukees for any change which will be forced upon them because of their proximity to the jetport.

CERTIFICATION

This is to certify, That at a meeting of the Board of Directors of the United Southeastern Tribes, Inc., properly convened and held at Philadelphia, Mississippi, Pearl River Community, on the 13th day of August, 1969, the above resolution was duly adopted:

Attest:

———— ————,
Secretary, Inter-Tribal Council.
PHILLIP MARTIN,
Chairman, Inter-Tribal Council.

NEW YORK TIMES HIGHLIGHTS ACHIEVEMENTS OF WISCONSIN INSURANCE EXECUTIVE

Mr. PROXMIRE. Mr. President, one of our State's outstanding businessmen, Francis E. Ferguson, president of the Northwestern Mutual Life Insurance Co., was the subject of an excellent personality profile published in last Sunday's New York Times.

The article highlighted Mr. Ferguson's concern over, and deep involvement with, the problems of inflation and the condition of our cities. Mr. Ferguson, as president of the largest life insurer not located on the Atlantic seabord, is particularly troubled by the impact that inflation is having on fixed-dollar investments such as insurance. He points out:

When great pools of capital start to turn their backs on fixed-income securities, then our whole structure is in trouble.

Perhaps Mr. Ferguson is best known for the excellent job he is doing as chairman of the Life Insurance Committee on Urban Problems. The committee heads up the insurance industry's program calling for the investment of $2 billion in housing, job opportunities, and community facilities in inner city locations. This is a most important private effort, and it is being ably shepherded by Mr. Ferguson. In view of the interest that all Members of Congress have in this effort to channel private funds for the public good, I ask unanimous consent that the Times article be printed in the RECORD.

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

FEELING THE PULSE OF HAVES AND HAVE-NOTS

(By Robert D. Hershey, Jr.)

Not many businessmen can appreciate as well as Francis E. Ferguson the magnitude of two of America's most pressing problems—inflation and the condition of our cities.

As president of the Northwestern Mutual Life Insurance Company he knows how the rising cost of living can affect the competition for investment dollars and how resulting high interest rates cause policyholders to invoke their right to borrow at below-the-market rates.

As chairman of the Life Insurance Committee on Urban Problems he guides an in-

dustrywide commitment to invest $2-billion in housing, job-creating enterprises and community facilities in city core areas.

More than most men, the tall, articulate executive (who some say looks very much like Lee Marvin, the actor) is in a position to feel the pulse of both the "haves" and the "have-nots."

That part of society with capital, property and earning power is interested, of course, in protecting its standard of living from the seemingly inevitable inroads of inflation. Particularly sensitive to such concerns is the insurance business, which by and large has come to terms with the demand for equity investments by promoting the sale of mutual funds and individual variable annuities as well as insurance.

Mr. Ferguson, however, is less than enthusiastic about the ever increasing demand for stocks that has occurred through the decline in fixed-income securities. He worries, in fact, about what he calls the delusion that equity investment is the answer, on any large scale, to inflation.

"Our society is being trapped into believing that there is a hedge against inflation—and that just isn't so. Maybe you and I can come out ahead, but when great pools of capital start to turn their backs on fixed-income securities, then our whole capitalistic structure is in trouble," Mr. Ferguson said in a recent interview. "Inflation is an exceedingly serious national problem, one that, one way or another, we'll have to control," he added.

Insurance is a pivotal business in this regard. Most of the policies sold are fixed-dollar investments; indeed that is the traditional chief selling point. But if more and more people believe they must buy mutual funds or buy term insurance and invest the difference the industry itself is less able to invest in fixed-income securities.

Northwestern Mutual, the seventh largest life insurer and the largest not based on the Atlantic seaboard, has more than $2-billion invested in bonds.

Mr. Ferguson, who has just completed his first year as president of the Milwaukee concern, finds his company particularly vulnerable to inflation. Northwestern specializes in writing individual, ordinary insurance in large blocks. Its average policy is about $50,000, about five times the industry average.

Inflation causes interest rates to soar and the large, often sophisticated Northwestern policyholders are borrowing at a very heavy pace on their policies at the contract rate of 5 per cent a bargain when blue-chip corporations must pay 8½ per cent plus.

Beyond the lost opportunities to invest this money at much higher rates, there is always the danger that the money will not be replaced and that policies will be allowed to lapse.

Policy loans at life companies rose by a record $233 million in June and ran in the first half of the year about 30 per cent higher than in the 1968 period. They are nearly five times as heavy as in the period before 1966.

In passing, Mr. Ferguson suggested that he would favor a free-market, instead of a contractual, rate on policy loans. "It's the only part of the life insurance contract that isn't competitive," he noted.

When wearing his "urban revitalization" hat, Mr. Ferguson's job is to help channel the money pledged by 118 life insurance companies for investment to create housing and jobs for the poor. The industry pledged $1-billion in September, 1967, and an additional $1-billion last April, when the first phase was nearly completed.

This money is for loans that would otherwise not be made under normal life insurance lending practices (though they may be guaranteed by the Government) at interest rates no higher than regular market levels.

"The second billion will place more emphasis on job-creation facilities than on housing," Mr. Ferguson stated. "With employment comes greater dignity and housing will then come eventually."

Mr. Ferguson, who was not chairman of the committee when it was first organized, conceded that there had been some early "misunderstandings" and "skepticism" that led some minority groups to question the investments. These, he said, had been ironed out and the program was in full swing. "The second billion will go faster than the first now that the companies are all geared up to make these loans," he stressed.

Mr. Ferguson, who is 48 years old, rose quickly in Northwestern's ranks, serving just before assuming the top job a year ago as vice president in charge of mortgage loans. Born in Batavia, N.Y., he attended school in the nearby town of Bergen and left to serve four years in the Air Force during World War II, rising to captain.

The B–17 he was piloting was shot down over Schweinfurt in a raid on an important German installation. "In five missions I lost four airplanes," he quipped; and he spent 19 months in a prisoner-of-war camp.

He returned from the war to graduate from Michigan State University with a degree in agricultural economics and joined Northwestern as an agricultural economic specialist in the mortgage-loan department in 1951 after jobs with the National Farm Loan Association, the Federal Land Bank of St. Paul and Michigan State.

Shortly, he will be leaving on a hunting trip to Manitoba, one of three he takes each year to Canada, Georgia and Nebraska. Upland bird shooting, he maintains, is his favorite form of recreation. "Last year I realized a life-long ambition," he exulted. "I got a well-trained pointer; the first quail I shot over that dog was one of the greatest thrills of my life."

Mr. Ferguson and his wife, Patricia, have two daughters. Susan Lee was married last month in San Francisco; Patricia Ann is to leave Tuesday to begin college at Arizona State.

Home is a large place in River Hills, Wis., a semirural area entirely surrounded by Milwaukee.

RECORD OF THE SENATE ON HUMAN RIGHTS CONVENTIONS

Mr. PROXMIRE. Mr. President, the International Year for Human Rights 1968 came to a close with the United States having ratified only one convention out of the nine which the General Assembly invited the member States to ratify by 1968. The status of human rights conventions in the United States is as follows:

	Date ratified
I. Ratified with advice and consent of the Senate:	
Slavery Convention	1929
Nationality of Women	1934
Supplementary Convention on Slavery	1967
Protocol Relating to the Status of Refugees	1968
	Date transmitted by the President
II. Pending in the Senate:	
Freedom of Association	1949
Genocide	1949
Political Rights of Women (Inter-American)	1949
Forced Labor	1963
Political Rights of Women (UN)	1963
Employment Policy	1966

Four of the conventions recommended by the General Assembly have not even been sent up to the Senate for its advice and consent. They are the UNESCO Convention Against Discrimination in Education, two ILO conventions, one concerning Discrimination in Respect of Employment and Occupation and the other concerning Equal Remuneration for Men and Women Workers for Work of Equal Value; and the International Convention on the Elimination of All Forms of Racial Discrimination.

Mr. President, it is a sad commentary that the U.S. Senate has failed to ratify the Convention on Genocide, which would commit us as a nation to the prevention and abolition of genocide; the Convention on Political Rights of Women, which would commit us as a nation to equal political rights for women; and the Convention on Forced Labor, which prohibits forced or compulsory labor for the purpose of political coercion or punishment.

The Senate has failed to ratify over half of the human rights conventions transmitted to the Senate. Let us begin to correct the record and ratify these human rights conventions.

OIL AND POLITICS

Mr. PROXMIRE. Mr. President, it is quite apparent that many of the governmental subsidies to the oil industry are going to be changed this year.

Congress, consumers, and the administration are reevaluating the many subsidies received by the oil industry: their tax privileges, the mandatory oil import program, and so forth.

In order to reach a rational decision we must have first rate, accurate information about the issues and the environment in which these issues arose. Ronnie Dugger, who is a first-rate reporter, spent 6 months investigating the background and the issues involved in many of the Federal Government's subsidies to the oil industry. He has taken the time to evaluate many of the arguments which have been tossed about glibly without any real analysis of their underlying rationale.

I consider his article to be one of the most important pieces I have seen. Both he and the Atlantic Monthly are to be commended: Mr. Dugger for having the ability to analyze and explain the issues so clearly and the Atlantic Monthly for having the courage to publish it.

I ask unanimous consent that Mr. Dugger's article, entitled "Oil and Politics," published in the September issue of the Atlantic Monthly, be printed in the RECORD.

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

OIL AND POLITICS

(By Ronnie Dugger)

(Note.—Taxes and efforts to avoid them are always with us. The price the public pays—in lost tax revenues and in high prices—because of a device called the depletion allowance is examined here in detail. The forty-three-year-old provision in the tax laws benefits all who profit from taking oil and other minerals out of the American soil and even

companies that traffic oyster shells. Now battle over the controversial but durable depletion allowance has been joined in Congress. Another battle over oil-import restrictions, with even larger stakes for the oil companies and the consuming public, looms ahead. The subject is a difficult one, but taxpayers as well as tax-avoiders are urged to immerse themselves in this carefully researched study by a diligent and literate journalist.)

Oil troubles the water it floats on this year from the Pacific surf to the Potomac, and even water where it isn't, along the deep blue coast of Maine, is sullen against it. The 27.5 percent oil depletion allowance is in actual danger for the first time since it was passed forty-three years ago.

In Washington, Wilbur Mills, chairman of the House tax-writing committee, has told his colleagues that "oil sticks out alone—it's just a target that way," and depletion must be cut if there is to be any tax reform at all. John Byrnes, the ranking Republican on the committee and "a tested friend of oil," insisted on knowing why Atlantic Richfield, having just drilled two wells into what its partner Humble says is probably the largest oil field ever found in North America, banked its last half billion dollars' profit without paying a cent of federal income tax.

"Is there any justification at all," Senator Edward Kennedy of Massachusetts asked in the spring, "for the present tax treatment of depletion, intangible drilling costs, and foreign royalties, all of which result in countless billions of dollars of lost taxes to the U.S. Treasury?". The last of the Kennedy brothers asking such a question characterizes the situation. The year-in, year-out liberals have been joined by more powerful men in seeking a substantially different approach to one of the country's most political industries. The debate about depletion has spread to oil's basic conditions and arrangements—overinvestment and oversupply, concentration in large companies, government-enforced limitations on production and imports, U.S. prices rising while world prices are falling, even the meaning of the slogan "national security" as a defense for oil's special privileges. The point is getting around that the government, as the Senate Democrats' antitrust economist, John Blair, puts it, has been "implementing a cartel" for the oil companies by using the import program and the thirty-five-year-old state production control system to limit the supply of oil. Current investigations into the curious oil import "ticket quota" system may lead to revelations and repercussions even more serious for the industry than tax reforms.

The emotional basis of the situation is a certain national disgust with all things Texan, including, therefore, oil. The events that made oil an "issue" were President Johnson's 10 percent surtax to fund the unpopular Vietnam War, the leaking oil well off Santa Barbara that befouled California beaches and marinas, and the oil companies' price increases soon thereafter. The catlyzing event was a statement by the Secretary of the Treasury in the last days of the Johnson period in Washington, Joseph Barr.

"I will hazard a guess," he told Congress' Joint Economic Committee, "that there is going to be a taxpayer revolt over the income taxes in this country unless we move in this area" of tax reform. "The revolt is going to come," he said, not from the poor, who, he said, do not pay very much in taxes, but from the middle class, "who pay every nickel in taxes at the going rate. They do not have the loopholes and the gimmicks to resort to." The tax system is voluntary, he said, and will not work unless people support it. They want to feel they are not paying more than their share, and they believe everyone should do his part. "This does not happen," Barr said, "when you are running a corporation and you look at the international oil companies and see they pay little or no taxes. They pay huge taxes including royalties to other governments, but not to this government."

The context of this warning was, after all, the revolt of students, blacks, and many adults against the war, our domestic social failures and the increasing militarization of the society, and the distraught national reaction against and awareness of the power of protest. No one needed to explain the possibilities of a tax revolt to politicians, many of whom no doubt damned Barr in their cocktails, and oil's battalions of publicists and cosmeticians must have felt that left-wing Lucifer himself was orchestrating the conspiracy of events.

The alert spread swiftly into four neighborhoods, the House Ways and Means Committee, the Senate Subcommittee on Antitrust and Monopoly, the Senate Finance Committee, and the offices of the oil industry. Oil-state congressmen began feeling the pressure to get cracking in the industry's defense.

Oil has five or six special tax benefits, of which depletion is only the biggest one. Even President Nixon, whose promise in Texas on the depletion allowance—"As President, I will maintain it"—could hardly be stronger, is letting his people at the Treasury Department make plans for other reforms in oil taxation. Carefully explaining the foreign tax credit as it works to oil's special advantage, Edwin Cohen, the Assistant Secretary of the Treasury for tax affairs, says, "The President has not indicated to us that the oil tax system is not to be changed."

"There's got to be a *substantial* change in taxation of income developed by extractive industries, which include oil and gas," Chairman Mills said in the midst of his committee's work on the tax bill. He said he himself favored a cut in 27.5 percent depletion, and by more than a token two or three points, and a scaling down of the rates for other minerals. Oil producers have been selling rights to their future income in order to change the timing of their earnings to reduce their taxes, and this, Mills said, will be "cut out entirely." There was also some feeling, he said, against allowing depletion on foreign oil production.

Sensing that something was going to give, oil's defenders began looking around for anything but oil. Late one afternoon Senator Russell Long of Louisiana, the chairman of the Finance Committee, emerged from a lecture by the Democrats' leading tax-reform expert, Stanley Surrey, once an assistant Secretary of the Treasury, to the Senate Democratic Policy Committee, and exclaimed, "The biggest single defect causing people's not paying any tax is capital gains. Then there's the way they tax real estate. Another one is so-called charitable deductions. I got out a list of all the people who made all the money and paid no taxes, and I didn't find out any of them did it because of the depletion allowance. Depletion might have been a part of it. . . . Capital gains—that's the big one!"

Under so many strains, the tanker of "oil industry unity" sprang some leaks. In Texas one learned that certain discussions were going on behind closed doors between the House taxers and the independent oil producers, who do not get as much out of depletion, even proportionally, as the majors. From a spokesman for a major importer one could deduce that 27.5 percent was not quite as necessary to him and his associates as their foreign tax credit arrangements. Then the president of the Texas oil independents, Netum Steed, made public a letter he wrote to Nixon stating that if oil taxation had to be a subject of tax reform, "some reduction in the 27½% depletion factor might well be sustained without irreparable injury," provided a change was made to give smaller producers more depletion than they get now. An executive of an oil association said of men he works with from the major oil companies, "The're scared." The Mills commmittee showed why, when it recommended cutting depletion to 20 percent. The New Englanders were united against the Southwesterners in a grim struggle for very large prizes, with public indignation working for the Yankees—and the power of oil, as usual, easing in from Texas.

The theory of the oil depletion allowance depends on the assertion that an oil venture's capital is not the same thing as its capital investment. Oil, it is explained, is an irreplaceable "wasting asset," a limited quantity of an elusive substance that is being depleted. Therefore, we are told, when oil is discovered in the ground, it becomes capital that should be valued on the basis of its selling price. Once capital investment has thus been eased over into the more adaptable idea of capital, the conclusion is drawn that the income tax, being a tax on income, should not apply to that portion of the income from the oil which is a return of capital.

By this one turn in economic doctrine, an oilman's capital is cut loose from his actual investment. "No account is taken . . . of the actual cost," explains political scientist Robert Engler. The purpose of the allowance, said *Business Week* back in 1961, is "to permit . . . tax-free recovery of the value of the deposit."

But why should the allowance be, as Paul Douglas of Illinois said when he was a senator, "27½% of gross income up to 50% of net income, world without end, amen"? By the doctrine, the resulting annual deduction "represents the reduction in the quantity" of the oil. It is "the loss in value in the process of working a wasting asset." In the elegant formulation of Humble Oil's economist for many years, Dr. Richard Gonzalez, "The depletion of reserves by production creates a reduction in capital values." The allowance was granted, explained former Jersey Standard president M. J. Rathbone, "on the basis that when a prospector found an oilfield and produced that oilfield, he was in effect going out of business." The calamity increases, the more oil you sell. As you make your profit, you are losing about half of it, even though you keep all of it.

Despite this rather special misfortune, when the time comes to tell the stockholders how much money has been made, oil companies figure it out in the ordinary way. By investment they mean their actual costs. Profit is income in excess of those costs. The effect of percentage depletion in the financial accounts is a reduction in taxes and a higher net profit.

The thought that oil is capital rather than more like a groceryman's stock on the shelf is an article of faith in the oil industry, but is subject to argument. Louis Eisenstein likes the conservative idea that "the capital of a business consists of the actual investment in the enterprise." Or again, "Is it not clear," asked Solicitor General (then Harvard Law School dean) Erwin Griswold, "that income derived from oil production is business income?" Griswold thought this was clear.

Until 1918, oilmen, when figuring their income tax, deducted their costs like other businessmen. That year, however, after the war was over, ponderous, cynical Boies Penrose, the political boss of Pennsylvania and probably the most powerful Republican in the country at that time, spoke a few strange lines on the floor of the United States Senate, and ever since then oil producers have had about half their income tax-free, year after year.

The Wisconsin Progressive Robert La Follette knew what was happening that day in the Senate and cried out in the wilderness he knew so intimately, but the three Republican Presidents of the twenties, Harding, Coolidge, and Hoover, stood mute on depletion while their Secretary of the Treasury, Andrew Mellon of Gulf Oil, profited from it.

Depletion had its beginning in the original income tax law of 1913, which provided for a

depletion deduction up to 5 percent of gross income, limited overall to the original cost of the property or its market value in 1913. The market value option was the pinprick in the law that has been expanded in the course of fifty years into what Douglas calls "a truckhole."

Under the 1916 tax law, to get any depletion an oilman had to show that his actual production was declining, and he could not get back overall more than his actual costs (except on acquisitions before the income tax had gone into effect). Early in 1918 the Bureau of Internal Revenue was issuing instructions on how to compute the actual investment in oil and gas wells.

Later that same war year, a Committee of prominent oilmen was formed to obtain tax relief for the industry and warned that the high war taxes would discourage the oil wildcatters who were discovering new fields. The chairman of the committee, who helped lobby through its program, was later rewarded by the industry with $20,000, a trifle, everything considered.

The small companies, said the oil committee's spokesman to the Senate hearing, were discouraged by the high wartime tax rates. And then he mentioned another matter that could be dealt with "in almost a moment . . . a reasonable allowance for depletion without statutory restriction." Oklahoma's Senator Thomas Gore, who was later to become an oil lobbyist himself, first mentioned the new theory, saying that the major part of produced oil represents not profit, but capital. A lobbyist for the big companies testified before the Senate Finance Committee that the oilman "sells his capital assets from the day he begins producing," and it is not fair to treat his business like banking, manufacturing, "and other going industries."

Senator Penrose, the ranking Republican on the committee, was a man of legendary appetites. Someone with an obscene sense of history recorded that one evening Penrose consumed for his dinner a dozen oysters, chicken gumbo, a terrapin stew, two ducks, six kinds of vegetables, a quart of coffee, and several cognacs. On another occasion his repast consisted of nine cocktails, five highballs, twenty-six reed birds in a chafing dish, wild rice, and a bowl of gravy. He weighed 350 pounds.

All sources seem to agree that Penrose sedulously served the large corporate interests. He received their political gifts—on one proved occasion, $25,000 from John Archbold of Standard Oil—and passed out funds to functionaries, but never kept a rakeoff for himself. The last of the old-style bosses in Pennsylvania, born to wealth, he was no hypocrite or small-timer. His principal cause was the protective tariff. He told an associate that he had decided early to "control legislation that meant something to men with real money and let them foot the bills." By 1918, the Pennsylvania business baron to whom he looked for cues and support was Andrew Mellon, a leading member of the banking family that had become dominant in Alcoa and Gulf Oil. Two years later it would be Boies Penrose who would say to Senator Harding, "Warren, how would you like to be President?", and then it would be Boies Penrose who would say to Mellon, "I want you to be Secretary of the Treasury."

On December 17, 1918, Penrose presented the Senate the Finance Committee's proposal to stop limiting depletion to the capital actually invested and to base the deduction thereafter, for wells not bought in "proven fields," on the value of the discovered oil. His argument occupies just twenty-one lines in the *Congressional Record*. When, for example, a ton of coal is sold, he said, part of the excess of the price over cost must be treated as a "repayment of what was invested." But then—in one short phrase—Penrose told the Senate that the proposal based depletion for wells and mines on market value "instead of cost."

Arguing for the House tax bill, which adhered to what is now called cost depletion, La Follette warned that under the Penrose plan a mine or oil well might cost $100,000, but on the basis of its enhanced value because of a discovery, the cost might be deducted ten times. He understood, and he opposed. He got only seven votes, including those of William Borah and George Norris.

The chairman of the House tax committee, Claude Kitchin of North Carolina, told the full House that he was opposed to the several provisions for mines and wells as "pieces of special favoritism." He was the House Majority Leader, but he had been pilloried and his influence reduced because of his opposition to Wilson on our going into the war, and one can see in the look of his words on the page that he did not expect to be heeded. He was not, and thus it was that half a century ago depletion was broken free and clear of any limitation to a producer's actual investment.

In our period, Treasury studies show that average oil and gas depletion deductions are ten times what the actual cost depletion would be. In 1948 and 1949, oil and gas producers were deducting more than nineteen times their cost each year. On a group of products, including iron, copper, and silver, depletion deductions in 1960 were *ninety-one times* cost depletion each year. C. Wright Mills has written, "The important point of privilege has less to do with the percentage allowed than with the continuation of the device long after the property is fully depreciated." The late Senator Robert Taft of Ohio said that when a man has gotten back his entire costs, "it does not stop," and another leading Republican critic of depletion, Senator John Williams of Delaware, makes this point even more clearly: "There is no limit."

The Mellons' Gulf Oil and other oil companies began collecting the extra profit the 1918 amendment gave them. Mellon, a spare, handsome, and aristocratic man, stayed on in the Treasury job throughout the twenties. He appears never to have spoken publicly about depletion, but he became entailed in a public "battle of the millionaires" with Senator James Couzens of Detroit, who succeeded La Follette as depletion's nemesis in the Senate. Couzens, who had been in effect Henry Ford's original partner in the Ford Motor Company, charged that Gulf Oil and other corporations had been unduly begifted by tax rebates involving, in part, depletion. In the one year 1919, according to an inquiry Couzens conducted, Gulf's depletion allowance had been 449 percent of its net income.

As administered, discovery-value depletion had not been limited to newly discovered wells. The 1918 law was only three years old when a Treasury tax official who had been working in the minerals section attacked discovery depletion as "an enormous privilege," "really a gift in the form of tax-free income." He explained how, under an artificial definition of what a "proven field" was, thousands of wells were qualifying, making this "unquestionably one of the greatest loopholes of escape from taxation to be found in the entire statute." With the deduction often exceeding the entire income from a well, Congress in 1921 limited it to 100 percent of profit, but again in 1924 a Missouri congressman warned of "a great leak" in the tax law because of the way a proven field had been defined, letting every well drilled in six square miles get "discovery" depletion. The deduction was limited to 50 percent of profit that year, but just about every well was still getting it. Of 13,671 claimants studied by the Couzens investigation, only 35 had been the discoverers of new oil pools; only 3.5 percent of the depletion was going to wildcatters. In Mellon's Treasury, depletion had become a well of flowing gold for th oil companies.

In equity, this was as great a scandal as Teapot Dome was in fraud, and could have been the basis for reform, but there was another difficulty—there had been administrative problems. How could anyone estimate the value of the oil under a well in the 1920s? You had to know how much oil there was down there and its fetching price in the future; one guess multiplied by another one, as a senator said.

One day late in 1925 Mellon's spokesman had just told the House tax committee that depletion should be limited to "the man who makes the discovery" when the chairman of the committee said he wanted to wipe it out entirely because it was a wartime measure and was no longer justified. Representative Cordell Hull, who wrote the original income tax law, agreed. The committee, however, limited itself to reporting that obviously discovery depletion, "the purpose of which was to encourage the wildcatter or pioneer, should be limited to those who make an actual discovery."

Disregarding this report, Senator David Reed of Pennsylvania, whose father had been one of the original members of the Mellon syndicate in Gulf, suggested simplifying things with "an arbitrary percentage for all taxpayers." Reed related to his fellow Finance Committee members that he had been told by the president of the Mid-Continent Oil and Gas Association at lunchtime that the industry had spent more money for drilling in 1925 than the value of their oil production. "So," concluded the senator, "the industry can truthfully say that it has not made a cent on all its business of last year." The Mid-Continent man, Reed added, had suggested a deduction of 25 percent of their gross income. This appears to be the earliest printed proposal of a rate for percentage depletion.

Senator Reed Smoot of Utah, one of Russell Long's predecessors as chairman of the Finance Committee, assured Senator Samuel Shortridge of California that in taxing income from mineral production, the cost of production didn't matter, it just didn't matter:

The CHAIRMAN. There is no depletion on this program. The question of depletion is entirely wiped out.

Senator SHORTRIDGE. Well, what would be the basis then?

The CHAIRMAN. That is for us to determine. . . .

Senator SHORTRIDGE. No matter what it cost to produce it? . . . the cost of producing an ounce of gold may vary extremely in different sections.

The CHAIRMAN. Well, it would not matter whether it was of the same value or not. You can produce gold perhaps cheaper in California than we can in Utah, but we can produce silver cheaper than you can.

Senator SHORTRIDGE. Yes. . . .

Senator REED of Pennsylvania. In other words, you take account of depletion by giving them a lower income tax rate?

The CHAIRMAN. That is exactly it. . . .

Senator REED. We deduct depletion based on gross income.

The CHAIRMAN. Oh, we want depletion done away with entirely . . . we would get away with the question of depletion entirely.

Not from. He said with.

Reed carried the 25 percent proposal in the Senate debate, contending that the oilman's "capital is constantly disappearing" as it is "depleted by the flow of oil and gas." Couzens, himself forty times over a millionaire, tried to limit depletion to actual investment. Discovery depletion, he said, had awarded $4 million to Gulf Oil alone in two years, and Gulf was hardly a wildcatter. With the war over, the supply of oil ample, and the wildcatters all but forgotten as the pretext for the allowance, Couzens remarked, he did not see why "the Standard Oil Company, the Gulf Oil Company, and other big oil companies" could not pay their income taxes like every other company.

It was a bitter debate. Couzens and an oilman-senator from Oklahoma named William Pine differed over whether one of them was a liar or the other an ignoramus.

"We owe it to the people of the country to simplify this law," Senator Reed stated. "The whole thing is in the line of simplification, getting rid of this everlasting accounting." By one vote the Senate defeated an amendment to approve a rate, not of 25 percent, but of 35. A member of the Finance Committee, William King of Utah, called what the Senate was dong "gross favoritism . . . under the guise of simplifying the law." In what reads now, after the passage of years, as resignation, Senator King, a Mormon and former jurist said, "I cannot understand this great solicitude for the Standard Oil Company, the Shell Oil Company, the Sinclair Company, and the other great organizations, whose annual profits are many hundreds of millions of dollars. . . . I am afraid we are blinded because of the power and the bigness of great corporations and sometimes deal unjustly with the people." The Senate approved 30 percent by a vote of 48 to 13, and the conferees accepted (as a compromise on behalf of some sentiment in the House for 25 percent) the figure of 27.5 percent.

Although rattled by Couzens' attacks on him, Mellon had maintained his crusade to lower taxes on wealth and business, and the 1926 revenue bill was widely regarded as his triumph. When President Coolidge signed it into law, Mellon was standing beside him. During Mellon's tenure as Secretary of the Treasury, his family's Gulf Oil more than doubled its assets.

Bromides about the history of depletion often emphasize that 27.5 percent was adopted in 1926, but the killing off that year of the restriction of the privilege to wildcatters' newly discovered wells was a change at least as important as the percentage system. The original idea of a specific incentive to expand U.S. oil supplies was blurred, and a new privilege began to generate its adaptable new reasons for existing.

As soon as the Democrats swept in, President Roosevelt began trying to abolish percentage depletion. His Treasury Secretary, Henry Morgenthau, Jr., told House taxers in 1933 that it was "a pure subsidy to a special class of taxpayers" and should be eliminated. Among the few senators who agreed was Russell Long's father, Huey, who said its elimination would prevent "those who have already had 100 percent coming back and getting another 100 percent." In 1937, two weeks after Lyndon Johnson was sworn in as a freshman congressman, Roosevelt sent Congress a message condemning depletion and other loopholes as attempts "to dodge the payment of taxes" and "mulct" the Treasury, and Morgenthau called depletion "perhaps the most glaring loophole." In spite of the Depression, the New Deal, and Roosevelt, Congress did nothing.

Came the war, "the crisis of democracy." Six weeks after Pearl Harbor, Morgenthau again spoke against depletion and was promptly told by the chief lawyer of the Independent Petroleum Association of America that "this issue, if pressed, will force practically every oil producer in the country to abandon his work and come to Washington." Morgenthau implored the Congress: "This loophole," he said, "is a special privilege," and the money was needed for the war. Senator Taft observed that 27.5 percent was "to a large extent a gift . . . a special privilege beyond what anyone else can get." For the industry, former Senator Thomas Gore said depletion had worked, providing an adequate domestic supply of oil, "and we are now asked to abandon that policy in time of war." The Congress answered the Administration's appeal by extending depletion to ten new minerals, including ball and sagger clay. When Roosevelt vetoed the 1944 tax bill, citing as reasons the extension of depletion to potash and mica and a comparable special treatment for timber, Congress overrode him.

"I know of no loophole . . . so inequitable," President Truman told the Congress in 1950. It bore, he said, "only a haphazard relationship" to encouraging oil exploration. In 1942 Morgenthau had tried to stop oil's second most important tax privilege, the immediate writing off of intangible drilling and development costs on successful wells; Truman's Treasury chief told Congress that depletion plus the write-off provided a mechanism for pyramiding oil assets without paying any or much income tax.

Finally, a reform movement with staying power took hold on the Hill. "It began in 1951 when they brought in a new tax bill," Paul Douglas recalls in his office in Washington. "Hubert Humphrey organized a seminar. A man would come in from the Treasury in secret, at night. It was like Christians meeting in the Catacombs."

The Truman Administration was on record, but, Douglas says, "They didn't mean it. They gave us no help. Truman didn't really mean it on civil rights, didn't really mean it on tax reform." The band of liberals pressed the fight, but felt increasingly isolated, abandoned, and assailed.

Sam Rayburn, a rural Texan, was Speaker of the House. Dwight Eisenhower, a Republican born a Texan, became President. Lyndon Johnson, an ambitious Texan, took over the Senate. And then Robert Anderson, a canny Texan who was intimate with each of the other three, became Eisenhower's Secretary of the Treasury. In such a context, the demands of La Follette, Couzens, Roosevelt, Morgenthau, and the others that depletion be abolished were given up as hopeless, and the reformers retreated to a strategy cajoling for reductions. How about 15 percent? No? Well, then, what about 15 percent just for the very biggest oil companies? No, the question in the fifties was not, would oil lose depletion; the question was, what else would it get?

The history of depletion was summarized, somewhat personally, by Speaker Rayburn in an interview in 1960, the year before he died. "Depletion has been in effect for thirty-four years, and the Democrats have been in control twenty-eight of those," he said. "Do you suppose if we'd wanted to do anything about depletion that we wouldn't have done it by that time? But," said Rayburn, who regarded oilmen as ingrates at election time, "they just hate." They had tried "to destroy me. Destroy Lyndon Johnson. Destroy me." His biographer, C. Dwight Dorough, said Rayburn was close to tears and covered his face with his hands.

Even so, sentiment for reform had built steadily. In 1951 only nine senators voted for Humphrey's cut in depletion. Seven years later thirty-one voted for Proxmire's. Five years ago thirty-three voted for the Williams cut and thirty-five for Douglas'. Douglas and Humphrey are gone, but so are Johnson and Rayburn.

As chairman of the powerful Finance Committee, Russell Long is the most strategically placed congressional ally of the oil industry. He is probably the shrewdest and most active defender of depletion in the Senate. He knows the subject and pounces at once when someone slips in debate. He often cites statistics prepared at his request, as he says, by the staff of the committee; his chairmanship entails his managing the tax bill on the floor. Whatever the House was to do on depletion this year, no one gave the reformers much chance in Russell Long's committee. They would have to make their charge from outside the walls as in the days of yore.

"We gonna move heaven and earth to protect 27.5 percent," says Long's friendly, country-style administrative assistant, Bob Hunter, "I couldn't kid you if I wanted to—we're *violently* interested. We're not gonna be lulled by 26 percent, 25, 24 . . ."

Senator Long is also an oilman. He readily acknowledges that he inherited valuable oil and gas properties and that he has participated in drilling thirty or forty wells. He says his income from the inherited properties exceeds what he makes in the Senate. When asked how much he has also made in drilling wells, he answers vaguely.

Hunter says that the few shares of stock Long held in the Win or Lose Corporation were "worth quite a bit. He has these oil holdings all over the state because of that. He has no conflict of interest."

During the full debate on depletion in 1964, Long placed charts on the oil industry's profits in the rear of the Senate chamber. Senator Douglas observed that they were well-fashioned and bore evidence of being an expert job, but left out the income from overseas operations.

There was an unusually personal exchange between Long and then Senator Joseph Clark of Pennsylvania. Clark, a committed foe of depletion, remarked that for many years his own main source of income had been his royalties from Humble Oil holdings. Long observed that as a matter of fact, under the Douglas amendment to cut depletion on very large oil incomes, which Clark was at that moment supporting, Clark's income would have been protected from a depletion reduction.

"The oil depletion allowance is so unconscionable that I cannot sleep very well some nights when I realize that I am the beneficiary of it," Clark retorted to Long. Unfazed, Long asked Clark if he was making more than a million dollars a year from his royalties—no, $60,000 to $70,000 a year, Clark replied. Well, then, said Long, the Douglas amendment left Clark "well protected."

"In my judgment," Clark said, "there is no conceivable excuse for my getting tax-free income because my great-grandfather . . . had the good fortune or the good luck to squat on that land."

Senator Long's Populist father, Huey, went into the oil business under dubious circumstances in the last year of his life. Those were brazen days in Louisiana. The Kingfish had such total control of the statehouse that his wealthy foes called him a dictator, and with cause. After he was elected to the Senate, his hand-picked successor as governor, O. K. Allen, and the entire Long slate were elected by the believing people. The time was the fall of 1934, about six months after Huey had sided with Kenneth McKellar's amendment to abolish percentage depletion.

From its inception the Win or Lose Corporation looked like a political oil company. The president was State Senator James A. Noe, a good friend of Huey's. The vice president was Colonel Seymour Weiss, whom one Long biographer called Long's "prime minister and chancellor of the exchequer," perhaps because Long did too. The company's secretary was Huey's personal secretary, Earle Christenberry. And these three men were the only incorporators.

Russell Long says Senator Noe told Huey Long that he wanted to apply for a state oil lease in the part of the state he represented (the leases were not awarded by competitive bid in those days), and that his father told Noe that he was agreeable to going into the business if it wasn't going to cause him "a political problem." Lease No. 309, executed on behalf of the state by Governor O. K. Allen, gave Noe the right to drill a minimum of fifty wells on state lands in the bed of a river and five bayous. This is the start that gives Russell Long his inherited oil income, because as of 1940, as records on file in Baton Rouge show, Huey's widow owned thirty-one shares, a third of the company, and was the president. When it was liquidated in 1951, she owned eleven shares, and Russell Long six. O. K. Allen, Jr., had four.

After Huey Long was assassinated in 1935, the company obtained a number of other state leases, Russell Long says; but he emphasizes that he of course had nothing to do with this. "What I inherited," he says, "was the equivalent of 6 percent of the stock in the company."

In addition, Russell Long has participated, with his mother, brother, and sister, in the drilling of about thirty or forty wells in Louisiana's Sligo field and in De Soto Parish south of there, the senator says. It began when his mother was offered the opportunity to participate as a partner in drilling a well between a dry hole and a gas well. With "the children's insurance money," she went in on it, and a very good gas well came in. "As a partner she participated in other wells, and because she had good fortune, she offered her children the opportunity to participate in it."

Long was elected to the Senate twenty-one years ago. How much has he made from this drilling? "I guess we're probably ahead, but not by a great deal," he says. "In drilling and producing we've probably made . . . we're doing . . . at least it's made me conversant with what we're talking about."

In 1957 Long defended 27.5 percent in the name of Grandma Jones, the holder of a little bit of stock in an oil company who would lose $5 a year under a proposed reduction of depletion. Holding forth in the best Louisiana tradition, he declared, "I would like to protect Grandma Jones's little $20 dividend." It appears that he is also protecting his own oil income of some sum in excess of $42,500 a year. The oil depletion allowance enriches him personally.

Senator William Proxmire of Wisconsin, vice-chairman of the Joint Economic Committee, asked what he thinks about oilman-senators taking part in debates and votes on oil matters, said at once, "Certainly those with oil interests ought to disqualify themselves on the issue." There is no way to know how many senators this would silence on depletion, since their statements on their holdings are shut from public view in sealed envelopes in the U.S. Comptroller General's office, but if Proxmire's opinion were the rule, the chairman of the Senate Finance Committee would have to step aside.

Long sees no conflict or impropriety in the situation. "I come from an oil-producing state, and if I was not cooperating with oil against those people who are out after it, I really don't think I'd be representing my state" he says. In Louisiana, he says, just about everybody who has much is in oil. It also brings the state 74,000 jobs. "I've never heard anybody complaining about someone from a state that produces cotton being interested in cotton"—and the same goes for electronics, or tobacco, he says.

Once he and Senator Eugene Millikin of Colorado were discussing this very subject, Long says, and Millikin told him that anytime he, Millikin, had a financial interest in something "parallel to the best interests" of his own state, he never worried about it. By that doctrine, Long says Millikin told him, the Colorado senator had an interest in shale oil.

Besides, when Long was in state government as an aide to the governor, he says, he helped treble the state servance tax on oil and gas. "I don't know of any way you coulda raised my taxes more than that."

He contends, "We just haven't come down to the thing yet that a legislator has to have no interests or dispose of his outside interests. Theoretically a legislator is not expected to be unprejudiced and unbiased . . . If someone has a conflict of interest, that's something that should be considered when he's up for relection."

His argument is not unprecedented. Senator Robert Kerr of Oklahoma, as the second-ranking Democrat on the Finance Committee in the fifties and early sixties, candidly and effectively protected depletion while profiting from it himself. Senator Douglas remembers how Kerr would hunch his chair around to share the head of the committee table with the chairman, Harry Byrd, who was getting old. Kerr parried charges of conflict of interest with the argument that the people of Oklahoma knew he was in the oil business and elected him because they approved of what he was doing.

Kerr and his family owned about a fourth of Kerr-McGee Oil Industries, Incoprorated. Records at the Securities and Exchange Commission show that in the seven years before Kerr died, this company paid less than 13 percent income tax on total aggregate profits of $77 million. This was about usual for oil companies at that time. In 1958, for instance, companies producing oil, gas, and the products of these and coal paid 13 or 14 percent federal and state corporate income tax. The effective rate for all industries was 50 percent. With oil and gas paying a third of that paid by other industries, Senator Kerr had something to defend, just as Senator Long does.

In the protection of the industry's privileges, oil money in elections is even more important than oilmen in high office. One of Congressman Lyndon Johnson's services to the New Deal was raising money, including Texas oil money, for Democrats running for the U.S. House in 1940. The notoriety of contributions from such Southwestern oil millionaires as H. L. Hunt and the late Roy Cullen cannot rival the ubiquity of contributions, season after season, from the nation's leading oil families. Only the historically famous slipup involving $2500 shadily offered to a righteous senator prevented a bill to free natural gas from federal price control from becoming law in 1956. Officials of twenty-nine of the largest companies gave (in sums of $500 or more) a recorded $344,997 to Republicans and $14,650 to the Democrats in the 1956 general election campaign. That same year, three family groups whose wealth is associated with oil—the Mellons, Pews, and Rockefellers—contributed $469,554, all of it to Republicans. In the year of the Kennedy-Nixon campaign, officers and directors of the American Petroleum Institute gave Republicans a recorded $113,700 and Democrats $6000; in 1964, a significantly different situation, $48,310 to Republicans and $24,000 to Democrats. And these figures are just the spray from the gusher.

When a man gets roughly half his income tax-free, his idea of common prudence often impels him to invest some of it in the election of his political friends, and usually he can decide who they are by how they vote; but new candidates can be a special problem. In the midst of the intensifying assaults on depletion in the Senate in 1957–1958, oilmen had more than the usual interest in how the new candidates of 1958, especially the unreliable Democrats, might vote if elected.

One consultant and functionary of the Democratic senatorial campaign committee was dispatched to the West with certain instructions. According to former Senator Douglas, who says the consultant told him the story while the two of them were driving one night from Pullman, Washington, to Lewiston, Iowa, Frank Moss, a county attorney, was running for the U.S. Senate in Utah. The Democratic messenger reached Moss by telephone and said to him, "Judge, would you like $10,000?"

"Would I like $10,000?" Moss exclaimed. Why, it could make the difference between victory and defeat. He could finance two TV programs and probably three on radio, which would mean a great deal in a state like Utah. "Have you got the $10,000?" he asked.

"Well, I'm sorry to say there's a catch to this. You can have the $10,000, provided you will agree to maintain the 27.5 percent allowance on oil."

There was a silence on the other end of the line, and then Moss said, "Well, I don't know. We've struck oil in this state. It may be all right. But I don't *know* about it. I don't know about it, and I don't want to commit myself on something I don't know about. If the only way to get the $10,000 is to be for something I'm not sure about, I'll just have to say I won't accept it."

The man from Washington said, cursing to himself, "Oh, my God, we've got an honest man, and we're sending him down to defeat."

He then telephoned a wealthy liberal Democrat in New York and told the story. The Democrat asked the candidate's name again, and where he was running, and wrote a check for $10,000, with no strings attached. Douglas told this story in Utah and thinks it made the difference: Moss won.

Moss gave his own interestingly different recollection of the incident. "It's basically correct," he said. "I do remember this man calling me and saying he could get me some money and that all I would have to do would be for him to be able to assure the donor that I would support the oil depletion allowance when it came before the Senate. . . . He just said, 'I can get you this money if I can assure them . . .' "

Moss says the man did not name the donor, nor does Moss recall a sum being specified. "I have heard him say since that he had tears in his eyes even though he had had to be the conduit for the offer," the senator adds. Moss has always felt friendly toward the man for going on and helping him in the campaign.

The emissary, who works in Washington now for a union-related group, says the conditional offer he bore west that year was not just for Moss, but for a number of senatorial candidates.

"I was informed that if I could get some of these fellas out west to express their fealty to the golden principle of 27.5 percent, there might be a pretty good piece of campaign change involved," he says. Operating out of Los Angeles, "I passed the word to a number of the candidates." He named, offhand, five of the candidates in whose races he took or sought to take a hand.

Although Senator George Smathers of Florida was chairman of the Democratic senatorial campaign committee in 1958, Lyndon Johnson ran it, along with Bobby Baker. That year the committee reported expenditures of $319,000.

Who was the donor, or who were the donors, behind the political munificence in 1958? "Oh, that wouldn't be fair," the messenger said. And what did the other candidates say? He laughed. "You figure that one out," he said.

Of the other four candidates he named, one was not elected; another was elected but has since died. A third, Senator Gale McGee (Democrat, Wyoming), who now upholds depletion, says that he recalls no discussion with the man on it nor any contributions from its beneficiaries, who, McGee says, backed his opponent that year. The fourth, Senator Howard Cannon (Democrat, Nevada), says he "did meet" with the man in 1958, but they definitely did not discuss the depletion allowance. The messenger later said that Moss was the only senator he talked to personally about it.

Senator John Kennedy voted to reduce depletion, but when he ran for President with Johnson on the ticket, he needed campaign money; he equivocated on depletion. As President he proposed certain reforms to increase the industry's share of the tax burden, but when Senator Williams asked Kennedy's Treasury Secretary, Douglas Dillon, if 27.5 percent itself should be changed, Dillon replied, "We have studied that matter at some length. We probably have not studied it enough. I do not know how to study it enough."

Oilmen figured correctly they had little to fear from Johnson on depletion (everybody

understood that, and the debate just died away). Robert Kennedy was out of the question for the oilmen—they sensed in him an enemy—but Eugene McCarthy's record was complicated. His first five years in the Senate he voted in committee and on the floor to reduce depletion, but early in 1964 he voted against the same reduction he had supported before. He characterizes his record as always voting for a reduction "when the procedure was orderly or had some chance of success." There are some reports that he raised $40,000 for his campaign one day at the Houston Petroleum Club. He recalls that the guests were listed as a business group, not oilmen particularly, and says that while contributions may have developed from the meeting, he does not know in what amount or from whom. J. R. Parten, a liberal Houston oilman who supported McCarthy, was present, and it was on this same occasion that Senator Ralph Yarborough of Texas (who votes for depletion on domestic production while criticizing allowing both depletion and huge foreign tax credits on foreign production) became one of the few senators to endorse McCarthy.

Vice President Humphrey was yet another question. Murray Seeger has reported in the Los Angeles *Times* that when Humphrey's man refused to assure a group of oil millionaires in the Houston Petroleum Club that Humphrey would support 27.5 percent, they shut their wallets against him. Richard Nixon was still for depletion, like a substantial majority of Republicans in Congress, and his campaign was funded accordingly. Preliminary reports indicate that the Mellons gave the Nixon campaign $215,000 and the Pews, of Sun Oil, contributed $84,000.

The oil industry has three distinct kinds of privileges, or, if you prefer, incentives: proration, import controls, and tax advantages. One of the choice moments during the Hart antitrust committee's hearings on oil imports last spring occurred in the context of the melancholy amusement of Dr. Blair, the group's chief economist, that such energetic proponents of free enterprise rely on state intervention to such an extent. Harold McClure, Jr., president of the Independent Petroleum Association of America, was on the stand.

BLAIR. Your industry enjoys various exemptions from the antitrust laws. . . . You do not have a free market.

MCCLURE. In the *United States* we don't have a *free market?*

An oil industry program to get a production-limitation movement going in the 1920s was aborted when the U.S. Attorney General ruled in 1929 that the plan, advanced in the name of conservation, would be an attempt to win immunity from the antitrust laws. The companies then turned to the states. In 1930 the great East Texas field came in, leading to overproduction, waste of oil, and very low oil prices. As W. J. (Jack) Crawford, the tax administrator of Humble Oil, says, "We had to let a president of Humble quit to become governor to establish proration," that is, production control. Governor Ross Sterling, the former Humble president, ordered state troops into the oilfield to stop all that wasteful free enterprise. According to an oil history subsidized by Jersey Standard, the commander of the troops "had been called away from his duties as chief counsel for the Texas Company."

The system, which is most significant now in Texas and Louisiana, tells producers exactly how much oil, and no more, they may legally produce each month. The total production is in effect what the buyers want to buy. On rare occasions when the state oil agencies have authorized more production than the companies have wanted, the companies have refused to buy the excess. This is called "pipeline proration."

Control of production entails control of prices to whatever extent the scarcity of the product affects the prices for it. Thus the states and the federal government (which bans "hot oil" in interstate commerce) are acting in effect as the production limitation division of an oil cartel. If the companies did the work themselves they would be violating the antitrust laws. Proration is perhaps the last significant persistence of the early New Deal experiments in the collusion of government and big business to control production and prices.

Officials of the oil states generally insist they do not intend to maintain prices and that their only purpose is conservation. There is general acceptance of the need to protect each owner's rights in an oil pool and to get the most oil out of it that is technologically feasible. Neither objective, however, entails limiting production to set prices, which is the import and effect of the states' "market demand proration."

As a high Jersey Standard official said in 1939, "Price has influenced the proration authorities. . . . The record is so clear that it would be stupid to say it hadn't. . . . It is quite natural."

When he was chairman of the Texas Railroad Commission, the oil-regulating agency in Texas, William Murray conceded that if the commission dropped oil production way down, the price would go up, and, "If we let the stocks [the above-ground supplies of oil] run up, we would create waste, and you would also break the price." The companies realized proration was to their interest, he said, and "became the biggest policing agents of all. They even had their own detectives."

The U.S. proration system, the Senate Small Business Committee concluded in 1949, forms "a perfect pattern of monopolistic control over oil production and the distribution thereof . . . and ultimately the price paid by the public." A lifelong student of the oil industry, Cornell economist and dean Alfred Kahn, told the Hart committee that as the postwar corporate tax rates increased, skyrocketing the value of the depletion allowance, the industry developed surplus oil that would have lowered prices—except for the sharp production cutbacks which were ordered by the Texas Commission. Instead of falling, U.S. prices rose. Proration, Kahn said, lets the majors "fix their own prices and make them stick."

Even this system, however, could not by itself have protected U.S. oil prices from cheap Arabian imports in the fifties. The Middle East has about 60 percent of the world's oil. It flows up the pipes so powerfully out there, the average well produces 5000 or 10,000 barrels a day compared with the average American wells fourteen barrels a day; it costs only ten or twenty cents a barrel to produce; and it can be delivered to our East Coast for $2, about $1.25 cheaper than U.S. oil. Freely imported, it could sharply reduce the price of U.S. crude oil and everything that comes from it—gasoline, heating fuel, raw materials for the petrochemical industry, and therefore also plastics, tires, sweaters, medicines, antifreeze, detergents, and other things. The fact that this has not happened is not an accident in an open marketplace.

In 1952 the Federal Trade Commission staff reported that seven international oil companies, including the five American giants, constituted an international oil cartel that owned two thirds of the world's oil. These seven—Jersey, Gulf, Texaco, Standard of California, the firm now called Mobil, and the two foreign-based internationals—limited production, divided up markets, shared territories, and followed a system of pricing that eliminated price differences among themselves to any buyer, at any given destination point. So said the staff of the FTC. The pricing system, "Gulf plus," set all prices at the proration-maintained Texas coast price plus freight. Thus the Texas-based system became the foundation of a world oil cartel.

The great Middle Eastern fields were well known before World War II, but the majors did not produce much from them. During the war, the American firms in Saudi Arabia sold Arabian crude to the U.S. Navy for $1.05 a barrel, although its cost, including royalty, was 41 cents; and thus the postwar pricing pattern was initiated. As the FTC report said, the diffeernce between low-cost Arabian crude and the higher-cost Gulf Coast oil was "intercepted by the major oil companies." The world market was not as pliable as the U.S. market, and the world price fell relative to rising U.S. prices. The majors' imports of the cheap Arabian oil into the high-price U.S. market began at the end of the 1940's.

The question was, how much would be too much? At what point might even the U.S. price break? The majors' interest called for the highest combined profit from their U.S. and foreign sales, kept in a ratio that would not endanger the U.S. price. Meanwhile the domestic producers became concerned that they were losing out in the market to the majors' increasing interest in the $1.25 profit difference on the imports.

Apart from straight protectionism, the only argument for import controls has been the contention that lower U.S. prices would cause high-cost U.S. producers to quit and exploration in the United States to decline. Oil and gas now provide three fourths of the nation's energy supply, and visions are conjured of enemies torpedoing our tankers and America "running out of oil" during a national emergency. The traditional protectionist solution would have been a sharp increase in the ten-cents-a-barrel tariff. The Kefauver antitrust committee suggested this, noting that the revenue would become the government's; Yarborough of Texas proposed 84 cents a barrel but could not get his bill out of committee.

Instead, there somewhat mysteriously appeared, in the 1958 Trade Agreements Act, an authorization for the President to establish mandatory controls over oil imports if he found that they threatened to impair the national security. (They did not have to impair it—the threat was enough.) Majority Leader Johnson had declared the year before that the imports were "an immediate threat to national security." In 1959, with Robert Anderson presiding over the Treasury, Eisenhower promulgated a mandatory quota program which gave the profit differential not to the government, but to owners of U.S. oil refineries. Importers and the domestic majors were mollified by this one stroke, at once so costly to the government and consumers. The "import tickets" given to the refineries were worth about $1.25 a barrel and have actually become negotiable; they are bought and sold among companies. The oil-worker union's publicity director, Ray Davidson, says they are "just currency issued by the Department of Interior." Oddball arrangements like the "Brownsville turnaround" for Mexican oil and quota allocations in U.S. territories justified by related social purposes have contributed to a certain uneasiness among the informed, some of whom have said aloud that it's a wonder there hasn't been a scandal.

In 1962 the approved import percentage became 12.2 percent of the demand east of the Rockies. Today about one fifth of the nation's oil consumption is provided by imports. Jersey estimates that in another fifteen years the imports will be meeting about three fourths more of the U.S. demand than they are now.

U.S. independents, who naturally want imports reduced, have been looked upon as the guarantors of competition in the industry, but a certain fatalism about their plight seems to have set in—even in the dens of the Hart committee, where competition is the code word. Economist Henry Steele of the University of Houston told the Hart panel that $2-a-barrel oil in the United States would entail the loss of only 5 percent of U.S. production. Others estimate that

such a change might save U.S. consumers between $2 billion and $7 billion a year by forcing down prices. Republican Senator Roman Hruska of Nebraska warned that the more-imports line of the liberals like Senator Philip Hart of Michigan would be "driving all the business into the hands of the majors," but the antitrusters were not fazed. The newer question among them is whether imports can be increased rapidly enough so that U.S. prices can be reduced. The wishes of the importers are fugitive in words, but have been approximated (by a New York oil investment banker testifying for the industry this spring) as "modest relaxation of the import quotas year by year." Nothing too sudden, such as Machiasport.

Senators Kennedy and Edmund Muskie of Maine, two leading figures in Democratic presidential politics, have joined their fellow New Englanders in support of an ingenious proposal that would in effect exempt New England from the import controls. The federal government would authorize Occidental Petroleum to import its low-cost crude oil from Libyan fields into a "free trade zone" at Machiasport, Maine, refine it in Maine, and sell the products, especially heating oil, at lower prices in New England. Virtually the whole American oil industry opposes this, for it would breach the high-price dike.

Washington, one can see, has awakened to the question the majors started worrying about at least twenty years ago: how much is too much, or, to phrase the issue from the consumers' point of view, why aren't gasoline prices falling?

An important segment of American industry is also becoming restive. Perhaps there is, as a Houston banker has remarked, a kind of gentleman's custom in business circles that unless your own interests are directly affected, you do not criticize another segment of business, but the petrochemicals people believe they are being hurt directly by the import controls. They say the liquid raw materials (called "petroleum feedstock") on which they soon must rely will cost them 60 percent more than foreign petroleum companies pay, and the U.S. oil industry has been trying to raise the U.S. prices even further. Threatening to build their new plants abroad so they can get the cheaper feedstock, the nine biggest petrochemicals firms have banded together to seek their own exemption from the import program—their own Machiasport, as it were.

John Blair engaged in a revelatory colloquy during the Hart hearings with M. A. Wright, president of Humble and therefore a top official of Jersey Standard, of which Humble is the wholly owned domestic subsidiary. Blair presented facts showing that in the last few years, Jersey has lowered its price for Arabian oil in Japan while the price of gasoline in the United States has gone up four or five cents a gallon. Then:

BLAIR. Are we to conclude therefrom that at the same time that you were raising the price to the American consumer, your company was reducing the price to foreign buyers?

WRIGHT. You are working in two separate worlds when you speak about what you do in the U.S. compared to what you do abroad, and what you say is exactly right.

Blair said it would seem to weaken, not strengthen, national security to have Americans paying higher prices for their basic materials while foreign competitors get lower prices. Wright said the purpose of the system is our assuring ourselves of an adequate supply of oil within the United States.

"And when we have controls," Wright added, "we naturally are supporting a price situation. That is true."

Everything seems to be cohering now in this controversy. Look here, remarked Dean Kahn earlier in the year, the first five companies that raised U.S. oil prices all produce more than 70 percent of their own crude oil, which they also buy from themselves: they are increasing their own profits in their end products. Ah-*ha!* charged in Proxmire staffer Marty Lobel. Paying themselves more for their own oil, they increase their apparent profit at the producing end so they can claim more depletion!

Instead of deducting all their costs, oilmen can ring up, free of tax, 27.5 percent of their gross income on oil and gas production, up to a limit of 50 percent of their net income from it. In practice this means that in the oil- and gas-producing business, between 40 and 50 percent of net profit is tax-free, year after year as long as the production continues. When depletion passed in 1926 the corporation tax rate was 12.5 percent. The impact of the formula was magnified by the World War II rates. Taking the present corporate rate and surtax into account, the effect of the original formula has been quadrupled.

In 1960 the oil industry received 44 percent of its pre-tax income tax-free. The Treasury's 1958–1960 depletion survey indicated an even higher rate of about 55 percent tax-free, with the realized rate as a percentage of the gross running just a point or two below the 27.5 percent maximum. For these three years, Treasury said, all mineral producers, considered together, claimed as depletion more than 50 percent of their net income from extraction.

The income thus placed beyond the reach steadily. Early in World War II the estimate of the tax collector has been increasing was $80 million—then $200 million. By 1950 it was half a billion; by 1960 $2 billion; by 1962, the Treasury estimates, the total depletion allowances for all minerals were close to $4.5 billion, $2.3 billion of that for oil and gas companies.

Looking at it from the investor's interest, *Fortune* (April, 1963) estimated that the thirty largest U.S. oil companies took $1.9 billion in depletion deductions in one year early in this decade. The top ten companies had $1.5 billion. The estimated one-year tax-free allowance for Texaco was $216 million, for Gulf $228 million, and for Jersey $399 million.

It seems conservative to estimate that depletion will have placed $20 billion of pre-tax oil income beyond the reach of U.S. income taxation during the 1960s. This means that other taxpayers have forked over an extra $10 billion or so in one decade. The Johnson Administration Treasury Department tax-reform studies of 1968 say the tax loss from depletion is now $1.3 billion a year. If the government doesn't get the money it needs out of one hide, it has to take it out of another.

Corporations get about nine tenths of all depletion, and naturally the bigger corporations get most of that. One percent of the crude oil and gas and petroleum refining companies got 87 percent of oil's corporate depletion in 1960—they were the three dozen companies which each had total assets of $100 million or more. The bulk of the companies, 95 percent of them, got just 4 percent of the depletion. They were the twenty-nine hundred companies that each had total assets of less than $10 million.

This is the pattern that gives a sharp edge to former Senator Douglas' long-standing proposal, now being carried forward by others, to leave the allowance at 27.5 percent for taxpayers making less than $1 million and drop it to 21 percent for those between $1 million and $5 million, but cut it to 15 percent for those making $5 million or more. Very carefully, (for their big brothers really are watching) some of the independents are now explaining in Washington that since the smaller operators are often the high-cost producers, they have a lower net in ratio to gross, and therefore the 50 percent of net limitation should be graduated to carry out the purpose of the Douglas proposal.

Little by little, through analogy but mostly by political tit-for-tat, oil's percentage depletion has spread into all the natural resources industries. Fearing, perhaps, that water fountains or air conditioners might be next, the Congress has actually specifically excluded "soil, sod, dirt, turf, water, mosses, minerals from seawater, the air, or similar inexhaustible resources." That tiny concession to 1913 market value, granted because of a court decision, thus gives us a classic example of the self-enlarging capacity of a loophole. Tax-free income is now allowed, at rates ranging from 5 to 23 percent of the gross but always limited to half the net, in every mining business "from aluminum to zinc"—coal, sulfur, iron ore, uranium, clay, stone, oyster shells, clam shells, even sand. Almost 1500 companies took depletion on sand, gravel, and stone in 1960. Timber gets 50 percent of its operating income exempt from tax. Humble's Jack Crawford thinks one might well ask why coal gets a 10 percent allowance when we have enough coal to last us 1000 years. "Or oysters." Gulf Oil's uppermost officials take the more usual industry approach—they warn, or exult, that "any change in the depletion law will affect every extractive industry from gold to gravel." One is almost grateful that we don't have diamond mines.

In ordinary industries, capital costs have to be deducted over a period of years. In oil and gas, the costs of dry holes are deductible at once as losses, "even though in the large," the tax-reform study says, "the expense of nine dry holes is part of the cost of one producer . . . a 90% writeoff in one year is an enormous advantage under a tax rate of 48%." There is more. If a well comes in, from 75 to 90 percent of the capital costs of drilling and developing it can be and usually are also deducted as they are incurred. These costs are called "intangibles" and include labor, fuel, overhead, land clearing, and in general all costs other than equipment with salvage value. Economist Kahn calls this write-off "clearly a special privilege in every sense." Expenses similar to intangibles in industries other than natural resources must be capitalized and written off over a number of years. The tax-reform study says the tax loss from the intangibles write-off is $300 million a year.

As Treasury Secretary John Snyder explained in 1950, if 90 percent of the costs of a producing well are recovered tax-free at the outset, only 10 percent of the investment remains to be recovered through depletion; hence depletion based on the entire income in effect overlaps the deductions for intangibles. This leads critics to charge that "a double deduction" is being allowed—"a double benefit," Stanley Surrey, Johnson's Treasury tax expert, calls it. Industry people say that two different concepts are involved. Since intangibles are not depletable, the two deductions are mutually exclusive, a California Standard spokesman insisted in 1959.

Oilmen can also, because of intangibles and dry hole deductions, "drill up" their profits in a given year to the extent they find advantageous on their tax returns. As Senator Williams says, a man can make a million dollars and live off the nontaxable depletion allowance "by piling all his other income into intangible investments."

The effective income tax rate for all manufacturing is 43.3 percent; for petroleum, it is 21.1 percent. Only other mineral industries, lumber, and financial institutions receive comparable consideration, nor do even these figures showing oil paying half the going rate reach the extent of the matter. The tax-reform study says that the 21.1 percent is derived from returns that cover both extractive and nonextractive activities of the oil industry, whereas an integrated company

could earn equal amounts from each kind of activity, pay nothing in tax in production and 46 percent of the rest, and show an overall rate of 23 percent.

The industry counterattacks with figures showing that excluding excise taxes, it pays about the same percentage of its gross income in taxes (in the range of 5 percent) as other industry does. "The total impact on your business is the important thing, not the technique for collecting the tax," says Crawford. By the time Senator Long reaches the end of this line of thought, he is contending that "the oil industry pays more taxes than anyone else."

In recent years the minerals industry has been making tax use of contrivances called "carve-outs" and "ABC transactions." Both are based in "production payments," which are rights that are "sold" to profits from future production from a well or mine. Johnson's and Nixon's Treasury people agree that these devices are now costing the United States $200 million a year, and they are spreading. Nixon wants them stopped.

The carve-out works this way. The year the producer sells his "carved-out production payment," he reports the sale price as income subject to depletion. This lets him make an end run around the 50-percent-of-net limit on depletion by artificially increasing his "income" that year. But then his expenses in later years, to produce the oil he is making the payment with, are deducted from no or reduced income. He is "losing money" for tax purposes. By changing the timing of his income he pays less tax over the period.

A little oil company in the Southwest explained to its stockholders in 1968, concerning its sale of a $6 million production payment on one of its properties, "This transaction shifted taxable income from 1969 into 1968 and will produce a greater depletion deduction for the two-year period." Representative Sam Gibbons of Florida has explained how a company can operate two equally profitable properties with carve-outs timed to alternate each year so that they wipe out each other's taxes entirely and leave an additional loss to be deducted against income from other sources.

The ABC deal is a complicated and variable three-party transaction. A, the owner, sells his mineral interest to B for a reserved production payment, but then sells the production payment to C. A gets capital gains, B excludes the production payment from his income, and C gets income subject to depletion which is usually enough to eliminate his taxable income.

Atlantic Refining Company and then the merged Atlantic Richfield paid the United States no income tax at all from 1962 through 1967, although its net profits aggregated almost half a billion dollars. It was this situation that provoked the ranking Republican on Ways and Means, Byrnes of Wisconsin, to say, "Frankly, I no longer know what to write my constituents." Gibbons said it was rather inconsistent to report half a billion of income to the SEC and tell the tax collector you didn't make anything. No one contended it was illegal. The point is, it is legal. What is more, the New York *Times* has reported that the president of Atlantic Richfield, without a sign of emotion, will argue that the oil depletion allowance should be higher.

The company has recently offered a written explanation of its taxless years to the House Ways and Means Committee. It had acquired the oil-producing properties of two companies through an ABC transaction for $75 million, but one of the two firms' properties "did not generate taxable income until 1967." Atlantic also engaged in extensive exploratory efforts that "generated tax losses." In 1968 it made a small federal tax payment, and this will be increasing now. The company's big strike on the North Slope proved, the company said, that its program and the related tax incentives "have accomplished what they were intended to do." The company's 1968 annual report states $149 million in profits; there had been a stock split in the summer.

Senator Albert Gore, the Tennessee Democrat, and Representative Gibbons have called attention to an ABC transaction whereby Continental Oil Company bought Consolidation Coal, the world's largest coal company in terms of sales. Under the IRS rulings, the net effect was that the oil company paid no income taxes at all on its $460 million of profits from operating the coal company—profits with which it was buying the company—but *was* permitted to deduct its $128 million in coal-mining costs. The coal company paid no taxes on its income from the sale because it was liquidated under a certain section of the tax code. "I can foresee a situation, not far off," Gore warned, "when we will no longer have an independent coal industry. We may well have all major energy sources—petroleum, coal, uranium—under the control of a very few powerful corporations."

On foreign productions, U.S. companies can take the U.S. depletion allowance, reducing their potential U.S. tax liability. The Texas Independent Producers and Royalty Owners Association, which flirts with opposing foreign depletion publicly every few years, has pointed out that it gives majors a great advantage because net profits are so high abroad in relation to the gross. Johnny Mitchell, a past president of TIPRO, wrote the top officers of more than two dozen oil companies proposing that the foreign deduction be whittled down, but TIPRO pulled short of backing him up.

Of probably greater practical significance is the foreign tax credit, which is available to all U.S. firms abroad but is uniquely important in oil because of the high foreign levies on oil companies. Except for long-standing royalties of about 12 percent, U.S. oil companies apply their large payments to foreign governments, dollar for dollar, as offsets against the remainder of their U.S. taxes due on their foreign income. Usually this cancels out these U.S. taxes.

It is a fair question to ask how much U.S. income tax, on both foreign and domestic profits, is paid by the five international majors that dominate the U.S. industry, Jersey, Texaco, Gulf, Mobil, and California Standard. The answer is that during the five years 1963–67 these companies paid, on total net profits before income tax of about $21 billion, federal income tax of about $1 billion. Their five-year U.S. income tax rate was 4.9 percent. They paid foreign governments more than five times as much.

Jersey's five-year rate was 5.2 percent, Texaco's a percent, Gulf's 8.4 percent, Mobil's 5.2 percent, and California Standard's 2.5 percent. On the basis of figures in George Spencer's *U.S. Oil Week*, the twenty-three largest refiners in the United States, including the big five, paid in the same period $2 billion U.S. income tax on total earnings before income taxes of $30 billion. The aggregate rate for the twenty-three firms figures out to about 7.2 percent.

Compute these figures up, down, or sideways, they tell a similar story. Backing up the Texaco figures to the beginning of the sixties, the company's U.S. income tax rate for the first seven years of the Kennedy-Johnson era is 2.1 percent. On pre-tax income of almost $6 billion in the decade 1958–1967, Gulf paid U.S. income taxes of a third of a billion, a rate of 5.7 percent. California Standard's ten-year average is 2.3 percent, Mobil's 4.4 percent. In 1967, twenty-nine larger oil companies with net pre-tax income of $8 billion paid 8.6 percent U.S. income tax, compared with 20.9 percent which they paid to foreign governments and some states.

The foreign tax credit probably lies behind an interesting inversion in Jersey's tax patterns since World War II. Through 1953 the federal income tax the company paid as a portion of both U.S. and foreign income was about 16 percent, while its payments to foreign governments averaged another 19 percent of its pre-tax income. In 1954, however, as foreign-earned income came piling in and the foreign tax credit and foreign depletion worked their wonders, Jersey's U.S. tax payments dropped to 11 percent as its foreign payments turned upward. By 1958 the nation's largest oil company paid the U.S. Treasury one percent, while it paid foreign governments 40 percent, of its pre-tax income.

For Gulf the turnaround year was 1952. It had been paying about a fourth of its U.S. and foreign pre-tax net to the U.S. Treasury, but the fifteen years from 1953 to 1967, its U.S. income tax on total pre-tax income of about $7.6 billion was less than $400 million. For three straight years in the late 1950s it was less than one percent. While turning over just one twentieth of its pre-tax income to the Treasury since 1953, the company the Mellons built has been paying more than a fourth of it to foreign governments.

This has been the pattern for California Standard, too. For the first nine years of the two decades 1948-1967, its U.S. income tax was five times its payments to foreign governments. In the rest of the period it paid about one seventh the U.S. tax rate it had before, while its rate of foreign government payments increased about threefold.

"I want you to tell me the whole story," Wilbur Mills said to Humble's M. A. Wright this spring. "Why is it a company that operates here and abroad can . . . pay an effective tax rate of 1.6 percent on its total tax income?"

The figures showing Jersey's tax rate at 1.8 percent or some such are quite prejudicial, the reasonable and equable Jack Crawford of Humble says, because first, they imply that other companies are paying the full statutory rate, whereas the investment credit alone can reduce taxes a fourth; second, Jersey, operating in seventy countries and earning half its income from abroad, has many factors applying to its tax rate, including the foreign tax credit; third, including foreign income in the U.S. corporations' tax rate is "patently unfair," and fourth, the foreign income tax paid is sometimes not even mentioned.

With a show of emotion evidently unusual for him, Crawford, discussing the situation in his Houston office, exclaims, "All you have to do is convince the man in the street that oil companies are getting away with murder. 'I'm paying 30 percent, and Standard Oil of New Jersey is paying 1.8 percent. Those rich ———!' "

Jersey's domestic subsidiary, Humble, earned $607 million in 1967, 51 percent of Jersey's total income. As a proportion of its domestic income only, Jersey's federal tax was about 26 percent. The company told the House taxers that the equivalent figure for 1968 is about 30 percent and that its U.S. and foreign income taxes are about 45 percent of its U.S. and foreign income. The Mid-Continent Oil and Gas Assocation has come up with a similar retort, to wit: eliminating foreign income from the figures, the twenty-one largest refiners paid 19 percent of their income in U.S. taxes in 1966 and 1967; including foreign income and taxes, they paid 37 percent of total income in U.S. and foreign incomes taxes. But are the majors' payments to foreign governments taxes, or are they actually royalties paid to the oil-owning governments and therefore ordinary business deductions? The difference is a dollar-for-dollar credit versus a deduction worth 50 cents on the dollar.

"It *is* an income tax," says Crawford. Chairman Mills, noting the similarity in the size

of the U.S. and foreign levies, agrees. They are "quite clearly royalties," says Senator Edward Kennedy. "If those same payments were made to the landowners in this country, they would be royalties and would be deducted, not credited." If a bird looks like a duck and quacks like a duck, you call him a duck, Kennedy said during the Hart hearings. "Someone was very clever in naming this as a tax."

A U.S. government taxman has acknowledged that in 1948 he briefed Saudi Arabian officials on "the difference of the effect on the [oil] company between a royalty and an income tax." In 1950 the government of Saudi Arabia levied an income tax for the first time. Subsequently the various foreign oil-owning governments have added what are called taxes of 50, 60, and even 65 percent to their take from the profits of the U.S. firms. The result has been to transfer U.S. income taxes to foreign countries.

Dr. Blair has estimated the tax loss to the United States. Working from income statistics for 1961, he concluded that in five major oil countries abroad, U.S. firms had almost $700 million in foreign taxes available to offset estimated U.S. tax liabilities of more than $500 million, which also resulted in $169 million in excess credits, applicable either against U.S. taxes due on income earned in other foreign nations or to carry back or forward to reduce taxes in other years. Dealing with the payments as royalties instead of taxes would have netted the United States about $175 million.

"The first thing you think about is, is this really a tax or a royalty?" says Nixon's taxman at the Treasury, Edwin Cohen. The idea that royalties only go up 12.5 percent is a mirage, he says. "We've found royalties up to 97 percent."

Cohen is also interested in the writing off of intangibles abroad, which lets U.S. firms generate tax losses deductible against U.S. income. The proviso is that they must be reporting to the United States from abroad on a country-by-country basis, but except for Jersey (which has an unusual situation), almost all the companies do. Drilling up on the margin to generate losses, Cohen says, "They never pay anything. We never get any benefit."

He is considering whether the intangibles writeoff overseas should be prohibited, or the companies required, when they find oil abroad, to restore to the United States the drilling tax losses they claimed earlier. Compared with this issue, he says, foreign depletion is an idle question. "We are subsidizing their foreign exploration and getting nothing in return." He is also weighing eliminating the country-by-country reporting option and dropping a tax wall between U.S. and foreign income.

The main objections to depletion and other U.S. oil policies now under criticism are that they are unfair to taxpayers and consumers and enhance monopoly trends in the oil industry. The central line of defense is that the national security requires a strong domestic industry, which in turn requires protections and tax advantages. Representative Lloyd Meeds of Washington says, "The salient fact is that the individual must bear the burden of this loss." Representative Charles A. Vanik of New York estimates that since it was first allowed, depletion has cost about $140 billion, "paid at the expense of almost all of the other taxpayers of the country." These men are members of the House Ways and Means Committee.

Their theme runs through the debate of the last two decades. Back in 1950 President Truman told of an oil millionaire who raked in $14 million over a five-year period but paid only $80,000 income taxes for the period, about half of one percent, compared to the lowest rate of 20 percent for a single man who earned less than $2000 a year. Senator George Aiken, the Vermont Republican, said in the 1957 debate that others must "dig into their pockets" to make up the money lost by depletion. Now Proxmire says the ordinary taxpayer must wonder why he pays 14, or 16, or 20 percent of his hard-earned money to the federal government when a company like Atlantic Richfield pays nothing whatever.

Another approach to the same point considers what the lost money could have been spent for. Ten billion dollars in the 1960s would buy a lot of model cities, an expanded public-housing program, more scholarships for college students, more war on poverty. A Yale research economist told the House taxers this year that the loss from depletion is three times federal spending on law enforcement, three times the school-lunch and food-stamp programs, six times our spending for public housing, three times the expenditure for the Alliance for Progress.

Then there is the dimension of unfairness to other industry. The IRS reported that in 1964 the petroleum industry reported net income after taxes of $1.7 billion as per the Internal Revenue Code, but $5 billion as per its own books of account. This ratio of 33 percent compared with a ratio of 88 percent for all nonpetroleum manufacturing.

The spread of the depletion privilege into other natural resources can only have contributed to the general cynicism about it. When professional football players seriously asked the Senate Finance Committee for a personal depletion allowance, Paul Douglas countersuggested allowances for movie actors, poets, and mathematicians, all of whom deplete themselves with the passing years. The late Senator Richard Neuberger of Oregon introduced a bill to let any taxpayer deduct one percent of his income for each birthday after he became forty-five on the theory that "a locomotive engineer's eyes, a schoolteacher's frayed nerves, a day laborer's legs, an author's brain . . . wear out, also. . . . We should have a depletion allowance for people."

Industry people often express pride that they are selling better gasoline for only slightly more, exclusive of taxes, than in 1926, and they predict that tampering with depletion will result in higher prices. Indignations about depletion are futile to whatever extent a higher corporation oil tax would be passed on to the consumers in prices. However, as Proxmire says, if it could all be passed on, why are the oil people "fighting like tigers"? Senator Williams says: "Yes, if we increase taxes, some of it does siphon down to the consumer, but not all of it."

Much of the argument for depletion is based on the riskiness of drilling for new oil. Before committees in Washington, oil's witnesses concentrate on figures showing that such drilling is down, rigs are stacked, oilfield employment is declining.

Gulf's president, Bob Dorsey, told House taxers this spring, "About one time in ten, those investing in wildcat drilling will find oil, but only about one in fifty has a favorable return on that kind of investment. Yet such investments have been made possible because of . . . percentage depletion." Senator Mike Monroney of Oklahoma makes the argument vivid: "People simply will not put nickels in slot machines unless there are nickels in the jackpot."

The often used one-in-ten (or one-in-nine) figure, however, applies to new-field wildcat wells, which make up only a seventh of the wells drilled. The success ratio is higher for every other type of well. The chances are three out of five that any of all the wells drilled will be a producer. The exploratory wells, including those "new-field wildcats," have two out of five chances of being producers. Three out of four of the development wells, which drain proven fields, are successful.

The majors drill mostly development wells. In 1967, Gulf drilled or participated in drilling 1242 wells, of which 964 were producers. Mobil drilled 397 producers and 133 dry holes. California Standard drilled 533 producers and 159 dry holes. It is the independents who do most of the exploratory drilling, 85 percent of it, says IPAA's McClure. Yet the depletion allowance goes in overwhelming bulk to the majors, not the independents, and it rewards not discoveries, but pumping oil out of the ground. For a dry hole, you get nothing.

"The oil industry has become a business for investors interested in precalculated expenditures and returns. . . . The little man can't get in the door anymore," says Texas independent Johnny Mitchell. Representative Minish says, "Oil has one of the lowest rates of failure in any business in the United States, and two thirds of the depletion allowances are claimed by companies with assets of over a quarter of a billion dollars."

If oilmen are so venturesome, why do they need subsidies? Representative Bush of Texas has divested himself of his oil holdings, but was in the business for eighteen years. On an NBC program, Representative James Scheuer of New York asked him, "Why should we take the risk out of your oil business? You don't want us to limit your profit, George, why do you want us to limit your risk?"

"The whole case for the 27.5 percent depletion allowance rests upon national security," says J. R. Parten of Houston. "We have fueled two world wars, largely out of our oil and gas resources, and in my opinion this would not have been possible without the tax incentives, depletion and the write-off."

In its statement to Ways and Means this year, Texaco said that the present tax treatment of oil has been one of the most significant factors in developing oil production and reserves essential to the national security and that any action to "impair the present incentives . . . would be to gamble with national security."

Giving oil every credit to which it is entitled, does the national security argument still hold? The rationale of the import system as well as percentage depletion is based on it.

As Kahn says, "People just say 'national security,' and everybody is supposed to turn his tail and run." Instead, Senator Kennedy begin inquiring last spring. "What," he asked Wright of Humble, "do you consider to *be* our national security? National security against what? A ground war in Western Europe . . . a land war in Asia . . . guerrilla wars. . ?"

"We're not thinking about protection from atomic war," Wright said with candor; "the thing we are endeavoring to guard against is the termination of imports abroad due to political emergencies." He mentioned strikes, turnover in political parties, and boycotts against shipments to the United States; but that was all. "These kinds of things we want to be able to survive," avoiding some other country having control over "our economic destiny," he said.

Senator Long would add the chance of war in the Middle East, and even with Canada. Senator Tower would consider rising Soviet power in the Persian Gulf and the Mediterranean. "We could conceivably get in conventional war with Russia, although I don't foresee it," Tower says.

To Proxmire, the national security argument is ridiculous. "Import controls and proration are programs to create an artificial scarcity and high prices." There is a lot of flexibility, he says, in our need for and supplies of oil. Kennedy, too, asks whether the remote possibility of rationing might be less costly than the present program costing $4 or $5 billion a year.

One is forced to the factual question, how

much oil have we and what other fuels could we use? In "proved reserves," the United States has about 31 billion barrels of oil. At present levels of consumption this is a ten- or eleven-year supply. Nuclear war would wipe out the cities where most of the oil is used: people, if any, would be needing drinking water, not oil. What kind of prolonged emergency, then, would require more than a ten-year supply of oil? If this is an awkward question, it is an even more awkward fact that our capacity to refine crude oil now exceeds our capacity to produce it by a million barrels a day.

"Proved reserves" is a concept that excludes known reserves for which available methods of production have not yet been installed. And secondary recovery methods (such as pumping water, gas, or even air into the oil reservoir) are frequently less expensive than discovering new oil. By 1965 one third of domestic oil was produced by such methods. The Interstate Oil Compact Commission estimated in 1966 that our proved reserves could be increased by *more than half* simply by installing additional equipment for these proved methods, and that more than 60 billion barrels more are probably physically recoverable by newer methods, including injecting steam or hot water into the reservoirs. This increases our actual probable U.S. reserves for emergency needs to about 110 billion barrels, a supply for fifteen to thirty years. And these figures do not include the new finds in Alaska.

Beyond this, other kinds of fuel are available. There are about 2000 billion barrels of shale oil in the West, 80 percent of it owned by the people of the United States, and even the established oil industry increasingly concedes that great quantities of this oil will become commercially available. Oil production from tar sands is another newly developing technology. The government is experimenting actively in the hydrogenation of coal into oil. Why, one might ask, has not the oil industry conducted a crash program to open up the fabulous oil shale reserves?

In sum, it is almost impossible plausibly to imagine a national emergency sufficiently prolonged that the United States is cut off from abundant foreign oil, runs out of its own oil, and cannot contrive substitutes. And if this analysis is correct, oil's main line of defense is chimerical.

However, some of oil's Washington critics have taken a different tack. As Jerry Cohen, staff director of the Hart committee, says, their idea is to hear out the tale of woe about declining exploratory drilling and shrinking U.S. reserves and then, instead of arguing, agree and ask, "Yes, well—since the policies we have are not working, what shall we change?" Having described the troubles of the industry, Wright found himself saying in effect that it's really not as bad as all that. "They're caught in their own trap," Cohen says.

Other serious challenges to the national security argument of the industry have come from a study conducted for Johnson's Treasury and finally (after much obfuscation and delay) made public. The CONSAD Research Corporation's technical study said percentage depletion is "a relatively inefficient method" of encouraging exploration for new reserves—more than 40 percent of depletion is paid for foreign production and nonoperating interests in domestic production. The report concludes in effect that for each $10 in tax benefits, we get only $1 more worth of oil reserves than we would be getting anyway. Wilbur Mills said that despite the industry's story about depletion and domestic reserves, "Now, we're not so sure."

The clamor against depletion is unfair, oil's defenders say, because it assumes that the companies are making unreasonable profits, and they are not. Oil's most aggressive counterattack relies upon statistics showing that on the basis of net assets, oil's profit rate is about the same as that for other manufacturing.

"The oil and gas industry does not make excessive profits," Texaco's J. Howard Rambin, Jr., told the House committee. "Studies by the First National City Bank of New York of corporate profits over the twenty-year period, 1949 to 1968, showed that the rate of return on the net assets of the oil and gas industry averaged 12.8 percent, virtually the same as the average for all manufacturing industries." During the last decade, he said, it was half a point lower than all manufacturing.

Crawford says he assumes that the producing end of the industry is making a greater rate of return than the rest of the industry. "I frankly don't understand," he says, "why we don't make more money than other industries." But, "if our profits are out of line, who can say that depletion is not justified?"

The industry's profits figures distort the realities in some ways. As Douglas pointed out in 1964, they may exclude foreign profits, which are dramatically higher than their domestic profits. Even so, profits are higher in the producing part of the business, to which depletion is solely pertinent, than for the integrated ("downstream") operations. First National City Bank figures for return on net assets of leading oil companies show a spread of two to five points between these two kinds of income in the last five years. In 1967 the bank's figures showed integrated operations making 12.7 percent and producing operations making 15.9 percent.

The example of Amerada Petroleum, almost entirely a producing company, is instructive. It had the highest rate of earnings on sales of any of *Fortune's* 500 industrials for every one of the eight years 1958 to 1965. By 1967 the foreign tax credit had become a factor for it, and on total pre-tax earnings of $104 million it paid less than $1 million U.S. tax.

There is also the question of the *bulkiness* of oil's profits. Jersey now makes $100 million a month.

The New York *Times* reports on 500 companies in the manufacturing and service industries. For 1967, the 33 oil companies in the 500 companies got more than one third of *all* the 500 companies' total earnings.

First National City Bank's "Monthly Economic Letter" for last April survey 2250 manufacturing companies in 41 categories with net income of $26 billion in 1968. Ninety-six oil producing and refining companies had a total net income of $6.1 billion, almost one fourth of the income of all 2250 companies.

Fourteen senators protesting the oil-price increase this year noted that the combined net profits of the twelve largest oil companies had increased by 33 percent in just four years and that each of them has set new profit records for itself in each of the last four years.

Perhaps another part of the explanation of the industry figures lies in the industry's high relative profit rate as a percentage of sales, instead of assets. As *Fortune's* reports show, oil and mining have the lowest sales per dollar of invested capital of any of the industrial groups. Taking *Fortune's* listing of the top twenty companies, the seven oil companies had a profit rate as a percentage of sales twice as high as the thirteen that were not oil companies, 10.4 percent to 5.3 percent. (In absolute terms, the one third that were oil companies had total profits that equaled those of the two thirds that were not oil companies.)

It does not seem likely, as Senator Williams has remarked, that the oil industry will have to pass the hat. But to whatever extent it is true that oil's profits are not, in reality, as high as one would expect under the circumstances, overinvestment may be indicated. Economists of the marginal analysis school in general believe that if there is a prospect of high profit in an area of business and free access to it, capital will flow into it until the prospect for returns declines toward or down to the level for other investment opportunities. It is in fact one of the weightier charges against depletion that it has caused a serious misallocation of economic resources in favor of oil and gas.

Finally, there are some problems of consistency in the industry's various defenses.

In 1959 Wilbur Mills told a panel on depletion that he worried that foreign depletion was shoring up oil production that might be "taken by somebody else and inure to their defense." Scott Lambert of California Standard replied that by and large the oil was available to us and helped develop our allies. Yet, Mills rejoined, we encourage the use of American dollars to develop the foreign resources and then "say it is contrary to the national interest for those same reserves to come to the United States." Lambert retorted, "But we are realizing the benefits fully when these resources are developed by our citizens and sold overseas. We are getting profits." That hardly put the question to rest.

By rewarding production rather than discovery, depletion encourages the depletion of domestic reserves, contrary to its frequently cited purpose of building them up for national security. The imports reduce the need for U.S. oil and the motive to drill for it. Yet both depletion and imports are defended in the name of national security.

The government in effect puts a floor under oil prices, but as Proxmire says, will not intervene to keep them from rising. Kennedy asks why imports are never increased as a means of offsetting unnecessary price increases.

In 1963, President Kennedy tried for four minor changes in the law affecting oil taxes; he got one, worth about $40 million revenue a year. "So you have reduced the special privilege by two and two-thirds percent," Douglas said to Secretary Dillon. "It is a small percentage," Dillon said. "A very small percentage," Douglas said.

Senator Kennedy proposes decreasing depletion to 15 percent for larger companies, eliminating it for the largest foreign producers, ruling out the fast write-off for intangibles, and eliminating the foreign tax credit for what are actually foreign royalties. He would make certain mineral production payments ineligible for capital gains treatment. Senator Abraham Ribicoff of Connecticut wants to stop the intangibles write-off and cut depletion in half.

The political power of oil is the main force at work against such reforms, but there is also a feeling that these subjects are impenetrably complex and nothing can be done with assurance. Yet, as economist Kahn has said, "it seems intolerable to have to decide about everything before deciding about anything."

Since "market demand proration" and the enforcement of its effects through the Connally "hot oil" act amount to government price-fixing for oil, such proration should be repealed, leaving actual oil conservation programs intact. Oil imports should be increased rapidly, as by the Machiasport and petrochemical companies' plans, until the U.S. oil price breaks downward toward the world price. To whatever, if any, extent controls continue to be justified, the "import ticket" system should be replaced by a straight tariff, giving the profit from the controls to the Treasury instead of the refiners.

These changes would help consumers, but hurt the highest-cost U.S. producers. Since these latter include many of the oil people who can be considered small businessmen, tax changes should help the independents and help retard monopoly trends in the industry.

One recurrent sophistry in the defenses of the depletion allowance is a refusal to distinguish between the major companies and the

rest of the industry in tax policy. "Today the oil-producing industry is sick and cannot afford the burden of increased taxation," John Connally, the then Vice President's sidekick and governor of Texas, told the House tax committee in 1963. There is an international oil industry dominated by five U.S. companies. There is a domestic oil industry, made up of companies varying from huge to small and of many individuals. Tax policy can make these distinctions.

The most notorious of the loopholes, percentage depletion, should be repealed, in gradual steps to ease the pain and facilitate necessary adjustments, but in the end, entirely. As La Follette, Couzens, Roosevelt, Morgenthau, and many others have said, the principle is entirely wrong. Profit from the sale of discovered minerals is income, not capital. Repealing percentage depletion would permit every businessman to continue to take full depreciation or cost depletion on all actual investment. Oil and mineral producers, like other businessmen, would also continue to recover all their operating costs, but then they would have to pay ordinary corporate tax rates. Such a thorough reform would go a long way toward assuring the public that Congress may also do what it should about the exclusion for capital gains, "charitable deductions," real estate write-offs, the tax "losses" of lobbyist-farmers, and the rest.

But if Congress will not repeal 27.5 percent, it should be graduated or restricted to benefit the independents and small companies that actually do the exploratory drilling. Certainly there is no sense in allowing companies foreign depletion for depleting oil that belongs not to them, but to foreign nations.

The fast intangibles write-off for the minerals industry is simple favoritism and should be stopped, except perhaps again for the drilling and development of wells or mines that are actually discoveries, or else according to a limit on the taxpayer's taxable income. The use of production payments to wipe out tax obligations obviously should be stopped and probably will be.

Proposals to cut or abolish the foreign tax credit meet the rejoinder that the foreign governments would increase their take from the companies for the difference. As the *Economist* says of the Middle Eastern governments, these oil-owning nations are getting better and better at "squeezing the oil companies without actually strangling them to death." The emergence of Arab guerrilla movements is also a factor.

In the alternative, the pre-1918 situation could be restored, whereby the U.S. companies are permitted to deduct their tax payments to foreign governments from their gross income. But the situation is too technical and too honeycombed with competitive effects on many companies in different environments for a simple solution.

As Treasury's Cohen says, the problem is not which rules to change but just to get a fair quantity of income from U.S. companies operating in the flush foreign oil fields. The write-off for intangibles should be disallowed abroad, and Cohen's other ideas should be listened to with attention. As it is, the oil companies are administering their own foreign aid program with U.S. money.

And there are deeper issues, still. Nine of the 20 largest industrial corporations in America, ranked by assets, are oil companies. Of the top 10 in profits, 5 are oil. In the last 13 years, 20 oil companies with assets of more than half a billion dollars have acquired 226 other companies and 18,737 gasoline service stations. This, in the national economic context now of the one hundred largest corporations owning nearly half—48 percent—of the nation's manufacturing assets.

Senator John Carroll, of Colorado, told the Senate during the depletion debate in 1958, "The moral question . . . is, Why did Congress enact such a tax law? Why has it remained on the statute books through the years? Why does Congress permit these huge tax windfalls?" Robert Engler wrote in *The Politics of Oil*, "Few questions are asked about this furthering of private wealth and power and its impact upon the American society."

The tax gifts from politicians are given back to them, in part, as political contributions. Legal or not, this is a kickback to politicians. "I'll give you tax money assuming that you'll give me some of it back for my career in politics." That, making due allowance for every principled exception, is the truth of it.

The nation should be producing its own oil from its naval reserves or offshore. This would give us an independent standard by which to evaluate the performance of the subsidized oil industry. The nation, through a public oil company, should be planning to produce oil for the public treasury from the publicly owned oil-shale reserves in the West. How else can the growing concentration of the industry in a few companies be stopped? How else can the public equities in public property be preserved?

On successive days last April on the Senate floor, two American senators, both Democrats, one from the South, the other from New England, summed all this up, in their very different ways.

"As one who represents a state producing a good deal of oil," said Russel. Long. "I do feel a sense of compassion for someone who so poorly understands Americans as to think they are corrupt and pirates when they are in fact good, hard-working citizens, trying to make an honest buck, the same as everybody else."

"The whole matter of quotas of oil importation has developed into a national scandal. It is a scandal," said John Pastore of Rhode Island the next day. "We in New England, perhaps naively, never really appreciate the depth and breadth of control that the oil industry had fastened on the government. . . . Can you imagine a company [Texaco] with a net profit of $754 million paying a federal tax which amounts to only 1.9 percent of its before-tax income? . . . the unholy alliance I spoke of before has in the past reached to the very highest levels of government . . . this is a time of consumer revolt. This is a time of taxpayer revolt."

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask that the period for the transaction of morning business be concluded.

The VICE PRESIDENT. Is there further morning business? If not, morning business is closed.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The VICE PRESIDENT. The bill will be stated by title for the information of the Senate.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2546) to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

NOTICE OF POSSIBILITY OF A SATURDAY SESSION

Mr. MANSFIELD. Mr. President, for the information of the Senate, I think I should refer to the possibility of a Saturday session this week. It will depend upon developments on Friday.

I have discussed this matter with the distinguished chairman of the Committee on Armed Services and he has indicated he is willing to come in on Saturday if conditions warrant.

I would hope that the acting minority leader would make his views known on that subject.

Mr. SCOTT. Mr. President, I would agree with the statement of the distinguished majority leader. It is important that we dispose of this bill as soon as possible.

If a Saturday session is necessary, we will have to have it. Other than that, I would simply say that I am in entire agreement with what the distinguished majority leader has said.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 81 Leg.]

Aiken	Gore	Murphy
Allen	Gravel	Muskie
Allott	Griffin	Nelson
Anderson	Gurney	Packwood
Baker	Hansen	Pastore
Bayh	Harris	Pearson
Bellmon	Hart	Pell
Bennett	Hartke	Percy
Bible	Hatfield	Prouty
Boggs	Holland	Proxmire
Brooke	Hollings	Randolph
Burdick	Hruska	Russell
Byrd, Va.	Hughes	Saxbe
Byrd, W. Va.	Jackson	Schweiker
Cannon	Javits	Scott
Case	Jordan, N.C.	Smith
Cook	Jordan, Idaho	Sparkman
Cooper	Kennedy	Spong
Cotton	Long	Stennis
Cranston	Mansfield	Stevens
Curtis	Mathias	Symington
Dodd	McCarthy	Talmadge
Dole	McClellan	Thurmond
Eagleton	McGee	Tower
Eastland	McGovern	Tydings
Ellender	McIntyre	Williams, N.J.
Ervin	Metcalf	Williams, Del.
Fannin	Miller	Yarborough
Fong	Mondale	Young, N. Dak.
Fulbright	Montoya	Young, Ohio
Goldwater	Moss	
Goodell	Mundt	

Mr. KENNEDY. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Washington (Mr. MAGNUSON), the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I further announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

Mr. SCOTT. I announce that the Senator from Colorado (Mr. DOMINICK) is necessarily absent.

The VICE PRESIDENT. A quorum is present.

RECESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate now stand in recess subject to the call of the Chair.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senate will stand in recess subject to the call of the Chair.

Accordingly, at 11:37 the Senate recessed, subject to the call of the Chair.

Thereupon, the Senate, preceded by its Secretary (Francis R. Valeo), its Sergeant at Arms (Robert G. Dunphy), and the Vice President, proceeded to the rotunda of the Capitol to attend the memorial services for the late Senator Dirksen of Illinois.

IN THE ROTUNDA OF THE CAPITOL

MEMORIAL SERVICES FOR THE LATE SENATOR EVERETT McKINLEY DIRKSEN

The Chaplain of the Senate, the Reverend Edward L. R. Elson, D.D., offered the following Scripture readings and prayer:

Blessed is the nation whose God is the Lord.

Bless the Lord, O my Soul, and all that is within me. Bless His Holy Name.

The souls of the righteous are in the hand of God, and there shall no evil touch them. They are at peace.

Blessed are the pure in heart, for they shall see God.

I am the Resurrection and the Life, saith the Lord: he that believeth in Me, though he were dead, yet shall he live: and whosoever liveth and believeth in Me shall never die.

Let us pray:

Almighty God, Father of mercies and giver of all comfort, deal graciously, we pray Thee, with those who mourn this day, that casting every care on Thee, they may know the consolation of Thy love, the healing of Thy grace, and the companionship of Thy presence; through Jesus Christ, our Lord.

Almighty and everlasting God, before whom stand the living and the dead, we praise and bless Thy holy name for the good examples of those Thy servants, who having finished their course on earth, now rest from their labors. We thank Thee this day for thy servant, Everett McKinley Dirksen, and for the sacred memories and hallowed recollections which cluster about this great life—his manly piety, his refined patriotism, his unending devotion and tireless efforts in behalf of our Nation and the world. We thank Thee for his faith in the invincibility of goodness, and the final triumph of justice. Help us to praise highly and to guard carefully the gifts which such loyalty and devotion have passed on to us. And grant that we may be true as he was true, that we may be loyal as he was loyal, and that we may serve our country, our world, and our God all the days of our lives, and leave the world better for having lived in it. Through Jesus Christ, our Lord. Amen.

The President of the United States, Richard M. Nixon, placed a floral tribute at the catafalque, and then made the following address:

The PRESIDENT. Mrs. Dirksen, Mr. Vice President, Mr. Chief Justice, Members of the Congress, Members of the Cabinet, Members of the Diplomatic Corps, Your Excellencies, and friends of Everett Dirksen throughout the Nation:

When Daniel Webster died more than a century ago, a man who differed strongly with him on many public issues rose in Congress to say this in eulogy:

> Our great men are the common property of the country.

Everett Dirksen of Illinois was and is the common property of all the 50 States.

Senator Dirksen belonged to all of us because he always put his country first. He was an outspoken partisan. He was an individualist of the first rank. But he put his Nation before himself and before his party.

He came to the Nation's Capital in 1932, and his public service spanned an era of enormous change in the life of our country. He played a vital part in that change. That is why it is so difficult to think of the Washington scene, of this Capital, without him.

Only his fellow legislators, the Senators and Representatives who have gathered here today and who mourn his loss across the Nation, know the full extent of his contribution to the process of governing this country. They know the time and concern he put into their bills, their causes, their problems.

They know another side to Everett Dirksen: The side in the committees behind the scenes where so much of the hard work and the hard bargaining is done, where there is so little that makes headlines and so much that makes legislation.

Through four Presidencies, through the adult life of most Americans living today, Everett Dirksen has had a hand in shaping almost every important law that affects our lives.

Everett Dirksen was a politician in the finest sense of that much-abused word. If he were here, I think he might put it this way: A politician knows that more important than the bill that is proposed is the law that is passed. A politician knows that his friends are not always his allies and that his adversaries are not his enemies. A politician knows how to make the process of democracy work, and loves the intricate workings of the democratic system. A politician knows not only how to count votes but how to make his vote count. A politician knows that his words are his weapons, but that his word is his bond. A politician knows that only if he leaves room for discussion and room for concession can he gain room for maneuver. A politician knows that the best way to be a winner is to make the other side feel it does not have to be a loser. A politician in the Dirksen tradition knows both the name of the game and the rules of the game, and he seeks his ends through the time-honored democratic means.

By being that kind of politician, this man of the minority earned the respect and affection of the majority, and by the special way he gave leadership to legislation, he added grace, elegance, and courtliness to the word "politician." That is how he became the leader of the minority, one of the leaders of our Nation. That is why, when the Senate worked its way, Everett Dirksen so often worked his way. That is why, while he never became President, his impact and influence on the Nation was greater than that of most Presidents in our history.

He was at once a tough-minded man and a complete gentleman. He could take issue without taking offense. And if that is an example of the old politics, let us hope that it always has its place in the politics of the future.

He is a man to be remembered, as we remember the other giants of the Senate—the Websters and Calhouns, the Vandenbergs and Tafts.

Some will remember his voice, that unforgettable voice that rolled as deep and majestically as the river that defines the western border of his State of Illinois that he loved so well.

Others will remember the unfailing, often self-deprecating sense of humor which proved that a man of serious purpose need never take himself too seriously.

Others will remember the master of language, the gift of oratory that placed him in a class with Bryan and Churchill, showing, as only he would put it, that the oil can is mightier than the sword.

But as we do honor to his memory, let us never forget the single quality that made him unique, the quality that made him powerful, that made him beloved—the quality of character.

Everett Dirksen cultivated an appearance that made him seem old-fashioned, an incarnation of a bygone year. But that quality of character is as modern as a Saturn V.

As he could persuade, he could be persuaded. His respect for other points of view lent weight to his own point of view. He was not afraid to change his position if he were persuaded that he had been wrong. That tolerance and sympathy were elements of his character; and that character gained him the affection and esteem of millions of his fellow Americans.

We shall always remember Everett Dirksen in the terms he used to describe his beloved marigolds: Hardy, vivid, exuberant, colorful, and uniquely American.

To his family, his staff, and his legion of friends who knew and loved Everett Dirksen, I would like to add a personal word: There are memorable moments we will never know again—those eloquent speeches, the incomparable anecdotes, those wonderfully happy birthday par-

ties. But he least of all would want this to be a sad occasion. With his dramatic sense of history, I can hear him now speaking of the glory of this moment.

As a man of politics, he knew both victory and defeat. As a student of philosophy, he knew the triumph and the tragedy and the mystery of life. And as a student of history, he knew that some men achieve greatness; others are not recognized for their greatness until after their death. Only a privileged few live to hear the favorable verdict of history on their careers.

Two thousand years ago, the poet Sophocles wrote:

One must wait until the evening
To see how splendid the day has been.

We who were privileged to be his friends can take comfort in the fact that Everett Dirksen, in the rich evening of his life, his leadership unchallenged, his mind clear, his great voice still powerful across the land, could look back upon his life and say, "The day has indeed been splendid."

U.S. Senator HOWARD H. BAKER, on behalf of the family, responded to the President's eulogy as follows:

Mr. BAKER. Mr. President, I speak for Mrs. Dirksen and the rest of the family when I express our deep gratitude to you and to the many Americans throughout this country who for the last several hours have so eloquently expressed their grief and their condolences. We are profoundly grateful to you and to them.

A century ago, another man from Illinois first lay in state on this catafalque, on this spot, described by Sandburg as "midway between House and Senate Chambers, midway between those seats and aisles of heartbreak and passion."

And so it was with Everett Dirksen—a man of his Nation who served long and well in both of those Chambers.

Everett Dirksen cherished Lincoln, but with a great humility that rejected any thought of comparison. He sought to follow many of the precepts of the Lincoln legacy. Both men understood with singular clarity that a great and diverse people do not speak with a single voice and that adherence to rigid ideology leaves little room for compromise and response to change.

A man of imposing presence and bearing, Everett McKinley Dirksen was nonetheless a man of eminent wit, humor, and perspective, who kept himself and others constantly on guard against taking themselves too seriously.

He was guided by a simple religious faith, carrying through life a sense of the presence of the Creator, and doing homage to the small, frail spark of immortality which defines the human spirit.

But perhaps most of all his hero was the people. He was of the people. Born of immigrant parents, his mother arrived in this country at an early age, speaking no English and with a tag about her neck instructing only that she be sent to Pekin, Ill. He knew firsthand "melting pot" America—its diversity and hardship, the brilliance of its people going about the business of forging a magnificent nation; and he loved them. All of them. And few are privileged to love so well. I think the people saw something of their own greatness in Everett Dirksen, and understood and respected him for it.

He was an idealist, but he was a realist as well, and in the end he chose calmly to risk his life, electing uncertain surgery in order to gain the opportunity to live and serve further; and he lost. But in losing he fixed with permanence the image of a noble man of the people.

The Chaplain of the Senate, Dr. Elson, thereupon pronounced the benediction, as follows:

Receive the benediction.

Now may the God of peace, that brought again from the dead our Lord Jesus, that great Shepherd of the sheep, through the blood of the everlasting covenant, make you perfect in every good work to do His will, working in you that which is well pleasing in His sight; through Jesus Christ, to whom be glory for ever and ever. Amen.

At 12 o'clock and 40 minutes p.m. the Senate returned to its Chamber, and was called to order by the Presiding Officer (Mr. EAGLETON in the chair).

DEATH OF SENATOR DIRKSEN—FUNERAL EXPENSES

Mr. PERCY. Mr. President, I send to the desk a resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read as follows:

S. RES. 255

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Everett McKinley Dirksen, late a Senator from the State of Illinois, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, the resolution is considered and agreed to.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EAGLETON in the chair). Without objection, it is so ordered.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH

The Senate resumed the consideration of the bill (S. 2546) to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The PRESIDING OFFICER. Under the previous order, the Senator from Missouri is recognized.

AIRLIFT—THE VALUE OF "REMOTE PRESENCE" IN FUTURE FOREIGN POLICY

Mr. SYMINGTON. Mr. President, on July 14, 1969, in an interview in U.S. News & World Report, I made the following statement:

Today we are spread all over the world, and it's terribly expensive. . . . Things cannot go on this way indefinitely if we are to remain a strong and viable Nation.

Prior to that observation, the headlines of July 10 clearly attested that the Nixon administration is responding to growing criticism of high military spending by cutting back the most expensve sector of the defense effort—manpower, both military and civilian.

The cost to the Nation of supporting overseas forces—and dependents—is particularly high. Such support is not only more expensive than in the United States; it also constitutes a continuation of the deteriorating balance-of-payments position of this country.

Congressional critics have been particularly outspoken on this subject, contending that "an overseas Military Establishment of 1.45 million troops, 500,000 dependents, and 250,000 foreign employees on 429 major and 2,980 minor bases is excessive."

Some of the rhetoric to the effect that "the Atlantic alliance is an anachronism" is exaggerated, but the point of these critics is well taken. An analysis of U.S. forces around the world shows that a great majority is currently in Asia, with the second heaviest concentration in Europe.

Since manpower and operations costs constitute some 60 percent of the $77 billion defense budget that is projected for 1970, it is obvious that major savings require significant reductions in U.S. forces overseas.

The most obvious opportunity for a substantial saving is the phasing out of the Vietnam war, after which it has been reported that the Pentagon plans to cut manpower back from 3.5 to 2.5 million men; but such a reduction is not really feasible unless a substantial repatriation of troops now stationed on foreign soil is also accomplished. That, in turn, would require some modification of our foreign policy, in Asia as well as in Europe. In Asia, particularly, a policy of what the Japanese cali low posture has been recommended by eminent experts.

With respect to a multilateral concert of forces in Asia, another expert recently observed:

Surely multilateralism should be the sine qua non of future American interventions: multinational efforts to assist developing nations; multinational efforts to cope with insurgency and multinational attempts to resolve open hostilities.

One can only agree wholeheartedly with those who believe that the right

role of the United States "is to regard itself as the center of a group of developed powers and not as the single-handed guardian of the whole internation system."

As perhaps first articulated by President Nixon, what needs to be established is an equivalent multilateral force structure for South and East Asia to replace the overextended concept of SEATO.

The concept of "remote presence" which we propose as a way out of the dilemma of how to meet proper foreign defense commitments without stationing large military forces overseas depends upon improved mobility of both troops and equipment that is now offered by new airlift technology. This new capability permits rapid deployment of significant forces over long distances to either conventional or unprepared landing fields; and exploitation of this capability would permit a military presence in support of overseas allies to be effected by relatively small—in many cases token—forces which, in emergency, could be rapidly reinforced by massive airlift.

Such a foreseen need for rapid deployment capability provided the rationale for the development of the heavy logistics transport as set forth 5 years ago by the U.S. Air Force's Project Forecast.

Arguments advocating use of this new technological capability designed to reconcile reduction of an excessive U.S. military presence abroad with an adequate "remote presence" have been advanced by many military and civilian strategic thinkers. The same arguments are applicable to Britain's force requirements in Singapore/Malaysia, also to Australian and New Zealand requirements in that region. The different mobility reserve force levels required of those three latter nations, however, will of course depend upon their different obligations; and the need, or threat, which can be credibly postulated for the relatively near future.

The size of U.S. Reserve Forces stationed in the continental United States—Conus—has heretofore been based on a threat scenario which involved a need to meet three military involvements at once; namely, two large-scale wars in Europe and South or East Asia, plus a small war somewhere else in the world.

Assuming these requirements to be imposed simultaneously upon an otherwise "normal" world situation—that is, current NATO force structure in Europe, and a pre-Vietnam distribution of forces in Asia—this scenario defines a certain airlift capability required for a specified force buildup at each of the critical theaters, and within a specified period. The period specified in the currently accepted scenario is long enough to permit deployment of significant forces by sealift; but in the case of the Middle East crisis postulated in the revised scenario herewith outlined, response by sealift would be too slow to play any decisive role in crisis resolution. Even in the case of an Asian crisis, a threat cannot be "nipped in the bud" by other than airlifted forces.

Such a scenario has been criticized as arbitrary and overly pessimistic in terms of requiring these three simultaneous deployments; and a more modest assumption of only two simultaneous crises would require a proportionately more modest airlift capability.

I also criticize this assumed scenario, but on two different grounds; namely, it is naive to assume as "normal" a continued U.S. military presence abroad which is excessive and could not be maintained even when welcomed in the host country; and, it is unrealistic to assume a major crisis in Europe as more probable than one in the Middle East.

It was Ambassador Reischauer, a former Ambassador to Japan, who stated:

> When we look across the Atlantic, we may find elements of uncertainty and change in our foreign policies, but when we look across the Pacific, everything seems in doubt. The outcome of the Vietnam war is still unknown; the reaction of the American people to this outcome is even less clear . . . Our chief alliance—with Japan—seems more threatened than our European ties; and the future of the 850 million people in the Indian subcontinent and the other noncommunist lands of South and East Asia is quite incalculable.
>
> Worst of all, we are not agreed on the underlying concepts for our trans-Pacific policies. While the conceptual basis for our trans-Atlantic relations need some refining, our whole approach in Asia must be rethought and reconstructed almost *de novo*.

Let us hope that the eventual military withdrawal of the United States will be accomplished in such a way so as to leave Americans still broadly concerned in the future of Asia, and also with Asians still looking to the United States for a continuing, if less conspicuous, and primarily economic, role in their part of the world.

Of all Asian relations, the most important to the United States are those with Japan, leading ally in Asia, second largest trading partner, the third most productive economy in the world and the world's fastest-growing major country.

Because of domestic political circumstances arising from her traumatic experience in World War II, Japan's present military posture is strictly defensive, but her military potential is that of a major world power; and although this great country is still sensitive to memories of the past, the Japanese now show signs of becoming a major source of economic and technological aid to that whole region, as manifested by their participation in the Asian and Pacific Council—ASPAC.

The maintenance of close and friendly relations with Japan is thus an important U.S. interest. This country is committed to defend Japan against all threats; and as a result Japan has been able to exploit that shield by devoting very little of her own GNP—less than 1 percent—to defense, concentrating instead on developing a burgeoning economy.

While understandably loath to give up this advantageous position, rich Japan must now think more of her own defense and eventually accept her responsibilities as a great power.

As the younger generation achieves power in the late 1970's, "Japan will look upon the international scene with a sense of balance, will establish positive diplomatic and security policies based on true national interest, and will take independent action to achieve national goals."

In the meantime, however, short-run political considerations demand attention. The continued presence of U.S. military installations in Japan is well known to be a constant source of irritation to leftist and conservative Japanese alike. That irritation has been adroitly exploited. These bases are the chief targets of a wave of demonstrations which during the past year have mounted greatly in size and violence and serve to focus protest against the Japan-U.S. Mutual Security Treaty which comes up for review in 1970, and also against the continued U.S. occupation of Okinawa.

These "minority protests" are getting through to the Japanese public. Recent opinion polls show that 45 percent of the populace—45 million people—believe U.S. bases are harmful to their country, whereas only 18 percent approve.

In the process of reevaluating this Mutual Security Treaty, the military value of these bases should be reassessed in the light of the political liability they also constitute.

With the advent of the Polaris fleet ballistic missile major current strategic deterrent, there would seem to be little need for the United States to retain Okinawa as a base for B–52 operations; and furthermore, today Japanese air bases are not available to the United States without "prior consultation."

If Okinawa operations are discontinued, Japanese bases would be much further reduced in value to the United States; in fact, our best interests might be served by turning said bases over to Japan as part of a revised treaty agreement whereby Japan would build up her own conventional defense forces as a prelude to eventually joining the "Pacific Community" of powers interested in preserving regional stability.

The stake of Japan in such stability is truly tremendous. That country is the world's largest importer of oil, 90 percent of which comes from the Persian Gulf through the Indian Ocean, the Straits of Malacca, and the South China Sea. In the most literal sense, Japan's booming economy depends, for its very survival, on daily traffic through the straits of 400,000 tons of imported oil, iron ore, and coking coal. This lifeline is vital. It must be defended against any threat to the Malay peninsula.

In view of the foregoing factors—public opinion in relationship to strategic/economic self-interest—it is clear that the trend of Japanese policy regarding the United States must be toward a reduction of U.S. military presence in that country to an inconspicuous level. This trend should, and I believe would, be coupled with a U.S. agreement to rapidly exert its "remote presence" in Asia, should the security of Japan's territory be threatened.

A reduced U.S. military presence in Asia would also affect Australia; therefore, it is clear that country would hope to keep the United States engaged in Asia, especially Southeast Asia, at all cost.

After reviewing its defense policy upon Britain's announcement of ultimate withdrawal from Asia, Australia elected to maintain her posture of "forward defense" by continuing, with New Zealand, to station forces in Malaysia and Singapore.

While generally laudable as an expression of a determination to live as part of an Asian community, and not withdraw to a "Fortress Australia," it would appear that a backup defense posture of "remote presence" based on rapid heavy airlift would lend substantial added force to the "forward defense" of its ANZUS allies as well.

In Europe the general situation is more stable, although many problems do persist, with the most basic one continuing to be a divided Germany, neither country recognizing the right of the other to exist.

The question from our standpoint with respect to this longstanding problem now would appear to be: How many American troops are "enough" so as to maintain the credibility of the commitment?

Comparing NATO and Warsaw Pact forces, Dr. Carl Kaysen has argued that the present U.S. force level is more than adequate. I agree; and, in any case, it is a fact that the economic and political position of the United States now make some force reductions inevitable.

Fortunately, the "remote presence" which is now made possible by rapid heavy airlift can permit a sizable force drawdown in Europe with no loss in NATO response credibility.

The economic appeal of such a force drawback is welcomed by strategists and politicians alike; but in order to reduce the requirement for that heavy airlift which could rapidly redeploy the troops and equipment needed overseas in a crisis, some analysts have suggested a scheme by which only the troops would be repatriated to the United States, with the equipment "pre-positioned"—that is, stored in Germany—for use by those troops which could then be flown from this country in conventional "people carrying" transports.

Even if one assumes, however, that concentration of such pre-positioned equipment could in fact be adequately maintained, guarded against sabotage, and defended against attack—highly doubtful—this so-called "pre-positioning" scheme has two flaws, one minor and one major.

The minor flaw is economic. In order to keep the repatriated divisions in question in a state of combat readiness, a duplicate set of heavy equipment would be required over here, at heavy cost.

The major flaw is both political and strategic; namely, the possibility to the point of probability that any new crises would occur in the Eastern Mediterranean or Middle East rather than in Western Europe, in which case combat equipment pre-positioned in Germany would be useless.

What would be needed would be instant application of the "remote presence" concept, by means of massive airlift from this country. Should the crisis blossom into a "blitzkrieg" type engagement, the pace of the action would in all probability be such that only the first round of sorties would arrive in time to be decisive.

To those inclined to the belief that the cold war is in its entirety a thing of the past, may we point out that the Soviet Union, whatever it may be doing elsewhere, is not practicing any detente with the United States when it comes to rapidly moving events in the Middle East.

We talk of a region which the West calls the "Middle East," but which, to the Soviet Union, is the "Near South"; and which, as the records of history point out, they have long coveted.

In the secret protocol to the draft 1940 four power pact, the Soviet Union declared that its "territorial aspirations center south of the national territory of the Soviet Union in the direction of the Indian Ocean."

Russia has already achieved that long-frustrated czarist ambition by means of the expansion of its naval power throughout the Mediterranean; and only the logistics problems posed by the present closure of the Suez Canal would appear to be preventing further buildup of Soviet fleets in the Arabian Sea and the Indian Ocean.

We know of the naval presence by which the Soviets have called into question NATO capacity to assist Yugoslavia from the sea in the event of a Soviet attack by land.

The Soviets have thus successfully begun the dispute of Western control of a major maritime passage and its continental surrounds; and if British withdrawal is completed as announced, they stand to achieve an even greater goal: namely, Russian hegemony east of Suez.

Of the potential dangers posed by Britain's withdrawal from the gulf states, the most obvious is possible interruption of the oil supply so vital to U.S. allies—50 percent of Western Europe's imports, 90 percent of Japan's, 65 percent of that for Australia; and recent events in Nigeria have shown that oil supplies may be cut off, not because some internal or external enemy wishes to do so, but because without a minimum of order, the oil industry cannot function.

The same situation could arise among one or more of the Persian Gulf states.

In addition to possible internal disturbances, conflicts between the States themselves could arise from conflicting territorial claims. But a few examples: Iran's claim to Bahrain, Iraq's claim to Kuwait, Saudi Arabia's claim to part of Muscat, Oman and Abu Dhabi; and of course we all know the problem incident to Israel.

Over the years these differences and disputes have not been pursued primarily because the parties concerned recognized that, while the British were present, temporary silence over a claim did not imply its forfeiture. The removal of British presence, however, could lead to a renewal of old disputes, and then turmoil into which the Soviets would be only too pleased to step at request. The consequences in Yemen of the 1967 British withdrawal from Aden suggest further future possibilities in the gulf.

Aside from threatening these strategic oil resources, a strong Soviet presence in the Middle East could have other serious political consequences and it is significant that the Soviets no longer hold to their policy of not setting up military bases on foreign soil outside of Eastern Europe. They have established a base at Alexandria from which even Egyptians are excluded; and they have rights to a base in Yemen. An additional possibility might be the development of the former British base at Aden. This could well inhibit the development of Elath by Israel, their only source of getting to the sea and to the south.

In summary, the Middle East situation presents multiple opportunities for conflict and as such constitutes a major potential threat to world peace. The Persian Gulf situation in particular does not admit improvement by readjustments of military posture. In contrast to the Malaysia-Singapore situation, in which the option of maintaining a token force backed up by "remote presence" is still open to Britain, the position in the Persian Gulf has changed radically.

Assuming a disastrous post-Vietnam scenario is not followed, the threat of major conflict in the developing countries of Asia, Africa, and South America is not considered great.

Minor conflicts within or between developing countries can only continue to occur; and when remote from the television cameras, internal conflicts will continue to be largely ignored, as currently the case in the Sudan; or deplored in the United Nations, as currently in the case of Nigeria. International disputes will warrant United Nations action, however, and, if considered necessary, intervention by U.N. task forces. It is in the support of such action by the United Nations that it would appear a special role for Canada has developed.

The original membership of Canada in NATO was the natural result of a post-war camaraderie within the Atlantic community. It has been said that, "although NATO's purposes are essentially military, and in this respect relatively unattractive to a people with a pacific tradition, the idea of defending the European wellsprings of Canadians' cultural heritage has been viewed sympathetically, until at least recent years, by almost everyone in Canada."

While a willing United Nations participant, however, Canada has been less willing than has the United States to look upon her involvement in European defense as crucially significant. In addition, in the mid-1960's, the immensely enhanced U.S. capacity for airlifting men across the Atlantic in a few hours suggests that, in fact, continued heavy physical presence might no longer be critical to Europe's defense; and of course the more recent development of technology for airlifting heavy equipment as well as men has reinforced that determination.

The contribution of Canada to NATO has thus become more and more a symbolic gesture of solidarity with its allies, no longer an operation which could be justified in military terms. But Canada is morally bound to assist, in one way or another, with the defense of the Western World; and to the same proportional extent as its friends.

Accordingly, Canada is apparently thinking more in terms of participation

in military and other functions of the third world rather than involvement in the strategic arrangements of the great powers.

In a perceptive article this year entitled, "A New Atlantic Role for Canada," Roy Matthew wrote:

> The rationale for Canadian concentration on the Third World is as follows: Rightly or wrongly, the United States is distrusted in many Asian, African and Latin American countries simply because it is big and powerful. In addition, all the larger European nations, as well as Japan, are suspect because of the imperial or neo-imperial behavior in the past.
>
> This problem provides an opportunity for a few countries that are not powerful or ex-imperial, but are wealthy enough to have some resources to spare, to fulfill an especially useful function in the underdeveloped and uncommitted regions of the world. Canada, like Switzerland, the Scandinavian nations and a handful of others, has become very active in this type of endeavor. There have been Canadian contingents in virtually all the peacekeeping forces and international supervisory operations since the War—Indochina, Palestine, Kashmir, Yemen, Gaza, the Congo, Cyprus.
>
> It is certainly arguable that such contributions may have done more for the peace and stability of the world over the past twenty years than have the Canadian military activities at home and in Europe. By extension, it has been suggested that Canada could engage in more such operations if its available forces were committed primarily, if not exclusively, to peacekeeping—first, because there would be larger numbers of men and materiel to devote to that purpose, and second, because the measure of nonalignment implied would presumably make Canadian servicemen that much more acceptable in the Third World.

In effect, it would appear that Canada has become an armed force of the United Nations; and if equipped with adequate heavy airlift capability, that nation could also serve as a "remote presence" for the U.N.

In summary, the redefined threat scenario as outlined in the foregoing section is considerably broader in scope than the one it attempts to improve. It involves the possible responses to a different variety of potential threats, not only by the United States, but also by a multilateral concert of friendly forces.

The military posture of the United States as assumed in this presentation was that of "low posture" in the region of the threat, backed up by "remote presence" in the form of massive heavy airlift capability. The posture of our allies in Asia was that of "forward defense," but also backed up this by "remote presence."

The current estimate of U.S. heavy airlift requirement, based on the heretofore accepted "2½ crisis" threat scenario—namely, the capacity to handle at one time two major wars and one minor—is six squadrons composed of 20 heavy logistics transports each. The revised and, hopefully, more realistic scenario involves but two simultaneous major crises; this in the hope that a low-order crisis could and would be handled by the United Nations.

In the interest of realism and a reduction of this unprecedentedly high military cost, however, this modified threat scenario also assumes a much reduced U.S. military presence overseas; that is, the "low posture" mentioned above. That in turn throws a far greater burden of response on the "remote presence," which would be obtained in emergency from the continental United States.

Without benefit of a detailed analysis of the logistics problems involved, it is not possible to make an exact quantitative estimate of the effect of this revised threat scenario on U.S. heavy airlift requirements.

It would appear certain, however, that this "remote presence" concept is the best method for fulfilling the present and future international obligations of the United States. Such a concept is much in our interest, from a political and military as well as an economic standpoint; and it could be the one way to handle our security and well-being without having the cost of our defenses creating even more serious problems for our already endangered economy.

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

Mr. SYMINGTON. Mr. President, I am glad to yield to the able chairman of the Appropriations Committee.

Mr. RUSSELL. Mr. President, I listened with great interest to the able, informative, and scholarly remarks of the distinguished Senator from Missouri. I congratulate him on encompassing in one brief address so much information as to the situation all over the world and the probable role and capacity of the various nations of the earth.

The Senator not only is an active member of the Committee on Foreign Relations, but he has visited nearly all of the leaders and foreign chancellories of the world, and he is qualified to speak in that area.

I am thoroughly familiar with his interest in the matter of air transport. A number of years ago the Senator was greatly concerned about the ever increasing tide of this country's adverse balance of payments that threatened not only what gold reserve we have but the very economy of the United States. He discussed it several times with me, and he kept stressing bringing some of the troops home from Europe, and Korea, for that matter. He finally said that if we had an adequate airlift capability, we could bring troops home. From that day I supported him to the best of my ability in trying to convince the Department of Defense that we should increase the airlift as a means of bringing home the troops and ending the great drain on dollars. It is the only hope we have.

I want to say here and now that people who really mean it when they say we should bring these troops home, had better provide for the airlift because you are not going to be able to bring them home until you have some means to send them back. I would be willing to bring them home without that assurance, but this Nation is not.

The Senator recalls that we examined Secretary McNamara on this matter several times when he was before the Armed Services Committee. Secretary McNamara at the time was highly favorable to the idea of bringing home our troops. I think the insistence of the Senator and some of those who supported him had a great deal to do with the current airlift program.

If we have an adequate airlift we can diminish the loss of dollars for the support of the military overseas to such extent that the country will be able to stand it. The dependents are a source of great expenditures in Europe. We all know that all the privates do not have their dependents there, but all of the upper grades, where the pay is more substantial, can have dependents in Europe and it causes a tremendous expenditure of American dollars there.

We can be just as effective with an adequate airlift in meeting our commitments as we could be if we had the troops stationed, or part of them stationed, back on the Rhine because we can fly defenses from this country to Europe as fast as we can move in armored carriers from the Rhine to Eastern Europe.

I congratulate the Senator and I hope this statement is taken to heart. I hope all Senators study and read the Senator's statement not only because of its effect on what takes place today, but also on the future of the country.

We cannot continue to bleed this country with this tremendous number of troops stationed all over the world. I think we will have to reduce them substantially, and we can, and any weakness coming from that can be remedied by having an adequate airlift capability.

The Senator is an expert in this area. He was the first Secretary of the Air Force in the United States, and he has been actively interested in this whole subject over a period of more years than I will state here now.

I congratulate him on the tremendous contribution he has made to bring down the overall cost of the military establishment of the United States.

Mr. SYMINGTON. Mr. President, the distinguished former chairman of the Committee on Armed Services, is very kind. Actually, I followed his leadership regarding the importance of airlift more than he did mine. It is my opinion, and I have said so on this floor many times, that he is the outstanding authority with regard to military matters in Congress today.

The Senator will remember when there was such heavy concentration on the strategic air force, he and I talked at some length as to the increasing importance of airlift from the standpoint of the security of the United States. I do not believe that we would have the C–130, the workhorse in Vietnam, if it had not been for the efforts of the able Senator from Georgia (Mr. RUSSELL); and believe, furthermore if we did not have the C–130, we would not have the C–141.

It is a logical development therefore, to go to the C–5A so that we can transport rapidly not only men, but also the required support equipment if it becomes necessary for the United States to move into any part of the world in the interest of national security.

For years, it has seemed to me that the question of whether it would be a "trip wire" or a "shield" under SHAPE or NATO in Europe became strictly theoretical after the withdrawal of France

from NATO. The idea that we can support great armies, after the first crunch, through the English Channel in this modern, nuclear space age, at the same time a possible enemy was pouring over the "plains of Prussia" in historical fashion, seems nothing short of ridiculous.

I believe our position would be enhanced if a large number of our troops in Europe were brought back here, and that these troops and their equipment be flown abroad in times of emergency.

I appreciate the reference of the able chairman to our balance of payments, and the fact that millions of Americans are now stationed in various countries all over the world, all of it being paid for by the American taxpayer.

Having studied this matter to the best of my ability, I can say with complete sincerity that it would appear the best way not only to reduce the dollar drain, but also to reduce overseas commitments and factors which could lead to additional commitments, would be to build a modern airlift capability. In that way, we would be able to reduce the tremendous number of bases which we have around the globe.

Mr. TALMADGE. Mr. President, will the able Senator from Missouri yield at that point?

Mr. SYMINGTON. I am glad to yield to the distinguished Senator from Georgia.

Mr. TALMADGE. Mr. President, I have listened with great interest to the entire speech of the Senator from Missouri, as well as to the remarks made by my senior colleague, Mr. RUSSELL, former chairman of the Armed Services Committee.

The Senator from Missouri was kind enough to send me an advance copy of his speech, which I read in great detail. I think he has made, today, one of the ablest statements I have ever heard since I came to the Senate on the military security of this country and what our foreign policy should be.

Mr. President, I have thought for a long number of years that our Nation has been overcommitted militarily, and overcommitted economically. That situation has come home to roost with the unfortunate war in Southeast Asia, from which we have been unable to extricate ourselves. We have seen it in our balance-of-payments problem, which places the integrity of the dollar in jeopardy, with a great drain on our gold.

The Senator knows, as the ranking member of the Armed Services Committee and the Foreign Relations Committee, the United States has thousands of bases scattered all over the world. We have hundreds of thousands of troops scattered all over the world. Those troops, in my judgment, and those bases in many instances, particularly from a public relations standpoint, have been counterproductive.

When foreign troops are stationed in a strange land, with different customs, different religions, different habits, and different rates of pay, they are bound to create a discordant note.

We hear the slogan, almost worldwide, "Yankee go home." We have worn out our welcome.

I have thought for a long period of time that we should bring home at least half the troops we have stationed in Europe.

I think the Senator has pointed out the correct solution, that if we can have an air capacity with the mobility to transport thousands of troops to any part of the world within a matter of hours, together with their equipment, it will give us a military presence which will be just as adequate as having those troops stationed there all the time.

Mr. President, the lessons of history teach us that any military power which lacks swift mobility with men and weapons is in serious danger of losing battles, or losing wars. All of human history has taught us that. If we read the lessons of the great military leaders of the past, we find that one thing responsible for their success was their swift mobility and their ability to get men and materiel to the scene of battle on a moment's notice.

Again, I wish to compliment my distinguished colleague on the speech he has made. I hope that the country, the Senate, and Congress as a whole, will take heed of the wise views he has offered here this afternoon.

Mr. SYMINGTON. Mr. President, I am grateful to my colleague from Georgia (Mr. TALMADGE). He is a member of the Finance Committee and one of those who follows carefully the condition of our economy. In my opinion, his remarks are solid from the standpoint of how we can extricate ourselves from spending billions and billions of dollars a month abroad.

I would hope that all Members of the Senate would read the wise observations just made by the Senator from Georgia (Mr. TALMADGE).

In this connection, the able chairman of the Foreign Relations Committee has assigned to me a subcommittee to examine this very matter of commitments. Hearings are scheduled to begin later this month; and based on material gathered by this subcommittee staff to date, I believe the results of these hearings will support the remarks made by the Senator from Georgia.

Mr. President, as I have stated many times in recent years, this Nation is overcommitted. The sooner we do something about it, the better it will be for the security and well-being of the United States.

Mr. President, I yield the floor; but before doing so I should like to commend the able, superb job being done by the Senator from Wisconsin (Mr. PROXMIRE) with respect to investigating a particular contract. I think it is one of the finest jobs ever done in the Senate. He has pointed out that there has been delay and waste; and as a result of his work, I believe the American taxpayers will be saved a great deal of money.

I would sum up the situation, as I see it this afternoon, that it may very possibly be a poor buy but, nevertheless, what is bought is impotrant to our national security.

Mr. YOUNG of North Dakota. Mr. President, I wish to commend the Senator from Missouri for a very able and informative speech on the airlift needs of this country. I recall that it was at least 8 or 9 years ago the chairman of the Armed Services Committee, the Senator from Georgia (Mr. RUSSELL), and the Senator from Missouri (Mr. SYMINGTON), first Secretary of the Air Force, advocated a much stronger airlift program. We are well underway toward having that necessary greater airlift capability. I think this is to the credit of those two Members of the Senate, and other Members of the Congress, that we have reached that point now. Those two Senators are due much greater credit than is the Pentagon itself. The Pentagon has never been a great advocate of airlift capability until the last few years. It was due to the two Senators to whom I have referred, to a large extent, that the Pentagon has more recently advocated it. The two Senators were far ahead of their time.

Mr. SYMINGTON. Mr. President, I thank the able Senator for his remarks.

It has been my privilege to serve with the Senator from North Dakota on the Defense Subcommittee of the Committee on Appropriations. Through his faithful service on that subcommittee he knows the whole story; and I thank him for what he has said about airlift.

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

Mr. SYMINGTON. I yield.

Mr. PROXMIRE. I did not have a chance to hear the Senator deliver his speech, but he served me with an advance copy of it, and I have read it. I think it is an excellent speech. I mean that. I think it is the first intelligible explanation of the rapid deployment concept and its place in foreign policy that I have seen. By implication, of course, it provides an important rationale for the C–5A. The significance of the statement is enhanced by Senator SYMINGTON'S former position in the Air Force and by his present high stature in the Senate as a preeminent authority on both military and foreign policy.

I agree with the basic points in the Senator's statement. Certainly, our overseas military establishment is excessive. At the same time, mobility of both troops and equipment is a desirable objective. I suppose every military leader seeks mobility as well as strength. The question in my mind is, mobility for what? What national purpose does rapid deployment serve?

I note that the Senator quoted an expert's views on multilateralism. I will repeat the quotation used by Senator SYMINGTON:

> Surely multilateralism should be the sine qua non of future American interventions: multinational efforts to assist developing nations; multinational efforts to cope with insurgency and multinational attempts to resolve open hostilities.

Now, this quotation, which I have taken from the Senator's speech, raises a vital point about the future of our defense and foreign policy, and it also raises a question about the intended use of the C–5A. I can well understand the first and the last purposes of multilateralism cited by the expert. Indeed, the United Nations was established primarily to attain those worthy goals—rendering assistance to the developing nations and helping to resolve open hostilities.

But I wonder what the expert means by "multinational efforts to cope with insurgency."

The Senator from Missouri has been one of the most effective critics of the American intervention in Vietnam. That war is sometimes described as a product of insurgency. I just wonder what the implications are of a foreign policy which employs rapid deployment as a means of mobility and which enables some multilateral organization "to cope with insurgency." What do we mean by "insurgency?" What kind of insurgencies will the C–5A allow us to intervene in? I wonder whether the distinguished Senator from Missouri can enlighten us on these questions.

Mr. SYMINGTON. Mr. President, I am grateful for the opportunity to present my position on this particular matter. Inasmuch as there is a lot of opinion in the Senate that we should not have gone into Vietnam in the first place, not only among the so-called doves, but also among the so-called hawks, I would state that I was in Vietnam for some time in 1961 with Gen. Maxwell Taylor and Mr. Walt Rostow; and believe sincerely that if that matter had been handled with dispatch at that time, by bringing in quickly a relatively small number of troops—the priviso being that we should have gone in at all—it would have had the same effect as when President Eisenhower sent troops into Lebanon. If it is going to be a police action, then it should be a police action; and there are places in the world where, in the interest of our security, I think it could be wise to send a few hundred troops, with the necessary equipment. Thus the idea of the C–5A and the emphasis on airlift, is the idea that we would have no more Vietnams.

Mr. PROXMIRE. I very much appreciate that reply, but it raises the point: Are you going to have the United Nations use the C–5A, or will this Nation use the C–5A at the request of the United Nations? That is the first question——

Mr. SYMINGTON. No, if I may reply. I am not referring to the United Nations; the Senator from Wisconsin is referring to the United Nations.

Mr. PROXMIRE. The Senator from Missouri referred to multination action.

Mr. SYMINGTON. There are still places in the world which the United States may have to go into without the approval of the United Nations, especially since the United Nations today is, to a large extent, run by the less developed nations, not by countries of Europe.

I believe in the United Nations and hope it will some day become what we hoped it would in the beginning; but I do not think we can delegate our security to the United Nations especially as it is constituted today. That was the purpose of that statement.

Mr. PROXMIRE. I am glad that is clarified. The Senator referred to multinational attempts. That could be NATO or the Organization of American States. Is that what the Senator had in mind?

Mr. SYMINGTON. Yes. If Great Britain got into serious trouble, I believe the United States would want to consider rapid reinforcement; moreover, if Japan today, based on our treaty obligations, was seriously threatened by her close neighbors, it would be desirable for us to be able to check, very quickly, a situation of that kind with a dependable airlift. On the other hand, I do not think the United States can afford to go into major wars, especially major undeclared wars—and I put it that way because I believe the Senate should have something to say about another Vietnam—and, at the same time, maintain its economy on a viable basis.

Mr. PROXMIRE. I have one other point to make with regard to the Senator's speech. In developing a scenario in which this country would demonstrate its "remote presence" by means of massive airlift, the Senator has spoken of the possibility of a crisis in the Middle East, in which case pre-positioned equipment in Western Europe would be useless. Furthermore, if the crisis developed into a blitzkrieg-type engagement, in all probability "only the first round of sorties would arrive in time to be decisive." What the Senator seems to be saying here—and I am sure he will correct any of my impressions if they are erroneous—is that a sizable fleet of rapid deployment aircraft—namely, C–5A's—will be necessary for the United States to meet its commitments in the Middle East.

The size of the fleet, that is, the number of C–5A's, which would be required is, however, not specified. Further on in the speech the Senator states quite candidly:

> Without benefit of a detailed analysis of the logistics problems involved, it is not possible to make an exact quantitative estimate of the effect of this revised threat scenario on United States heavy airlift requirements.

Mr. SYMINGTON. If the Senator will bear with me, I will explain by saying that, as the Senator knows, there have been plans for two additional squadrons; that is, for a total of six C–5A squadrons. This bill does not have any money in it for those additional squadrons; therefore, this talk today—which was prepared against the able Senator's amendment—does not get into the two additional squadrons which have been under consideration in the Pentagon.

If the Senator will yield further, with respect to his mention of the Middle East, I would like to note that for several years I have been chairman of the Near Eastern and South Asian Affairs Subcommittee of the Committee on Foreign Relations. At the time when there was some disagreement among our allies incident to the situation in Egypt and the Middle East in 1956, the countries of France, Great Britain, and Israel decided they would attack the United Arab Republic. That attack was only stopped by the economic threats, primarily, as well as the political threats, that were made by this country to those three countries that decided to attack Nasser.

At that time, or shortly thereafter, the First Lord of the Admiralty of Great Britain Viscount Haisham appeared on a television program in this country, and one of the reporters asked him: "Aren't you regretful about the length of time it took and the delays that were incurred in such an attack on Egypt?"

Viscount Haisham replied, in effect, "No, we are not worried about it at all. You must remember that Alexandria is only 3 days sailing time from Malta."

As one who had been interested in air transportation, I thought that a somewhat anachronistic remark to make in the air age.

Later in the same year I asked the field general handling the Israeli troops about it.

He said, "Because of the delay involved, our schedule for getting to Cairo was 3 days, whereas the schedule for the British and the French was 2 weeks."

It seemed to me, at that time, these incidents showed the importance of following the policy of perhaps one of the greatest generals this country has ever had, Nathan Bedford Forrest, who said:

> I git thar fustest with the mostest men.

I appreciate this dialog with the Senator from Wisconsin about the C–5A, because I know he is not against the C–5A as such; he is merely questioning the number of C–5A's that should be built. Is that correct?

Mr. PROXMIRE. That is correct.

Mr. SYMINGTON. I believe the C–5A is an acceptable compromise between no action and a great land or sea action, as is so well exemplified today in the tragedy of Vietnam.

Mr. PROXMIRE. I appreciate that, but the Senator raises the question that we do not know how many we need. He said that in his speech. The whole purpose of my amendment is to determine the number needed. We should get additional information, so that the Senate will know whether four squadrons are needed or not. As the Senator from Missouri knows, studies of the C–5A made in the Office of Systems Analysis indicated that four squadrons were not needed, these studies were rejected by the Secretary, but that was the finding. The Senator from Missouri just said we do not know how many we need.

Mr. SYMINGTON. The position I was trying to present to the Senate, and especially to the able Senator from Wisconsin, after studying this matter to the best of my ability is that I am not now ready to say we need six squadrons, but do believe four squadrons are needed. That is why, despite my respect for the Senator from Wisconsin and admiration for the work he has done, I feel that I cannot vote for his amendment.

Mr. PROXMIRE. Why does the Senator from Missouri feel that 58 are not enough but that 81 may be enough?

Mr. SYMINGTON. This would be a story that one would have to get into division by division. But when we have a situation, as in Vietnam, for example, where today we have already shipped more in tonnage than we did to Europe during World War II, even though we have about one-eighth the number of troops in Vietnam that we had in Europe, I think it shows the need for sizable shipments; and I believe the quicker we can get the equipment as well as the troops there, the quicker it will be possible to put down a situation that we believe is in our interest to put down, in a relatively quick and less expensive man-

ner in both lives and treasure than if we wait too long, or are forced to incur the automatic delay encountered in going by sea.

Mr. PROXMIRE. The Air Force report itself says that they need only 40—not even 58, let alone 81—only 40 C–5A's to provide all the airlift needed for the outsize equipment. Then, when they go beyond 58 planes, their analysis shows that the other airlift planes are more cost effective.

If that be true, why should we not have study of this matter made available to us, so that we may have all the data before us before we go ahead with it?

Mr. SYMINGTON. I would hope the Senator from Wisconsin receives any and all information that he asks for. However, I respectfully suggest to him that sometimes these reports are ones that have been made when someone asks, as any good executive does, "Give me the negative side of the picture." On that basis they are not conclusive, and at times are also parochial.

What we have before us today, as I see it, is a compromise typical of democratic functioning. The Air Force wants six squadrons. Some people feel they should only have three.

I have studied the matter to the best of my ability; and, based on my background, would say, "Let us compromise with four, and study it from there."

Mr. RUSSELL. Mr. President, will the Senator from Missouri yield?

Mr. SYMINGTON. I am happy to yield to the Senator from Georgia.

Mr. RUSSELL. I do not particularly wish to get into a prolonged debate of this issue with the Senator from Wisconsin, but I understand that the studies to which the Senator refers start with the assumption that we need four squadrons, and raises a question with respect to the fifth and sixth squadrons. I have seen Secretary Laird's letter, and certainly that is what it said. It gave the reasons, the number of divisions and troops, and the number of days it would take with the four squadrons, as compared with six.

Mr. PROXMIRE. Mr. President, Secretary Laird wrote me and also sent two of his experts over to my office to brief me on the studies, and what one of the two studies showed was that if you use the planes more intensively, if you fly the planes 15 hours a day, you would only need three squadrons. That finding he later rejected.

The second study, made June 11, showed that if you have the other means of transportation available, and pre-position the equipment, and so forth, you need only three squadrons.

These assumptions behind both these studies were rejected by the Secretary of Defense and the Assistant Secretary for Systems Analysis. But there is not any question that the study showed that three squadrons were all they could justify.

Mr. RUSSELL. Based on the assumption that you can keep three squadrons of planes in operation on a 24-hour basis.

Mr. PROXMIRE. A 15-hour basis.

Mr. RUSSELL. With three crews. That is an assumption that certainly ought to be rejected, because no plane ever made had been capable of such service.

Mr. PROXMIRE. It was based on an assumption of 15 hours per day, for only a 10-day period.

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

Mr. PROXMIRE. Certainly.

Mr. SYMINGTON. These reports made by civilian "experts," are sometimes disturbing. The Preparedness Subcommittee, of which I am a member, had the head of the tactical air aspects of Systems Analysis tell our staff that it was better to have two planes of inferior quality than one plane of superior performance. At that time, I began to question some of their decisions.

Mr. PROXMIRE. I am sure the Senator is correct. All I say is that we ought to have the information before we make a decision. There is no hurry. We will not have the first three squadrons until June 1971. There is ample time before they would finish a fourth squadron. So when we authorize it, we should do it with our eyes open and know what we are doing.

Mr. SYMINGTON. Mr. President, I congratulate the Senator from Wisconsin. There has never been a better job done in the Senate since I have been a Member than has been done by the disclosure of some of the information by the Senator from Wisconsin.

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

Mr. PROXMIRE. I yield.

Mr. FULBRIGHT. Mr. President, I did not understand the matter of 15 hours. For how long a period were the planes to be in service for 15 hours a day?

Mr. PROXMIRE. The assumption was made that they could be in service for 15 hours a day for a 10-day period, during which time it could be feasible to use C–5A's rather than other transportation methods. Once we get a little over 10 days or so, we can ship a whale of a lot more economically by ship than by airlift.

The airlift is practical for very short periods.

Mr. FULBRIGHT. The Senator meant for a period of 10 days. It is not reasonable to keep modern airplanes in use for that many hours a day for a long period.

Mr. PROXMIRE. Mr. President, the Senator from Arizona has debated this matter with me. And he knows a great deal more about planes than I do. However, he argues that it would be unrealistic to keep planes of this type in the air for 15 hours a day.

Mr. FULBRIGHT. Even for 10 days?

Mr. PROXMIRE. Even for 10 days.

Mr. GOLDWATER. Mr. President, if the Senator will allow me to explain why, a fleet does not sit idly by waiting for an emergency. It would be in constant daily use by the Military Airlift Command. So if we apply the same figures to the squadron as they do in normal transportation, about 80 or 82 percent would be kept in readiness.

The figures show that with three squadrons, 48 aircraft, we would have to assume that 10 out of the three squadrons would not be in use.

If we assume that the fleet is to be used only in times of great emergency, we could keep them in mothballs and use them as we need them. However, as I tried to explain the other day to my friend, the Senator from Wisconsin, it would cost more money. The airplane itself, as a single unit, can conceivably do it. The airlines cannot do it. And the military cannot do it as an average. We could have some fly for 20 hours 1 day. However, the next day they might not fly at all.

Mr. President, will the Senator from Georgia yield me some time?

Mr. RUSSELL. Mr. President, I am going to yield next to the Senator from North Dakota.

Mr. GOLDWATER. I wanted some time to finish my statement pertaining to the pending debate.

Mr. RUSSELL. How much time does the Senator require?

Mr. GOLDWATER. Five minutes at the most.

Mr. RUSSELL. Mr. President, I yield 5 minutes to the Senator from Arizona.

Mr. GOLDWATER. Mr. President, I was very interested in the statement of the Senator from Missouri and the reply made by the Senator from Wisconsin. I have some figures that I will have printed in the RECORD. First, however, I will use a few of the figures to show what we are up against in the airlift problem.

For three squadrons of C–5's, in 30 days 38 aircraft out of a 48-aircraft unit can carry 39,900 tons of outsized cargo. It would take 50 days to carry 66,400 tons of outsized cargo.

Regular-sized equipment can be carried in the normal aircraft carrier. This is outsized stuff that cannot fit in anything else.

If we go to four squadrons, it would take 35 days to carry 66,400 tons of outsized cargo. That is quite a drop. That is 15 days.

If we go to five squadrons of C–5's, it would require 27 days to carry the same amount of tonnage. That is not much of a drop. It is about 8 days.

If we go to six squadrons of C–5's, it would require 22 days to carry 66,400 tons of outsized cargo to Europe.

Mr. President, I ask unanimous consent that the figures I have used plus some others be printed in the RECORD at this point.

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

TALKING PAPER ON C–5

If there were to be a requirement to airlift a practical combat force with support elements of Army, Navy, and Air Force units to Europe in 30 days, utilizing programmed prepositioned equipment the force would be represented as follows: Troops, 300,000; bulk cargo, 100,000 tons; and outsize cargo, 65,000 tons.[1]

It should be noted that the 30-day period referred to above is for completion of the entire movement of troops and cargo. A key factor in this deployment that we have not addressed in this study is the critical time phasing of deployment of the units during the 30-day period. It should be clearly understood that portions of the force are required almost immediately and that the 30-day period referred to is the completion date for

[1] Outsize Cargo is identified as that cargo too heavy and/or too large to be transported in the C–141 aircraft.

the time phase deployment. Likewise it should also be recognized that significant portions of this force may not be ready to start movement until many days after the beginning of the 30-day period.

Productivity factors for the CRAF, C–141 and C–5 aircraft are as follows:

CRAF: Troops, 165 per a/c; bulk cargo, 32 Tons per a/c.

C–141's: Bulk cargo, 20 Tons plus 7 Troops (1 Ton) per a/c for a total of 21 Tons.[2]

C–5's: Troops, 83 (12 Tons) plus bulk cargo, 13 Tons plus outsize cargo, 75 Tons[3] for a total of 100 Tons per C–5 sortie.

Planning factors for all airlift aircraft are 410 Knot blockspeed and a utilization rate of 10 hours per day per aircraft. A mean distance of 4,420 nm (one way) from mid-CONUS onload to offload point in Europe was used. Using these factors it turns out that all aircraft (CRAF, C–141's, and C–5's) can accomplish 14 round trips in 30 days.

103 CRAF aircraft carry only troops.

93 CRAF aircraft carry only cargo.

In 30 days 103 CRAF passenger aircraft can carry 103 x 14 x 165 troops=237,930 troops.

In 30 days 93 CRAF cargo aircraft can carry 93 x 14 x 32 tons=41,664 Tons of Bulk Cargo.

Of 224 C–141's (14 Squadrons) 56 are assumed to be reserved for other contingencies; thus 168 are available for the deployment.

In 30 days 168 C–141's can carry 168 x 14 x 7 Troops=16,464 Troops.

In 30 days 168 C–141's can carry 168 x 14 x 20 Tons=47,040 Tons of Bulk Cargo.

Of the total C–5 aircraft, ten are assumed to be reserved for other contingencies and have been withdrawn.

THREE SQUADRONS C–5'S

In 30 days three squadrons of C–5, 38 aircraft (48UE minus 10) can carry:

38 x 14 x 75 Tons=39,900 Tons Outsized Cargo.

38 x 14 x 13 Tons=6,916 Tons Bulk Cargo.

38 x 14 x 83 Troops=44,156 Troops.

The above shows that all of the Outsized Cargo (66,400 Tons) cannot be delivered in the 30 days specified. In fact, with only three squadrons of C–5's the time to close the 66,400 tons would be approximately 50 days.

FOUR SQUADRONS C–5'S

In 30 days four squadrons of C–5's consisting of 54 aircraft (64UE minus 10) can carry:

54 x 14 x 75 Tons=56,700 Tons Outsized Cargo.

54 x 14 x 13=9,826 Tons Bulk Cargo.

54 x 14 x 83 Troops=62,748 Troops.

With four squadrons of C–5's it would require 35 days to close 66,400 Tons of Outsized Cargo to Europe from mid-CONUS.

FIVE SQUADRONS C–5'S

In 30 days five squadrons of C–5's consisting of 70 aircraft (80UE minus 10) can carry:

70 x 14 x 75 Tons=73,500 Tons Outsized Cargo.

70 x 14 x 13 Tons=12,740 Tons Bulk Cargo.

70 x 14 x 83 Troops=81,340 Troops.

With five squadrons of C–5's, it would require 27 days to close 66,400 tons of Outsized Cargo to Europe from mid-CONUS.

SIX SQUADRONS C–5'S

In 30 days six squadrons of C–5's consisting of 86 aircraft (96UE minus 10) can carry:

86 x 14 x 75 Tons=90,300 Tons Outsized Cargo.

86 x 14 x 13 Tons=15,652 Tons Bulk Cargo.

86 x 14 x 83 Troops=99,932 Troops.

With six squadrons of C–5's it would require 22 days to close 66,400 tons of Outsized Cargo to Europe from mid-CONUS.

[2] C–141's carry only 7 troops per sortie as this is all that is required to close the total troop requirement within the time specified.

[3] It is estimated that, on the average, 75 tons of Outsized Cargo is carried on each C–5 sortie.

SUMMARY

With an airlift fleet of 196 CRAF aircraft, 224 C–141's and three squadrons of C–5's, the pacing factor in closing fighting units to Europe is the delivery of Outsized Cargo by the C–5. In fact, about 4½ squadrons of C–5's are required to deliver the Outsized Cargo in the same time period required to deliver the troops and Bulk Cargo being carried by the entire fleet. Further, to meet the requirement for closure to Europe of the troops and equipment in 30 days would require somewhere between 4 and 5 squadrons of C–5's. Note this is in the context of the requirement to Europe alone and does not include a consideration for rapid deployment to meet any other contingencies. Consideration of other contingencies would, of course, require more C–5s. It should also be noted that this analysis does not cover continuing logistics to support defense forces in other parts of the world during the period of deployment.

CAPABILITY OF THE AIRLIFT FLEET TO DELIVER TROOPS/CARGO TO NATO EUROPE IN 30 DAYS[1]

	Number of C–5 squadrons				
	0	3	4	5	6
Troops (number of troops)	254,394	298,550	317,142	335,734	354,326
Bulk cargo (number of tons)	88,704	95,620	98,532	[2] 101,444	104,356
Outsized cargo (number of tons)		39,900	56,700	73,500	90,300

[1] Includes 196 CRAF aircraft, 168 C–141's and various numbers of C–5's. Excludes the capability of 56 C–141's and 10 C–5's withheld for other contingencies.

[2] Even though this number is slightly below the 104,500 tons of bulk cargo required to be delivered in 30 days, the airlift fleet with 5 squadrons of C–5's can accomplish the job in 30 days. With 75 tons of outsized cargo per C–5 sortie we have more than met the requirement for delivery of the outsized cargo (73,500 tons compared to a requirement of 66,400 tons). This can be accomplished by adjusting the C–5's load to carry more bulk and less outsized cargo than calculated in these computations.

Note: Assumed airlift requirements are as follows: Troops, 297,000; bulk cargo, 104,500 tons; outsize cargo, 66,400 tons.

Mr. GOLDWATER. Mr. President, I call this to the attention of the Senator from Wisconsin because the Senator from Georgia queried him on the matter. And I know that we have engaged in debate on this also.

The letter written to the Senator from Wisconsin by Secretary Laird, in referring to Dr. Selin, who is the author of the paper, said:

> After a critical examination of this issue, he (the Assistant Secretary of Defense for Systems Analysis) firmly recommends and supports a fourth squadron.

I want to make it clear that it is true that the November findings of this body did not so find. It is also true that the findings said the same thing in June. It is true, however, that in the latest decision he decided to go along with everyone else.

Mr. PROXMIRE. Mr. President, the Senator is absolutely right. He made a decision, which might very well be wise, to reject the conclusion of the two reports and said that we need four squadrons.

Mr. GOLDWATER. I want to make that clear and have the RECORD all straight.

I thank the Senator from Georgia for yielding to me.

Mr. RUSSELL. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time for the brief quorum not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRANSTON in the chair). Without objection, it is so ordered.

Mr. RUSSELL. Mr. President, I yield 12 minutes to the distinguished Senator from North Dakota.

Mr. YOUNG of North Dakota. Mr. President, it is my hope that the Senate will reject the amendment offered by the senior Senator from Wisconsin (Mr. PROXMIRE). There is a valid and urgent military requirement for the C–5A aircraft, and while the increase is substantial from the original estimated cost of the program is regrettable, it does not justify the termination of the program or a break in production as proposed in the pending amendment.

Mr. President, I do not attempt to defend the contract procedures applied by Secretary of Defense McNamara in the development of the C–5A and other military hardware. Secretary McNamara undoubtedly believed that the contract procedures which he instituted at that time had certain advantages. I cannot help but feel, though, that in the case of the C–5A and other contracts it proved to be an unwise procedure. It has since been abandoned by the new Secretary of Defense, Melvin Laird.

Regardless of the contract procedures, every Air Force officer I know says that this is a superb plane. Further, Mr. President, even though there was a very sizable overrun, there is no question about a profit made by Lockheed. Rather, the question is how much they have lost thus far?

A General Accounting Office investigation into the contractual procedures in use during the McNamara years, as proposed by the pending amendment, may be advisable. We must recognize that this would be a long and costly procedure and would mean a year to a year and a half delay in the procurement of additional C–5A aircraft, and certainly additional costs for aircraft.

The central issue before us is whether or not the C–5A is a good airplane and whether or not we need it.

In the late 1950's it became apparent that the United States did not have the manpower resources to support its commitments throughout the world without a greatly improved airlift capability. Our 1960 airlift force included about 400 old C–124, C–133, C–118, and C–121 piston engine aircraft. The introduction of commercial jet aircraft had demonstrated that these aircraft were obsolete both in transportation productivity and in operating costs.

In order to obtain an immediate improvement in airlift capability, we undertook a program that called for 20 squadrons of C–141 jet transport aircraft. While the C–141 was a modern jet aircraft, it was basically a commercial aircraft modified for military applications. It had no capability for the movement of large size Army equipment. With the retirement of the old piston engine C–124's and C–133's, the percentage of Army items airliftable would drop about 65 percent.

In general, the Army items which could be carried in the older aircraft, but which could not be carried in the C–141's, were the vehicles which gave the Army units their required mobility. The requirement for the air delivery of very large equipment continued to grow during the early 1960's. The Army items which could not be airlifted include a very large portion of the Army's big guns and tanks. We had a new jet transport aircraft in the C–141, but we still had a situation in which we had to tailor Army units for air movement, rather than tailoring these units for their intended missions.

In 1964 a Department of Defense study of our airlift capability requirements reached the conclusion that we must have a new jet transport aircraft with the capability to airlift very large Army equipment such as guns and tanks. This study concluded that a force of 13 C–141 squadrons and six heavy lift (C–5A) squadrons would—

First, provide an improved replacement for the C–124 and C–133 outside capability for one-half the operating cost per ton-mile;

Second, provide significant reductions in reaction time for forces now planned for airlift, or by applying this time-savings to additional tonnages, a marked increase in the effectiveness of those forces;

Third, provide a capability to redeploy large forces rapidly from one area to another, thereby reducing risks to the general war posture in committing major forces to contingency areas; and

Fourth, be capable of airlifting up to eight Army division forces during the early deployment period, resulting in a potential for ultimate savings in casualties, dollar costs, and time required to conduct a limited war.

Based on this study, Secretary McNamara announced a decision to develop the C–5A aircraft, and shortly thereafter he announced that the number of C–141 squadrons would be reduced from the previously planned 20 to 13.

Under our various treaties, this country has military commitments to a number of nations—and there are far too many. In order to fulfill these commitments, if called upon to do so, we must have an adequate airlift capability. It is the C–5A aircraft that will give us this capability.

For example, Mr. President, I am a strong advocate of sharply reducing the size of our Army in Europe. With the capability we will have through the C–5A, we could easily withdraw two or three divisions from Germany. The C–5A aircraft, which has been requested by the Secretary of Defense and the Joint Chiefs of Staff, would make this possible.

Earlier I referred to the increase in the cost of the C–5A program. As every Member of the Senate knows, cost increases, or cost overruns, are not limited to aircraft, they are not limited to the Department of Defense, and they are not limited to the Federal Government.

The matter of increases in the cost of weapons systems has been a matter of great concern to me for a number of years in my capacity as ranking minority member of the Department of Defense Subcommittee of the Committee on Appropriations. After giving this matter considerable study, I have concluded that most increases can be attributed to one of three major causes:

First. Including improved capability in systems after they have been approved for procurement, which gives us a better weapons system and should not be considered as a cost increase in the usual sense.

Second. The result of the effect of inflation on the value of the money provided for the procurement of weapons systems.

Third. Frequent changes in production schedules.

At this time it does not look as though there will be any further substantial increases in the C–5A resulting from providing improved capability.

Mr. President, up to this time there has been no major change in the production schedule of this aircraft, and it is my hope that the Senate will not take any action which will cause any interruption in its production.

On July 29, the Secretary of the Air Force appeared before the Department of Defense Appropriation Subcommittee, at which time he discussed this problem of cost increases. He said, in part:

> While we have no precise estimate of the dollar effects on schedule changes, we think that it has cost us on the order of ten cents out of every aircraft procurement dollar since the period of 1965–66 . . .

The Proxmire amendment would cause a break in the production of the C–5A aircraft which could lead to tremendous further increases in its cost. We need this aircraft, and we need to obtain it for the least possible cost. It is for these reasons, Mr. President, that I urge the rejection of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I yield 5 minutes to the Senator from Maine.

Mr. MUSKIE. Mr. President, I thank the distinguished Senator from Mississippi for yielding to me these few moments to state my position on the pending amendment.

Mr. President, I have followed the debate over the military authorization bill with great concern. In the early stages of the debate I spoke out against and voted against deployment of the Safeguard antiballistic missile. I did so because I doubted its contribution to our national defense, because I had deep reservations about its impact on our efforts to slow the arms race and because I believed it represented a major and unnecessary drain on our resources.

I have examined and am examining the other controversial items in the authorization bill using the same criteria I applied to ABM. It would be tempting to vote for every amendment to the authorization as a symbolic gesture toward a reordering of our national priorities—a reordering I consider to be of utmost importance.

But symbolism can be an uncertain guide, particularly when the symbols are not at the heart of the issue. The amendments pending before us represent substantial sums of money, but taken individually or collectively they do not get at the central issue on national defense policy: that is, our national strategic commitments. For these reasons, I have concluded that each of the amendments must be judged individually on its merits, and that the weapons systems to which the amendments are addressed must be judged on their contributions to our national security interests, as we now perceive them.

My present inclination is to vote for the amendments dealing with the manned bomber and the nuclear carrier where I consider the potential costs far in excess of the potential benefits.

On the surface, the C–5A authorization for a fourth squadron is a likely target. I am concerned as are other Senators, notably the distinguished senior Senator from Wisconsin, with the increased costs associated with the plane, the criticism of the contract between the Air Force and Lockheed, and the disagreements over the meaning of Defense Department cost-effectiveness studies. These argue for delay and study before going ahead with the fourth squadron.

I hesitate, however, to vote for disrupting procurement of the plane in order to correct contractual and cost problems unless there is also convincing evidence that the C–5A is not needed, that it is inconsistent with potential changes in our strategic policies, and that it represents a major portion of our defense budget. On balance, I think the debate argues for procurement of the fourth squadron, with maximum protection of U.S. interests on costs and renegotiation of the basic contracts. I do not think the General Accounting Office is the appropriate agency to advise the Congress on the contribution of the plane to our national deployment capability.

In the final analysis, Mr. President, I believe that the C–5A, with all its contract and cost problems, offers an effective transportation system to meet present commitments and is consistent with proposals the majority leader and others of us have made for withdrawal of major U.S. troop concentrations overseas. That, I submit, suggests that the C–5A offers us the chance to actually cut our Defense costs in that 60 percent portion of our defense budget allocated to manpower.

For these reasons, Mr. President, I shall vote against the Proxmire amendment. However, I wish to add my commendation to the distinguished Senator from Wisconsin for having opened up this issue and having presented to the Senate a case which has made it very difficult for me to choose between voting yea or nay on the amendment.

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

Mr. STENNIS. I yield 2 additional minutes to the Senator from Maine.

Mr. MUSKIE. I think the efforts of the Senator from Wisconsin will lead to a refocussing of our attention on military versus domestic priorities and, second, I hope, to improvement in our procurement policies in the national defense field.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. I yield 10 minutes to the Senator from Nevada.

Mr. CANNON. Mr. President, I am strongly opposed to the amendment offered by the distinguished Senator from Wisconsin (Mr. PROXMIRE) with reference to the C–5A. We should recognize at the outset the fact that this amendment will not merely defer the funding of the 23 additional aircraft during the period of the 3-month study by the Comptroller General. It proposes to eliminate procurement funds for the fourth C–5A squadron from the bill entirely and, if adopted, it would definitely delay the contract for the 23 additional aircraft by 1 full year.

Since we are operating in the real world of hard and practical facts, and not merely in academics and theory, we should recognize another fact. The fourth C–5A squadron which would be deleted by the Proxmire amendment is, despite the discussion on the subject, firmly recommended and supported by the Secretary of Defense, the Assistant Secretary of Defense for Systems Analysis, the Joint Chiefs of Staff, the Air Force, and by our Committee on Armed Services. In fact, I know of no person in an official position of responsibility or authority with respect to the C–5A who takes a contrary view. Certainly, this should weigh heavily with us.

Let me also say at this outset that I doubt very much that the General Accounting Office has the competence to make the military judgment which the Proxmire amendment requires. I become very much concerned when we propose to involve the General Accounting Office in the decisionmaking process in matters of military requirements and systems evaluation. I believe that decisions on the advisable course to follow in the C–5A matter and the best method to satisfy our present and further military airlift requirements transcend the ability of the General Accounting Office, conceding its competence in its own legitimate and assigned sphere of operation.

Now, let me say a few words about the C–5A itself. Our national interest clearly requires that we have the capability to support the rapid deployment of U.S. forces. The C–5A will provide a fast reaction capability which will enable us to airlift combat or support units worldwide under general and limited war as well as peacetime conditions. This capability for rapid deployment will give the Department of Defense an added flexibility in planning for peacetime deployment and basing it has never had before. It may very well permit a reduction in the U.S. forces based overseas and solve problems associated with the pre-positioning of equipment.

The design of the C–5A was optimized to accomplish the rapid deployment of effective forces. This huge aircraft will transport almost all of the types of combat weapons and equipment of an Army division concurrently with the personnel associated with the equipment. This permits unit integrity to be maintained—an important tactical consideration.

No other aircraft can perform this mission. The C–141, currently our largest operational jet transport, has established an outstanding operational record. However, it cannot carry all of the infantry division and armored division vehicle types. Such essential items as tanks, bridge launchers, armored personnel carriers, and helicopters can be carried only in the C–5A.

The Congress has already approved the procurement of 58 of these aircraft through the initial production run A. In January 1969, the Air Force exercised the option to procure not to exceed 57 additional aircraft in production run B, subject, of course, to congressional approval. The fiscal year 1970 request is for authorization to procure the first 23 aircraft in production run B. This is what is involved in the pending amendment. Under any theory, it appears to me the 23 aircraft in the fiscal year 1970 request are needed. Certainly the overwhelming weight of official and expert judgment supports this. When procured, these will take us only to four squadrons, 81 aircraft, versus the six squadrons, 120 aircraft, approved as a minimum requirement by the Department of the Air Force and Joint Chiefs of Staff.

The Senate Committee on Armed Services held extensive hearings on the C–5A program and, after careful consideration, it concluded that procurement of the 23 additional aircraft in the authorization bill is justified. At the same time, the committee has made it plain that there is no commitment to procure any aircraft over and above the 23 in this year's bill. The fate of the fifth and sixth squadrons will be decided in future years.

As we all know, the C–5A program, for a number of reasons, has experienced significant cost increases. Also, it is rather clear that the form of the contract involved is deficient in a number of respects and has posed problems both for the Government and for the contractors. Despite these facts, however, the Air Force and the Department of Defense have assured us that we will get an aircraft with fine performance characteristics and that the C–5A, when delivered, will meet most, if not all, the operational requirements which have been laid down for it. There is no evidence at this time of any significant performance shortcomings. In addition, the C–5A operating cost per ton-mile will be far lower than any other airlift aircraft. For example, the operating cost per ton-mile will be 2.9 cents for the C–5A versus 5.3 cents for the C–141. Even with the cost increases, it appears that the C–5A will be more cost effective than any available aircraft.

Since the C–5A will have fine performance characteristics and at least four squadrons of this aircraft are needed, I believe that it would be most unwise to incur the added expense which would necessarily result from a delay, deferral, or strechout of the program. This would merely increase the cost overrun and make the cost situation worse than it already is. It might also transfer more of the cost increase to the Government.

The impact of the amendment is clear. The Defense Department advises that if the funding is deferred to fiscal year 1971, the Air Force will have to negotiate a new contract with Lockheed as the sole source and with no contractual commitments or price options available. A 1-year funding delay and a renegotiation of the contract, according to the Air Force, would result in a delay of about 18 months in the production of the first run B aircraft. It is estimated that a delay would increase the cost of run B by $400 to $550 million over the present projection.

Even if the amendment only deferred the procurement of the fourth squadron for 1 year, the financial impact on the contractor might impair seriously his ability to produce the 58 run A aircraft now under contract. This might result in default on the entire contract since, without funds for the 23 run B aircraft, the available money will be exhausted well before January 1, 1970. The Air Force advises us that if the program is killed entirely by failing to fund the 23 aircraft, the added loss to the Government at a minimum will be $102 million—$72 million in fiscal year 1969 funds for long-lead items and $30.5 million in termination costs.

Therefore, unless the C–5A program is to be cut off definitely and finally at the 58 aircraft which have previously been authorized, I can see little possibility of good and great probability of harm from the adoption of the pending amendment. It appears to be self-defeating and counterproductive since, at best, it will delay the delivery of the 23 aircraft involved and drive up the cost overrun even above that which the Senator from Wisconsin has criticized so strongly. The C–5A question has been studied exhaustively by several committees on both sides of the Congress and I do not believe that any further study is necessary. It is time for it to be voted up or down.

I appreciate the sincerity and the motives of the Senator from Wisconsin. I commend him on the fine and valuable work he has done on this program. However, I cannot agree with his reasoning with respect to this amendment and I strongly urge that it be defeated.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. STENNIS. How much time remains to those in opposition to the amendment?

The PRESIDING OFFICER. Sixty minutes remain.

Mr. STENNIS. How much time remains to the proponents?

The PRESIDING OFFICER. Sixty-seven minutes remain to the proponents.

Mr. STENNIS. I thank the Chair.

Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time for the quorum be divided equally between the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

WHO CONTROLS MILITARY SPENDING?

Mr. FULBRIGHT. Mr. President, to appearances, this debate on military procurement is one between Senators of varying persuasion. In fact the division of forces is somewhat different. On the one side, questioning the need for a fourth squadron of the incredibly overpriced C–5A, as well as other costly new weapons and support systems, are a group of Senators aided by a handful of resourceful and dedicated staff assistants. On the other side is a coalition of conscientious Senators supported by the enormous resources of a military establishment which remains in a state of instant alert for combat duty on Capitol Hill.

In no way at all do I criticize Senators for accepting information and advice from the executive. I have welcomed them myself on numerous occasions—though none of these has been recent. I do, however, feel a good deal of indignation over the amount of public money and manpower expended by the Pentagon on political promotion and public relations.

Last fall, for example, a nationwide publicity campaign in support of the ABM was planned by the Department of the Army. Prudently canceled by the Nixon administration in March of this year, this abortive plan, as spelled out in a memorandum prepared by Lt. Gen. Aldred D. Starbird and approved by the Army Chief of Staff, outlined a program of Department of the Army-sponsored speeches, press releases, interviews, and planted magazine articles aimed at overcoming public and congressional opposition to deployment of the ABM.

According to press reports, the Pentagon has now created a special task force, headed by a Mr. William Baroody, an assistant to Secretary Laird, for purposes of assisting Congressmen and Senators who are prepared to resist cuts in the military budget. Mr. Baroody's task force is reported to have specific responsibility for providing arguments and information for Senators who wish to try to refute criticisms of such current Pentagon requests as the C–5A transport, the aircraft carrier, the advanced manned strategic aircraft bomber, and the F–15 fighter.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point an article from the September 5 Washington Post, entitled "Pentagon Assists Its Hill Allies."

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

PENTAGON ASSISTS ITS HILL ALLIES

(By Bernard D. Nossiter and George C. Wilson)

The Pentagon has created a special task force headed by a key aide of Defense Secretary Melvin R. Laird to assist Sen. John Stennis (D-Miss.) and other Congressional allies in their battle against military budget cutters.

The lobbying unit is led by William Baroody, special assistant to Laird. A brief description of its work and other Defense Department plans to ward off spending reductions is given in an Aug. 26 Air Force memorandum.

The paper is signed by Joseph J. F. Clark, Air Force Deputy Director for Legislation and Investigation, Legislative Liaison.

ACTIONS UNDERWAY

The memo begins by saying that "several actions are under way" in the Pentagon to meet requests from the House and Senate Armed Services Committees "for additional materials to be utilized during floor debates" on the bill authorizing procurement of weapons systems. This $20-billion measure is now on the Senate floor under the stewardship of Stennis.

The Clark memo, directed to Air Force Secretary Robert Seamans, says that Baroody "heads up one task force to provide material to Chairman Stennis to refute statements and arguments being made by various senators in their efforts to reduce or eliminate (Defense Department) programs. The C–5, AMSA, and F–15 Air Force programs are all involved in this effort."

The C–5A is the controversial cargo plane, AMSA is the newly proposed manned bomber and the F–15 is a new fighter.

The memo continues:

"In addition, we have been asked to submit a point-by-point analysis of the statements made by Sen. (William) Proxmire (D-Wis.) in support of his amendment to eliminate money in (Fiscal Year) 1970 for the fourth squadron of C–5 aircraft. This analysis will serve as a basis for response by Chairman Stennis or other Armed Services Committee members during the floor debate which will resume next week."

Baroody and an Air Force colonel visited Proxmire on Wednesday in an effort to explain two Pentagon studies suggesting that more C–5As would waste money.

The Clark report then notes that T. Edward Braswell, chief of staff of Stennis' Armed Services Committee, has asked for a "detailed breakout" of the finances involved in the A–7D program. This is an attack plane made by Ling-Temco-Vought that is costing more than expected.

The memo reports that Lt. Gen. George S. Boylan, Jr., Air Force deputy chief of staff for programs and resources, is preparing this material and it "will be utilized by the Committee in determining its future course of action on the issue."

Clark also describes requests for rebuttal material from the House Armed Services Committee. A staff member, Earl Morgan, "has asked for a detailed analysis and rebuttal" to several documents, including the report on military spending prepared by Members of Congress for Peace Through Law, a bipartisan group led by Sen. Mark Hatfield (R-Ore.), and the "Fact Book" of the Democratic Study Group, a caucus of House liberals, the memo says.

Clark concludes that this rebuttal material "is to be provided to the House Armed Services Committee for use during floor discussion of the procurement bill in that body."

FUEL FOR REBELLION

The hard evidence of such a close link between Stennis and the Pentagon, which his committee is supposed to ride herd on, is expected to freshen the Senate rebellion on military issues.

Stennis, recognizing the military money bill was in for trouble this year, tried to preempt the opposition by making cuts in the Armed Service Committee. But neither this move nor the recent cuts made by Laird knocked out the Senators trying to revamp the Pentagon Fiscal 1971 budget.

Often during the military debates this year, Stennis has been taking on the opposition alone. Seldom has the ailing Sen. Richard B. Russell (D-Ga.), former chairman of the Senate Armed Services Committee, taken the floor to help.

STENNIS' WEAKNESS

Also, Stennis this year is without the services of the long time director of the Armed Services Committee, William H. Darden, appointed as a judge in the military appeals court. His departure, according to the Senate insiders, has contributed to Stennis' weakened condition as committee chairman.

Baroody, who worked with Laird in the House on military matters, said last night he does not consider his help to Stennis as a task force operation.

Baroody said Stennis had asked Laird for his views on the questions posed by the Senate amendments. As a special assistant, Baroody said the job of supplying the information came to him.

"It's perfectly legitimate," Baroody said, for a Senator to ask the views of the defense secretary on military questions, adding that he had briefed critics like Proxmire as well as supplied information to Stennis.

To respond to the requests for military information, Baroody said he has added an Air Force colonel and a Navy commander to his original staff of one Army colonel special assistant, a civilian aide and two secretaries.

Baroody said he has not written any speeches for senators to give the Pentagon's side of the story.

Outside the Pentagon itself, military contractors are helping their allies in Congress with speeches. At least one contractor has helped answer the questions one senator posed to the Air Force on the AMSA bomber, for example.

Mr. FULBRIGHT. Mr. President, clearly we are engaged here in an unequal contest. Arrayed against the critics of extravagant military spending are not only our colleagues with whom we share constitutional responsibility for determining the military budget but the Military Establishment itself, with all its impressive resources. The Pentagon has become in effect an ex officio but highly influential participant in the current Senate debate. Contrary to the spirit and intent of our Constitution, the military has become an active participant in the political process, a self-appointed de facto jury sitting in judgment on its own case.

Over and above the merits or demerits of specific weapons systems, the root question is: Who controls military spending? The Constitution says that Congress does, not only through its exclusive power of appropriation but, in the case of the military, through its responsibility under article I, section 8, for making "Rules for the Government and Regulation of the land and naval forces." In fact, Congress is simply not exercising this critical responsibility, and I think it no exaggeration to say that it has not done so for the last generation. For practical purposes the control of military spending has been primarily in the hands of the Executive since the Second World War, with Congress acting as a compliant junior partner.

Possibly without awareness of the radical constitutional doctrine he was preaching, President Nixon has claimed for himself the authority to judge how much is spent on the Armed Forces. As he put it in his speech at the Air Force Academy on June 4:

> The question in defense spending is "How much is necessary?" The President of the United States is the man charged with making that judgment.

The issue is clearly drawn. The executive says that it has the responsibility for military spending. The Constitution says that Congress has that responsibility. What then does Congress say? Are we to be content with the role of junior partner in the discharge of our own responsibilities? Or are we prepared to reclaim our legitimate and exclusive constitutional prerogative? That, I think, is the critical underlying question in the matter of the C–5A and a great deal of other military hardware covered by the present legislation.

The appropriations power is the classic, basic power of a democratic legislature. If we cannot control the pursestrings, what can we control?

The foregoing represent my primary reason for voting against the requested fourth squadron of C–5A transports. An additional major factor, however, warranting our serious attention, is the strategic premise on which these transport aircraft are held to be needed.

Their purpose, of course, is the rapid long-distance deployment of American troops. They carry, therefore, a connotation of foreign military commitment; and that, as we seem to have agreed in recent months, is a matter requiring congressional scrutiny. On June 25 of this year the Senate, by a vote of 70 to 16, adopted a resolution asserting that no foreign military commitment should be made without the consent of Congress. The C–5A does not in itself represent a commitment to anybody, but it represents a significant new facility for the making of commitments in the hands of the executive. A few years ago the distinguished senior Senator from Georgia dealt, as chairman of the Armed Services Committee, with the executive's request for what it called a "fast deployment logistic ship." In opposing that request, the Senator expressed his apprehension—if I recall his words correctly—that "if they can intervene they will intervene."

I think that the same wise caveat is in order for the C–5A. You are not committing a teenager to an auto wreck by putting him behind the wheel of a hotrod, but you are certainly helping to create a possibility. Before voting over a half-billion dollars toward the purchase of a fourth squadron of these spectacularly expensive transport aircraft, Congress has the right and duty to demand full information on their prospective uses. Where, how, and on whose authority does the administration propose to use these aircraft? Are there in existence contingency plans for their prospective use, and—if I may broach a sensitive subject—might the Congress be permitted a glimpse of these plans before committing over a half-billion dollars to the means of their execution?

I do not think these questions have been answered. Instead of providing pertinent information about the strategy and uses contemplated for the C–5A, the Pentagon political mentors have once again thrown their potent, well-oiled lobbying machinery into high gear. Their approach does not inspire confidence. I shall, accordingly, cast my vote in the negative.

Mr. President, this, of course, says nothing about the character of the contract itself, which has been explored in depth, especially by the Senator from Wisconsin. I want to take this opportunity to compliment the Senator from Wisconsin for the hearings held by his committee, which, for the first time, made a valiant effort to inquire into the reasoning behind enormous and almost incomprehensible military expenditures.

I believe that one of the conclusions of his own statement, drawn from his hearings, was a question about how these contracts are made—contracts involving billions of dollars, which seem to have the result of rewarding the most inefficient operators, the most inefficient manufacturers. In this particular instance, it would appear from the published reports that the contract itself was bid upon by the contractor, the Lockheed Co., deliberately below what was a reasonable amount. This, of course, created the impression that it would be very cheap and also had the effect of preventing a more responsible company from obtaining the contract; and then it expects to make—and apparently it will, if this contract is proceeded with—exorbitant profits on the second stage of the contract.

This seems to me to be a sort of degenerated form of socialism. Certainly there is no private enterprise in it. There is no competition in it, and no efficiency. It is dictated and distributed by the Government agency to those who, in many cases, are the least efficient to perform the function which the Government requires. It certainly is a distortion of what we are pleased to call a private enterprise economic system.

But in any case, those are other aspects of this particular contract. I think that the overall justification for it has not been made. The request of the Senator from Wisconsin for time to consider the reports which have been made to the Pentagon, which have not been made public, but of which he is aware, I think is a most reasonable one. As he himself has pointed out, this fourth squadron will not be expected to be built, I guess—I do not know whether one would call it built or completed—at least until early in 1971; so there is plenty of time, and I cannot see that there would be any great detriment to our security if sufficient time is allowed for the committee of which he is chairman, and others, to inquire further into the justification and need for this enormous expenditure of funds in this area.

Lastly, Mr. President, I cannot view this and other contracts for military affairs aside from the condition of our country itself. Today I read in the morning newspaper that interest rates have climbed to a new high—more than 8 percent for triple-A corporate bonds. Inflation is continuing at an apparently ever-accelerating rate; at least there is no sign of any decline in it.

Crime in Washington, D.C., in August, I heard on the radio coming to the office this morning, was at the highest rate in history, with 714 armed robberies; I believe that was the classification. But in nearly any classification one might choose, whether murder, rape, or armed robbery, the situation is the same.

So we have a continuing deterioration in quality of life and internal order in this country. We have a tax bill before Congress which is a source of a great deal of controversy, but, of course, these conditions require increasing taxes.

All of this makes a not very pretty picture, and, in fact, is very discouraging. In the face of that situation, the refusal of the Military Establishment to acknowledge that they should make any substantial contribution to a reorientation of our priorities and to the reestablishment of a degree of internal tranquility in our own country is very disappointing. The continued emphasis that the highest priority must be on all of these new weapons systems, however irrelevant they may be to our needs, is discouraging indeed. Coupled with this, the inability to make any appreciable or noticeable progress toward the liquidation of our most unfortunate mistake in Vietnam, certainly presents a very dark and dismal picture.

So, Mr. President, I shall vote against this authorization and support the amendment of the Senator from Wisconsin.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, first I wish to commend the distinguished Senator from Arkansas upon the excellent speech he has given. He has put this amendment into proper perspective, especially when he referred to the effect of our military spending on the quality of American life.

The Senator from Arkansas testified before our Joint Economic Committee in June, and made a splendid statement of the relationship between American priorities. I think today he has indicated specifically on this amendment that before we make such a commitment and vote an additional $533 million—which, it is correct, is the amount in the bill, but the cost of these 23 planes will be close to $1 billion; they will cost more than $40 million each—all the amendment provides is that we do it knowing what we are doing, that we first get the information we do not have now.

We recognize that the Defense Department itself has challenged the wisdom of going ahead with the fourth squadron. The only studies available show that they cannot justify it.

That is what the distinguished Senator from Arkansas has been saying, it seems to me, when he says we ought to pause before committing ourselves to spending enormous sums such as that involved here. As a matter of fact, there is more involved in this one amendment than the Federal Government spends in this entire country on all of our courts and all of our law enforcement. In that entire area, we spend something

like $750 million; and these 23 planes would cost almost $1 billion.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. Yes.

Mr. FULBRIGHT. In addition to the planes themselves, there are additional costs, such as for airports facilities, runways, and other necessary support elements, which would cost incalculable additional sums; is that not correct?

Mr. PROXMIRE. The Senator is correct that all we have is estimated figures for the planes and spare parts that are considered necessary.

Mr. FULBRIGHT. The Senator has no cost estimates on the additional facilities for handling the plane, for its landing, servicing, and so on, does he?

Mr. PROXMIRE. There are estimates as to the operational cost of the C–5A.

Mr. FULBRIGHT. I do not mean the gasoline and the crews. I mean the ground facilities. This plane cannot be accommodated by the existing facilities at most of the airports, can it?

Mr. PROXMIRE. It is my understanding that the plane is designed to land under circumstances which would make it especially amenable.

Mr. FULBRIGHT. What is its weight?

Mr. PROXMIRE. I think, in all fairness, I should say that. It will land, for example, on a shorter runway than the big jumbo jets land on.

Mr. FULBRIGHT. How much does this plane weigh?

Mr. GOLDWATER. Loaded, about 800,000 pounds. Empty, about 300,000.

Mr. FULBRIGHT. That is considerably more than the weight of any existing plane, is it not, loaded?

Several Senators addressed the Chair.

Mr. PROXMIRE. I am happy to yield to the Senator from Arizona.

Mr. GOLDWATER. To answer the Senator's question—and I think it is a good question—this aircraft requires no special equipment to handle cargo. Built into it is the camel-effect landing gear, that can kneel down to permit trucks, tanks, or any piece of equipment to drive up a self-enclosed ramp, either from the front or the back, into the plane, and then get back into its regular position and take off. It has remarkably good takeoff characteristics over a 50-foot obstacle; and I have been in it when it has landed in less than 1,500 feet, on concrete. On grass, it will land in that distance with less trouble than on concrete.

It does not require special runways, and does not require lengthy runways. It can, in fact, be landed on any prepared dirt strip in the combat area. This is not true of the 747, the jumbo jet going into service on the airlines, which will also be in the CRAF fleet; that plane would require special loading facilities to get cargo up to the cargo door.

However, that aircraft will undoubtedly be used for personnel, and not for outsize bulk cargo.

Mr. FULBRIGHT. As I understand it, then, the present runways are strong enough to support this plane? In fact, I am told this plane can land on the dirt and does not need a runway; is that correct?

Mr. GOLDWATER. It does not need a runway. I think they prefer to have one, but if the chips were down, I think it could be field landed very easily. It has 24 wheels in its landing gear, and the weight distribution is spread over a much greater area than, say, in the 707.

The 707's, which are heavy aircraft, did need reinforcement of some runways. The 747's likewise will require some runway modification and a complete redesign of most of our major airports.

Mr. FULBRIGHT. Mr. President, the Senator will remember when we bought the B–52's, they made a great to-do about the thickness and the strength of the runways. It seems odd that this plane, weighing 800,000 pounds, would not need such a runway.

Mr. GOLDWATER. It is the size of the footprint that enables us to do it. The B–52 is in effect a tricycle gear with four wheels on the main gear and two on the nose. Many of our runways had to be reinforced because of the impact.

This airplane is being operated today at the Marietta, Ga., plant on a runway which is not an unusual runway. The runway has been there for quite awhile. It is being tested at another runway on a partially dirt and partially concrete runway.

The distribution of the weight is such that, though it has great weight and great power, it can get off in a very normal distance; and land in shorter distances than conventional jets.

Mr. FULBRIGHT. Mr. President, what is the urgency about these additional planes? Why cannot we wait 3 or 4 months for a study on the question the Senator from Wisconsin raised?

Mr. GOLDWATER. I had some figures printed in the RECORD before the Senator came to the Chamber. Those figures gave the time of deployment for a three-squadron C–5 outfit.

The figures showed, if I remember correctly, that to carry 66,400 tons, three squadrons would require 50 days and four squadrons would require 35 days.

Mr. FULBRIGHT. I heard the Senator give that information. That is not the question I raised. I would like to know what conditions in the world today create in the Senator's mind the urgency to get on with the job of building these planes? Does the Senator anticipate an outbreak in Western Europe or elsewhere that would create an urgency for this particular plane?

Mr. GOLDWATER. I think the very fact that—and the Senator is well aware of this—we have rather definite commitments abroad and we do not know whether they will come into being—we hope that they will not—is case enough for us to have the ability to move equipment and troops. If we support the argument that we should cut the NATO forces and keep our forces flexible and keep them in this country rather than in NATO—and I think the Senator is favorably inclined to that—that is justification for the fourth squadron.

We are not arguing for five or six.

Actually, the guts of the pending amendment involves approximately $53 million that would be incorporated in the permissive run if the Secretary of Defense decided by some date in January of next year to use it. If he decides not to use it, which is his prerogative not to do, then we will not start the first run of the fifth squadron.

The Senator will recall Secretary Clifford this year waited until, I am pretty sure, the last day of the option before he authorized the beginning of run B which will complete the fourth squadron.

The decision really rests with the Secretary as to whether he will use the money. Our authorizing or appropriating the money does not mean that it has to be spent. Neither does the Secretary have to come to Congress for permission to do it.

I have no idea how he is inclined with regard to a fifth or sixth squadron. However, the studies I have seen on the fifth and sixth squadrons have not convinced me that they are needed now. However, I think that four are needed.

Mr. PROXMIRE. Mr. President, as far as the fourth squadron is concerned, they will not even start on the 59th plane, which would be the first plane of the fourth squadron, until about June of 1971. They will have to let out subcontracts. They have already started that. They started last January. However, as far as the actual production, that is almost 2 years away.

That is why I think we have plenty of time to get information from the General Accounting Office as to whether this is a sensible investment before we authorize the fourth squadron. They have only produced six planes, and they are only producing them at the rate of about two a month.

Mr. FULBRIGHT. Mr. President, I referred to the urgency. I am very much for bringing the troops home, as the Senator said. I joined with the Senator from Montana and with other Senators in an effort to bring the troops home from Germany a year or so ago. However, they have not been brought home and no effort is underway to bring them home.

I see no prospect for it. I see no urgency, therefore.

If the Senator from Arizona could assure me that they are going to do this, I would feel differently. However, I doubt very seriously that we will be able to make the military bring these troops home.

This is an established pattern. It is extremely acceptable in the Military Establishment, and I do not think they want to bring the troops home.

They do not want to close the Spanish bases. We went through that. They do not want to close any bases anywhere that I know of. They are most reluctant to close bases even in this country. That is the nature of this kind of organization. I do not think they will do it.

Mr. GOLDWATER. Mr. President, the urgency is just what the Senator has been talking about—the fact that we have run tests. The National Guard on two separate occasions has been airlifted to Germany with the old 124's.

That proved rather conclusively that we could not render much assistance to the NATO countries with the airlift we have today. Whether the military in 1971 or 1972 will want to bring their forces home, I do not know. However, today they are not able to redeploy the troops rapidly.

Mr. FULBRIGHT. Mr. President, we

have a lot of troops there. I do not assume that it is our sole duty to defend Western Europe. Along with the Senator from Montana (Mr. MANSFIELD) and many other Senators, I have felt that Western Europe, consisting of 200 million people, is quite capable of defending itself, in my opinion, if they are willing to pay for it.

I am getting tired of being the sucker for these people. I think that we have been there long enough.

I do not mind a token force being there to show our good faith. However, in my opinion Germany, France, and the other countries can pay for their defense.

This has been the real theme of our argument for a long time. I think they ought to do it.

Mr. GOLDWATER. I agree with the Senator. I am not arguing against that point.

Mr. FULBRIGHT. That is the point about bringing them home.

Mr. GOLDWATER. Let us get ready to redeploy if we have to.

I urge that the Senator from Arkansas in his capacity as chairman of the Committee on Foreign Relations reopen the hearings on this matter so that the American people can know the commitments we have made.

Mr. FULBRIGHT. We had that exchange before. I agree with the Senator. And I intend to do that. We will have some hearings very soon, and further hearings are being planned. The staff has already been instructed in this direction.

Mr. GOLDWATER. Mr. President, in closing, reference has been made to another part of the amendment that would ask the Comptroller General to study certain aspects of the C–5A.

I called the Defense Division of this office and tried to get Mr. Charles Bailey, the head of the Division. I was unable to do so, and I spoke to an assistant. I asked him whether he felt they were competent to do this.

He said under (1) that he felt they could do it. Under (2) he said that they were not capable of doing this because they do not have the personnel or the background with which to do it. I gathered from that that if the GAO could have its force increased, to the point where they would include strategic and tactical people, they might be able to do it.

He said that, wherever there is a matter of cost, they thought they could answer the questions. He said that, on questions pertaining to defense policy and strategic policy, he felt they were not competent to do this.

I think we have made a mistake in trying to get the GAO into areas that they are really not competent to act in.

I think that in areas of cost they are extremely useful and we should use them more than we do.

Mr. PROXMIRE. Mr. President, before I yield to the Senator from Massachusetts, I should like to say that the main thrust of the argument is to provide that the GAO give us information on cost that we do not have.

The Senator from Arizona is correct. There are some military implications, it seems to me, on a couple of these points. But we are asking for a judgment on deployment capability and that sort of thing. I would agree that that sort of answer from the GAO has to be handled much differently and with far greater caution than the answer on costs. But the main thrust is on costs, and this is the type of information the GAO is designed to give.

Mr. President, I yield whatever time the Senator from Massachusetts may require.

Mr. KENNEDY. Six minutes.

Mr. PROXMIRE. I yield 6 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in many ways, the debate over the C–5A is as much of a symbol of the concern over the size and shape of our defense budget as was the debate over the ABM. But while the ABM debate centered on whether we needed that particular missile defense system, whether it would work, and whether it was an escalation in the arms race, the C–5A debate has centered on an apparent lack of hard-eyed Pentagon supervision over the contracting procedures and costs relevant to it.

Senator WILLIAM PROXMIRE deserves the praise of all of us for untiringly ferreting out the details of the contracting procedures which permitted a cost overrun on the C–5A of about $2 billion. This one cost overrun has drawn censure from nearly every quarter of the country—from businessmen, economists, taxpayers, and expert commentators. And well it should, for it is a shocking amount of money in this time of great fiscal stringency.

But we should take care to be clear that this C–5A debate does not imply criticism of the aircraft itself. It ranks as a great technological achievement, incorporating a number of significant advances in a single weapons project. And on its early flight tests, its performance exceeded specifications—considerably better than the 85-percent performance typical of past Air Force projects. In fact, as a recent article pointed out, Lockheed "might reasonably have expected praise for the engineering triumph that the C–5A turned out to be, instead of censure for its cost," had not Senator PROXMIRE been diligent in bringing out all the procurement facts.

As a result of his investigation, Senator PROXMIRE has now pending before the Senate an amendment designed to correct what he views as the most serious problems in the C–5A program. I believe his amendment deserves the support of the Senate, and I intend to support it.

Let me set out, first, what the amendment will not do.

First. It will not affect the planned production rate of the C–5A. We have already authorized and appropriated the funds for, and the Pentagon has contracted for, 58 C–5A's—eight test aircraft, and 50 operational aircraft, to comprise three squadrons. That point was amply enlarged in the dialog just a few minutes ago. The last of these 58 planes is scheduled to come off the lines in June 1971—assuming no further slippage beyond the present 6 months' slippage.

Second. It carries no criticism of the plane itself. The amendment would not cause cancellation of any existing contracts nor require any unplanned modifications in it.

Third. It will not in any way affect our military capabilities. The amendment will not postpone the initial operating date of any C–5A squadrons.

Fourth. It does not prejudge the merits of the fourth squadron—23 planes—of C–5A's.

There has been considerable confusion about these points, and I believe they should be clearly presented and understood. I think the dialog this afternoon and the speech of the distinguished Senator from Wisconsin will clearly eliminate any of the confusion or misunderstanding on these and other points.

Let me turn now to what the amendment will do and why I support it.

First. The amendment requires a 90-day study by the General Accounting Office of the costs—past and projected—of the C–5A. In the light of the gross underestimate of C–5A costs, of the great expertise of the GAO in these matters, and of the role of the GAO as a watchdog of Government expenditures, this study would be a vastly useful document. This is particularly so because of the complexity of the issue, and because the study would not postpone the planned production.

Second. The study would also determine whether the fourth C–5A squadron—the 23 planes of production run B, for which the downpayment cost in this bill is $533 million—was essential to our security. Two separate Pentagon studies indicate that the fourth squadron may not be essential, and if it is not, then eliminating it would save nearly $1 billion. But if the fourth squadron is found necessary, then we have ample opportunity next year to authorize and appropriate the funds without jeopardizing the production schedule.

In short, Senator PROXMIRE's amendment is a reasonable attempt to answer—without undue delay—some of the nettling questions his investigation has uncovered.

I share the intense concern over the runaway costs of the C–5A. I share the concern over the wisdom of many of the details of the contract. And I share the concern over authorizing what may be a superfluous fourth squadron. These are the reasons I support Senator Proxmire's amendment.

But let me make it clear that I also share the view—so well articulated by Senator SYMINGTON—that the astounding airlift capability of the C–5A squadrons can help us reduce our overseas military commitments. These commitments, as Senator SYMINGTON has pointed out, are both debilitating to our role in seeking world peace and damaging to the stability of the dollar. They must be reduced, and brought into balance with the world situation, not of the 1950's, but the 1970's. I do not believe that supporting the amendment of the distinguished Senator from Wisconsin in any way conflicts with the splendid expressions that have been made by the distinguished Senator from Missouri (Mr. SYMINGTON) this

afternoon in manifesting a great concern about the reduction in our troop commitments around the world.

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

Mr. KENNEDY. May I have 1 additional minute?

Mr. PROXMIRE. I yield 1 additional minute to the Senator from Massachusetts.

Mr. KENNEDY. In their August issue, the editors of Fortune magazine had this to say about the debate over the military budget:

> In redefining the goals of the military and its place in the governmental structure and in society, Congress and the Administration have a chance to exert a profoundly constructive influence on the character of American life in the 1970's. They should seize the opportunity.

I believe that Senator PROXMIRE's amendment is a symbol of that opportunity. We should not fail to take it.

I thank the Senator from Wisconsin for yielding.

Mr. PROXMIRE. I thank the Senator from Massachusetts for an excellent speech.

The PRESIDING OFFICER. Who yields time?

Mr. PROXMIRE. Mr. President, I yield 6 minutes to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, I rise in support of the amendment of the Senator from Wisconsin (Mr. PROXMIRE). Few outside of the Pentagon know what the C–5A will eventually cost and whether or not it will serve the purposes intended.

For the past 15 years, as a member of the Committee on Appropriations, I have been trying my best to get assistance from our friends in Western Europe, with little or no avail. It was my feeling that we should take steps to withdraw our troops from that area unless we obtained substantial assistance from our European allies.

In the late fifties and early sixties, the concept of mass transportation by air was conceived to make it possible to move troops from our shores quickly to any part of the world. The Department of Defense began to realize that the policy of maintaining large contingents of U.S. military troops abroad was not satisfactory for many reasons, including our balance-of-payments problem and the fact that many Members of Congress were insisting on substantial reductions in the number of troops deployed abroad. Many of us felt that our allies were well able to carry a large share of the burden that was almost entirely shouldered by the United States.

At the time, we were spending annually approximately $2 to $2½ billion in order to sustain our troops in Western Europe. At one time, we had over 300,000 soldiers there; and if we added to that the number of civilians necessary to sustain our troops, and also the families of the civilians and of the soldiers, we had in Europe in excess of 600,000 Americans.

Mr. President, I would not hesitate to vote for billions of dollars for this project if I thought it necessary and wise. But it is my belief that we are being persuaded by the Pentagon to place our country in a position to give more help to our erstwhile friends all over the globe. Instead of these planes being used for the purposes originally intended, that is, to carry troops and military hardware from our shores, when needed, I am informed that even if we had a thousand C–5A's ready to go, no effort would be made by the Defense Department to remove our troops we now have in Western Europe. It is still the view of our military spokesmen that we must give assistance to all the countries of the free world to save us from the Russians. I do not subscribe to that view.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. ELLENDER. I yield.

Mr. FULBRIGHT. It is my understanding that these planes are not designed as troop carriers, but that they are to carry enormous vehicles, big tanks, and so forth. Troops are carried in C–141's, but these are not for that purpose.

Mr. ELLENDER. They can carry troops also. What I have in mind—and I am sure it is the purpose of these planes—would be to carry divisions fully equipped, so that hardware as well as personnel would be aboard the planes.

Mr. FULBRIGHT. They are especially designed for big hardware.

Mr. ELLENDER. As I recall, the idea was to build planes that could carry an entire division, if necessary, at one time, which would include not only hardware, but also the soldiers to use the hardware. As I said, even though we had the planes available, no effort would now be made to remove many of the soldiers we now have in Western Europe. That is the important point that I am making. It is a point which has been at issue between some of us on the Appropriations Committee and the Pentagon for many years now.

I had had a little research made into the subject. I regret that much of the testimony I intended to present was deleted from the record of the hearings because it was classified.

As I previously stated, I have tried for the past 15 years, at least, to have our Defense Department obtain assistance from our allies in this field, all to no avail. The only response I received from the Defense Department, beginning with Mr. Wilson, I believe, was that "we will try to get assistance." Then nothing happens. Last year when Mr. Clifford was appointed, I interrogated him.

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

Mr. PROXMIRE. How much additional time does the Senator request?

Mr. ELLENDER. Four minutes.

Mr. PROXMIRE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 21 minutes remaining.

Mr. STENNIS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Mississippi has 58 minutes remaining.

Mr. STENNIS. I yield 4 minutes to the Senator from Louisiana.

Mr. PROXMIRE. I thank the Senator.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, the following is an excerpt from the Senate Appropriations Committee hearings on the Department of Defense appropriations bill for fiscal year 1969, page 2476:

> Senator ELLENDER. Just try to withdraw them. They [our allies] don't trust you if you just tell them that you will. Let us make the move, and get our troops out of Europe.
>
> Secretary CLIFFORD. (Deleted).
>
> If we begin to start a dialog with the Soviets, and agree to cut down our forces in Europe, and the Warsaw Pact countries then we would have something. I hope that might come. I think we ought to continue to work in that direction.
>
> Senator ELLENDER. As I have said, if we had done this when De Gaulle kicked us out of France, it is my considered judgment that the Russians would have removed their troops. So long as we remain there, so long as we have these huge forces around the periphery of Russia, we can't expect them to believe that we have no offensive purposes. That is the opinion I have found among the people when I was there.
>
> Many asked me the same question, "Why do you have all these forces around us? To take us over?"
>
> Of course, that was not the reason we had them there.
>
> Mr. Chairman, I don't want to argue any more. There are more questions I would like to have answered but I shall desist.
>
> Secretary CLIFFORD. I will be available any time.
>
> Senator RUSSELL. There has been a strong feeling on this committee among a number of us here. Senator Symington and I have been working on possible withdrawal for a number of years. How long has it been, 8 years?
>
> Senator SYMINGTON. Eight to 10.

Mr. President, many of us on the Appropriations Committee have been trying to persuade the Defense Department to withdraw these troops and get them back home, as I said earlier. I have no doubt that as long as those troops remain in Western Europe and we sustain them there we cannot expect much help from our erstwhile allies. In addition, their presence will act as a deterrent in our efforts to come to a workable and realistic international agreement with the U.S.S.R. As I have said on many occasions, I am of the sincere belief that unless and until our company can get together in some way with Russia to prevent this race in armaments and attain satisfactory understandings, the world will remain in turmoil and no permanent peace can be achieved.

I am very hopeful that some ways and means can be found whereby the U.S.S.R. and the United States can work together. As I have said, as long as we talk peace from one side of our mouths and war from the other, I can see no chance for the international atmosphere to improve.

Mr. President, I now read from the printed record of the Senate Appropriations Committee hearings on the Department of Defense appropriations bill for fiscal 1969, page 2471.

> Senator ELLENDER. That is what I suspected, to be frank with you.
>
> Secretary CLIFFORD. That is right. I want to tell you it is a sincere conviction on my part, and I did not accept it easily. I could not understand why, after 23 years, we still had to be there. I will leave this subject by saying that I now think it is right that we have troops there.
>
> I said the week before last, in a meeting

of the Defense Ministers, that they had better prepare themselves, however, to begin to take a larger share of the burden, because we could not keep our troops there forever at the present level. My language was quite direct. I said they must face up to the fact that we were starting now to redeploy some of our troops. As you may know, we are bringing 34,000 of our troops back.

Senator ELLENDER. I have been saying that for 10 years.

Secretary CLIFFORD. Well, you are finally proven right.

Senator ELLENDER. Proven right? Ten years to remove about 30,000?

Secretary CLIFFORD. No; but I mean we are finally bringing some of them back.

The following is from the same set of hearings, page 2557.

Senator ELLENDER. I regret that I wasn't here to listen to all the testimony. I was in a military construction conference.

Mr. Clifford, for the past 15 years I have urged your predecessors to force our allies to help us more. As I understood General Wheeler, they are kind of excited and they are wondering what we are going to do. We have done all we could in my opinion, and we have done more than we should, and you say that you want the (deleted) NATO allies, to do more.

Now, what is your plan for forcing them to do more?

Secretary CLIFFORD. Our plan is to advise them that it is up to them to make the decision as to what they are going to do and if they don't make the right decision then they must realize that this could affect the support by the American people and the American Congress of our presence in NATO.

Senator ELLENDER. Don't you think a threat of withdrawal might wake them up a little bit? I have been advocating that for the past 15 years. As long as we stay there and as long as we support them they are going to lean on our shoulders. I was in hopes that you had some kind of plan whereby you could force them to come forth with their just proportion of assistance.

FISCAL YEAR 1968 HEARINGS

From the Senate hearings on the Department of Defense appropriations bill for fiscal year 1968, page 309.

Secretary MCNAMARA. As I stated earlier, we are negotiating with our NATO allies to try to arrange a basis under which they will share in the payment.

Senator ELLENDER. Share how? Can't you make them do it? We have been trying it for the past 15 years with no success. Isn't there a way by which we can make them share the burden?

Secretary MCNAMARA. No, sir; I don't believe there is any way by which one sovereign state can impose its will on another. I do think there are ways by which we can persuade them, and it is in our joint interest for them to bear a share of it.

Senator ELLENDER. If it is in our joint interest, I don't think you should have much trouble to persuade them, but the trouble is I don't believe that they see the threat from Russia as you do, not by any means, and that is why in my opinion they are not so anxious to assist.

You also stated you expected a major portion of this relocation to be completed by April 1, 1967. What is the target date now?

Secretary MCNAMARA. April 1, 1967.

Chairman RUSSELL. Senator Stennis?

FISCAL 1967 HEARINGS

From the Senate hearings on the Department of Defense appropriations bill for fiscal year 1967, page 266.

Senator ELLENDER. Several years ago I pointed out that Mr. DeGaulle desired to make France the leading nation in Western Europe. I wonder why we don't permit him to take over the military aspects of protecting Western Europe. As you know, we have been there now for almost three decades. Last year we spent $2.4 billion to support the troops we have there. As I pointed out at the hearings on the Supplemental Bill, we have 330,000 soldiers there now. In addition there are more than 11,000 civilians that take care of the military, and we also have the wives and dependents of our servicemen there. I wonder if it wouldn't be a good thing to have De Gaulle take care of Western Europe.

Secretary MCNAMARA. Senator Ellender, I don't believe this would modify De Gaulle's conduct, and I think it would (deleted) contrary to our interest.

Chairman RUSSELL. Will the Senator yield?

He is in a very fortunate position due to the geography of Europe of being able to talk big and act big and yet have a free shield, as long as we retain the NATO structure and protect Germany; isn't that correct, Mr. Secretary?

Secretary MCNAMARA. (Deleted.) Of course, he hasn't suggested that he believes the danger from the Soviet Union has diminished to the extent that the defense of Western Europe can be dismantled. (Deleted.) He doesn't wish to see the defense of NATO destroyed.

FISCAL 1966 HEARINGS

I read now from the Senate hearings on the Department of Defense appropriations bill for fiscal year 1966, page 573.

Senator ELLENDER. I realize that that has been the main basis for our assistance. I understand that.

But the thing that I can't understand is that little or no effort is being made to get other people, for instance, the French, the British, the Germans, with us who are just as vitally interested in this matter as we are. They ought to be as much interested in keeping this world free as anybody else. But yet we are carrying the load everywhere, without too much assistance from them, and I am surprised that more effort isn't put in that direction, General. If we keep on at the rate we are going now, it is just a question of time when we will lose the battle without firing a shot, that is as far as our way of life is concerned.

Senator STENNIS. I am sorry, gentlemen, your time is up.

General JOHNSON. May I respond to the question, please, sir, at the risk of being impertinent?

Senator ELLENDER. I wish you would. Let him do it.

General JOHNSON. I don't think getting additional countries in there falls within our province: I mean the province of the Department of Defense or certainly the province of the Department of the Army. This is why we have other agencies within the executive department.

The general is referring here to the Department of State, but needless to say, nothing was done.

FISCAL 1964 HEARINGS

From the Senate hearings on the Department of Defense appropriations bill for 1964, page 558.

Senator ELLENDER. My dear Admiral, we have been trying for the past 7 or 8 years to get assistance from our allies commensurate with what we are putting up.

In my opinion, in this regard we have made a dismal failure. Our allies are better off now than they have ever been.

Admiral ANDERSON. I would not say we have made a dismal failure, Senator. I think the very fact that we have prevented the Communists from taking over Western Europe, that we have held the line in various parts around the world.

FISCAL 1961 HEARINGS

And finally, from the Senate hearings on the Department of Defense appropriations bill for fiscal year 1961, page 19:

Senator ELLENDER. Mr. Gates, for the past 4 or 5 years I have been trying to find out the extent to which our Secretaries of Defense, as well as the President, attempt to get assistance from our so-called friends across the seas. Now to what extent, if any, have you or your immediate predecessor taken into consideration the amounts furnished by our allies to help us carry this defense burden?

Secretary GATES. I have been relatively new in this field, myself, Senator Ellender, but I have been in a good many discussions since last summer, and I attended the NATO Conference in Paris in December.

Senator ELLENDER. Is that the one General Twining attended?

Secretary GATES. Yes, it was.

Senator ELLENDER. In which I believe he criticized the conditions there?

Secretary GATES. That is right, sir—some of the deficiencies that had not been met in the arrangements.

We have taken the position that we will carry out our commitments to our important allies who are now stronger and financially and economically able to carry their share of the load, but we are not going to make any new commitments for straight grant aid with countries that can pay their share.

We are continuing aid programs with the less fortunate countries.

There are several countries, particularly in Europe, that have greatly improved their economic conditions in the last few years. In those countries we are getting out of the aid business and into the sharing business or outright purchase business.

It will be noted that all I was able to obtain were promises that efforts to get more assistance, in meaningful terms, would be made. To my knowledge, no real efforts were made, and we have met with little success during all those years. As long as we keep on supporting the countries of Western Europe with our military umbrella, it will continue to be expected that we shall carry the entire economic burden.

As I have said before, our allies apparently do not see the same threat of being taken over by Russia that we do. I think it is past time that we reexamine our own policy. The pros and cons of the C–5A should be looked at in that light.

Mr. STENNIS. Mr. President, I yield 15 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine is recognized for 15 minutes.

Mrs. SMITH. Mr. President, I commend the distinguished Senator from Wisconsin for his diligence and determination on the C–5A procurement program. But I must rise to oppose his amendment because it is too far reaching and does much more than defer funding for a 3-month period.

We all abhor huge cost overruns whether it be the 40-percent overrun on the C–5A or the even greater 43-percent overrun on the John F. Kennedy Center for the Performing Arts.

We are displeased with the total package procurement concept. We do not condone the practice of "buy in and get well later" by any contractor on any kind

of procurement military or nonmilitary. The repricing formula for run B of the C–5A aircraft is offensive to us.

But regardless of our displeasures with all that has unfolded before us in the development and procurement of the C–5 aircraft, there are cold, inescapable facts confronting us that simply cannot be ignored.

Many of these facts were placed in the RECORD on August 13, 1969, by the distinguished chairman of the Armed Services Committee. The investment is tremendous—more than $870 million for research and development—more than a billion dollars for procurement.

The program has been studied and restudied by congressional committees and the Department of Defense. It makes little sense to defer this program only to rehash much of what we already know. If we are to make the best of a bad situation, it is better to recoup as much as possible from the C–5 investment rather than to kill the program through the adoption of amendment 108.

For the adoption of the amendment could result in a defaulted contract. The projected losses on the first 58 aircraft will be such that the contractor will not be able to absorb them even though contractually required to provide such aircraft which were funded from prior year appropriations.

This program has been examined most carefully by the Armed Services Committee in weeks of searching examination in open and closed hearings. The committee did strike $50 million from the budget request.

The amendment seeks to have the Comptroller General make a special study and investigate past and projected costs of the C–5A aircraft. Without hesitation, I agree that cost inquiry by the Comptroller General is appropriate.

But the amendment also requires the Comptroller General to determine whether the C–5A is an economic replacement for the C–141 aircraft. This disturbs me in two respects.

First is the fact that at no time since the C–5A was first discussed has it ever been intended as a replacement for the C–141. Instead, the intent has always been, and continues to be, that the C–5A supplement the C–141 rather than replace it. For it is the only aircraft that can carry the weapons and heavy equipment of an Army division concurrently with troops.

The second concern about this amendment requirement on the Comptroller General is that it proposes to involve him in matters of military requirements and systems evaluations.

While I have full respect for the Comptroller General and the General Accounting Office staff, I seriously question whether they have the background and experience to render military requirements and systems evaluations decisions as contrasted to cost determinations.

And I seriously doubt that the Comptroller General really feels such decisions are within the mission and authority of his office or that he would welcome such an assignment or have full confidence in the capability of his office to render authoritative decisions on military requirements and systems.

Do not overlook the important fact that the contract permits the contractor to request termination if the 23 aircraft in the bill are not funded by October 1, 1969, for if this amendment is adopted such funding will not occur. In all likelihood we will be in the fiscal year 1971 budget cycle before the General Accounting Office studies would be completed and evaluated.

I shall vote against this amendment because in my judgment it is in the national interest that the 23 aircraft in the bill be funded now. I believe that it would be a real tragedy if the contract were terminated.

What has happened to the C–5 program cannot be undone. Even though the tragic results are the responsibility of the McNamara regime, Secretary of Defense Laird cannot abandon the program in despair—nor can the Congress in the national security interest.

This is an amendment of despair which will only compound the C–5 problems.

Mr. PASTORE. Mr. President, will the distinguished Senator from Maine yield?

Mrs. SMITH. I am happy to yield to the Senator from Rhode Island.

Mr. PASTORE. First of all, I congratulate the distinguished senior Senator from Maine. I have a question or two that I should like to ask her. She has been on the Armed Services Committee for a long time and is now the ranking Republican member of that committee. I quite understand what she said and I agree with her that much of the past is regrettable. No one condones it. No one sympathizes with it. No one wants to repeat it. There is no question about that.

The question I should like to ask her now is: Is she convinced that this is an effective aircraft?

Mrs. SMITH. Yes, absolutely, I would say to the Senator from Rhode Island. Of course, I can only take the word of those who know much more about it than I do. The Joint Chiefs of Staff have said repeatedly that they have been trained and schooled in, and have studied, this program and have come up with the absolute necessity for some kind of aircraft, and this proves to be what they want.

Mr. PASTORE. Is the Senator convinced that the need is imminent and should be met?

Mrs. SMITH. Yes; that is correct. I am very much convinced that we must have it. I think that it is important for a continued study of how many we need and for how long we must proceed. I am convinced that we must not stop, that we must not hamper them in any way from going forward and keeping the production line going.

Mr. PASTORE. It seems to me, the way the amendment is drawn, that it leaves the question of military strategy to the General Accounting Office. I quite agree with the distinguished Senator from Maine that there is doubt as to whether the GAO has developed competence within its department to do that.

Mrs. SMITH. The distinguished and able Senator from Rhode Island is so correct in that. The GAO is very, very important, and it is a very valuable agency of our Government, but when it comes to evaluating weapons systems, they are not competent to do that.

Mr. PASTORE. I am one of those who feel that we should not give a blank check to the military, there is no question about that; and I feel that the people of this country cannot, for too long, sustain a military or a defense budget of $80 billion a year. Too often we have involved ourselves unilaterally in many parts of the world without the assistance of those whom we lifted from defeat and despair, who should have assumed a greater share in order to maintain peace and tranquillity in the world. There is no question about that, either. But the trend seems to be, in these amendments, "Let us pass the buck over to the GAO."

The thing that disturbs me is that if we are going to make the General Accounting Office assume the function of the Joint Chiefs of Staff and become the military deciding agency of this great Nation of ours, then I think we should consider removing from the budget all of our appropriations for the military academies, because then we would not really need West Point or the Air Force Academy or Annapolis, if we are going to let the GAO decide what our military strategy is going to be, and how we are going to meet the need to develop the military global strategy of this country.

Mrs. SMITH. I could not agree more with the distinguished Senator from Rhode Island than I do on the statement he has just made. Of course, no price tag can be placed on national security. The Senator from Wisconsin (Mr. PROXMIRE) has made a real contribution in calling this to our attention, but I think we must be very, very careful not to rewrite a bill on the floor. That should be done by the committee, with the advice and by the advice of the military strategists whom we have educated and trained.

Mr. PASTORE. If the distinguished Senator from Maine will permit me to go one step further——

Mrs. SMITH. Yes, indeed.

Mr. PASTORE. I am as much concerned about this as is the Senator from Maine. I know her devotion and dedication to military matters over the years. I quite agree that we have gone a little bit too far. There is no question about that. Our entire military global strategy should be reviewed. The foreign policy of this Nation should also be reviewed. I do not think that we can afford to be the policeman of the world. We say that we are not going to be, but looking around the world, that is exactly what we are doing. We have been in Korea for 20 years now and we are heavily committed there.

We cannot yet even see the other end of the tunnel. We are in Vietnam practically alone. We are committed there in money and men. We are committed in Europe in money and men to defend people against an enemy with whom they are doing business as usual every day, and we piously disclaim East-West trade. We are the only nation in the Atlantic Alliance which has met its commitments. There is no question about that.

We should look into our military strategy—and it ought to take place in the Pentagon and ought to be investigated by the White House and ought to be reviewed by the committees of the Senate and the House; there is no question about that—and if we do the right thing in the right fashion, I think we can cut the military budget by $10 billion, without any question. But the idea that we are going to make the floor of the Senate a war room of the United States of America strikes me as flirting with disaster.

Mrs. SMITH. I thank the Senator.

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

Mrs. SMITH. I yield.

Mr. GOLDWATER. The Senator from Rhode Island brought up a very interesting point. It will be recalled that on at least two other occasions during this debate, we considered amendments that would refer this matter to the General Accounting Office. I called the Defense Division of GAO. Although I did not talk with the Director, Mr. Bailey, I did get the Assistant. I asked specifically, with respect to the provisions that would turn this matter over to study and recommendation by the Comptroller General, whether they would be able to comply with it. In essence, he said where it concerned itself with money and particular transactions, yes; but when it got into the question of whether the purchase of four C–5A's would add significantly to the defense capacity of the military forces of the United States, they were not equipped to do that.

The Senator from Rhode Island made a very cogent observation. In effect, the proponents are attempting, by this procedure, to rewrite the global strategy of the United States, to rewrite the deployment tactics and plans of the United States. I would suggest it would be wiser if we allowed the committees to do that.

Mrs. SMITH. I thank the Senator.

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

Mr. STENNIS. Mr. President, I yield the Senator from Maine 2 additional minutes, if I may. Will the Senator yield to me?

Mrs. SMITH. I yield.

Mr. STENNIS. First, I not only want to commend the Senator from Maine for the substance of the remarks she has made, but also to say that no one has been more concerned over the C–5A and no one has gone into it with more patience and endurance, if I may use that term, than has the senior Senator from Maine. As always, she comes here with her own opinion about these matters, and she has a very capable judgment, too, with reference to the need for this air capability. I not only commend her, but I thank her, too.

If I may ask the Senator a question, it is true that the Senator from Maine and I both have a very high regard for the General Accounting Office. We seek the counsel and advice of that office. But is it not true that just today we had before us an item that is in the bill, the main battle tank, and that, even though the General Accounting Office has done some good work on that matter, the full committee nevertheless voted that we continue with that item in the bill as it is? The Senator took part in that hearing this morning. Would she respond to that, briefly?

Mrs. SMITH. Yes. I appreciate all the Senator has said. He works very closely on these matters, and he has done so particularly on this bill, and I commend him for his diligence in going into all these details. That was the very point I was trying to make on the GAO, as the Senator from Rhode Island pointed out. The GAO is not equipped to make an evaluation of weapons systems, and they are the first to admit it. What they would have to do would be to set up an additional bureau, which would be costly, with personnel and machinery, if they had to go into military evaluations. Even more important many of these personnel will have to be military personnel or individuals with professional military backgrounds. This is particularly so if they are expected to make military judgments and decisions.

I thank the distinguished chairman very much.

The PRESIDING OFFICER. Who yields time?

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 35 minutes remaining.

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

Mr. STENNIS. Yes.

Mr. President, I yield myself 15 minutes.

I yield to the Senator from California for a question.

Mr. CRANSTON. Mr. President, I would like to ask the chairman of the committee to comment on the burden of the statement made today by the senior Senator from Missouri (Mr. SYMINGTON) in regard to the theory that the C–5A, if available in adequate numbers, would lead to a situation where, by what he termed a "remote presence," it would become possible to reduce our overseas troop strength in ways that would possibly save substantial sums in the defense budget and get men out of places where their presence might lead to our involvement in military conflict against the will, perhaps, of this Nation?

Mr. STENNIS. I appreciate the Senator's question. I did not have a chance to hear all of the Senator from Missouri's speech as he delivered it, but I did read all of it very carefully. As I understand his points and also the world situation, there is no doubt that the point the Senator from California refers to is a valid point, and it could prove to be a highly important situation in many respects with the idea of prepositioning of military hardware, weapons, and materiel that go with battle formations in various areas that may be trouble spots, and at the same time keep our men, or a larger number of them, back here in the United States, with the ability to get there quickly, with a very definite capability, instantly ready to go.

I think that point is demonstrated in the war in Vietnam. Our great bottleneck in the beginning there was that the harbors were not sufficient; we could not get the supplies and troops in there soon enough. If we had had C–5A's then, and assuming proper landing conditions—and I think they could have been provided—we would have been far better off in an emergency of that kind.

I do not favor keeping troops in too many different places, but I know, in the world we live in, they are going to be required from time to time, on a varying scale, and the immediate capability of the C–5A will be a splendid contribution to our capability to getting them there, rather than keeping so many there.

Mr. CRANSTON. Mr. President, will the Senator yield further?

Mr. STENNIS. I yield.

Mr. CRANSTON. The matter of prepositioning equipment apparently is another aspect that I would rather not get into at this point, because I gather that might lead to double expenditures, where we might have to have equipment back home so that our troops here could maneuver with it, and familiarize themselves with it.

The Senator now presiding (Mr. ELLENDER in the chair) mentioned in his remarks the long efforts, without great success, to get numbers of troops stationed overseas reduced as we developed our transportation capabilities. He was speaking only of Europe. I am speaking of all parts of the world where we have troops except Vietnam, which is, of course, a special problem.

The Senator from Mississippi has displayed his great capabilities as a leader in handling this bill in the committee and now on the floor. I simply ask him if, in concert with the Committee on Foreign Relations, which has indicated that it will be examining our present commitments very closely, as to whether we should keep them, whether we should modify them, and so forth, we can depend upon the Senator from Mississippi, with his committee, to explore the possibilities, as we develop this transportation capacity, of beginning the process of reducing our overseas troop strength.

Mr. STENNIS. I can answer the Senator's question very quickly. I would like to see them reduced. I think, though, that there is a much broader question involved here, and that is the question of policy. A great deal of this debate has got the cart before the horse, I think, in talking about changing policy, here on the Senate floor, through these authorization bills.

I should like to see our present foreign policy reviewed and modified; but I think until that is done, in a systematic way, through a coordinated effort by the President of the United States, whoever he may be, the Committee on Foreign Relations, and other committees, we shall not get very far.

I could not commit anyone except myself as to these new moves, but I generally favor a reduction of our forces overseas. However, I know that in Asia we have got to build up a new policy for Japan, and as to NATO I am not quick on the trigger, because frankly I

think it is the main hope of the free world for us to have strong support there.

Mr. CRANSTON. I thank the Senator.

Mr. STENNIS. I thank the Senator from California very much for his inquiry. I know of his concern and his very constructive thoughts on this subject.

Mr. President, for the information of the Senate, as far as I know we shall vote on the pending amendment sometime around 4 o'clock. I shall not take a great deal of time. As far as I know, there is no one else to speak in opposition to the amendment, and I presume the Senator from Wisconsin, as the author of the amendment, will close for the prosecution.

Mr. President, let me point out, as I did at the beginning, that this contract is not a good contract for either the Government or the contractor. It has proved to have so many unknown, uncertain, and untried qualities about it that it is very clear, now, that this type of contracting should have been tried out more fully on smaller contracts, and the defects found and perfected.

But we are up against the practical situation, here, that we are already into the matter and the Government will have to carry its part of the load.

But the bright part of the picture is that this plane is sound. There is no apparent major defect of any kind; and it is certainly far enough along for such defects, if they existed, to have been discovered. It has all the qualities, and more, that were planned and desired; and, for the purposes for which it was created, I think it is a breakthrough, and time will demonstrate its great abilities.

I have stated heretofore that I was greatly concerned about it. I foresaw a difficult situation, and asked the Senator from Nevada and the Senator from Arizona to go and look the plane over. Something occurred that prevented the Senator from Nevada getting away at that time. The Senator from Arizona went down and, with his usual thoroughness, not only examined it, but flew it and found out all about it. The Senator from Nevada was later fully convinced of its sound structure and its capabilities.

So now we have before the Senate largely just the question of this fourth squadron. The money is in the bill. There will be some other money required, but the big question is on the fourth squadron.

This is an old subject with me. I am not an expert on it, nor on anything else, but I have followed this matter all along, and am certain in my mind that we need a minimum of four squadrons if we are really going to get our money's worth out of this plane.

Mr. President, with all deference to everyone else, there is no doubt about the minimum of four squadrons being recognized and recommended by the Office of Systems Analysis. The innermost secrets of their thinking sustain this position of the so-called experts—and they are not men connected with the military.

The uniformed men, over and over again, have examined and gone through the matter. Many of the civilian authorities in the Department of Defense have passed on it. Three Secretaries of Defense have considered the matter.

The original proposition was examined first by Mr. McNamara, a second phase of it by Mr. Clifford, and the present phase by Mr. Clifford and Mr. Laird. I say that they have been acting and moving forward upon the recommendations of the very highest and best advice that can be obtained in this field.

Our Committee on Armed Services took no casual view of this matter. There is a great deal of money involved here. There is also a very serious policy question involved. We went into all angles, and in fact have continued to study many angles of the problem.

I wish to thank and also to compliment the Senator from Wisconsin as I have done before on this floor. I do not have to remind him or the public again of my esteem for him and the fine work that he does. He has made a splendid contribution here. I do totally disagree with him, though, about the proposition of cutting off this plane and denying these funds.

I speak with all deference of the General Accounting Office. I have dealt with them for many years. I knew Mr. Staats before he went there. I knew him when he was at the Bureau of the Budget. The General Accounting Office is a fine, high-principled organization. But men who are capable of making a final judgment in a field such as this do not belong with the General Accounting Office. That is a different profession. They work hard, and they could make reports of some kind such as this amendment calls for, but, being out of their field, they would not have the weight and value—and that is not a personal assessment of them—that we could feel safe in using as a basis for voting.

I can understand the desire of Senators who get into this subject matter to want the counsel of someone beyond the Defense Department; they turn to the General Accounting Office as a kind of natural thing.

But matters just do not work out that way. Again I speak with deference to the staff of the General Accounting Office. They worked on a highly important matter concerning a tank. There is not a great deal of money involved in it yet; it is still in the research and development stage. They made us a report, and we sent it to the author of the amendment involved, striking out the funds for the tank. That was all considered. It was considered in the Defense Department, and the committee met and considered that report as well as the testimony of the Deputy Secretary of Defense, and we found that we were back where we had started with reference to the facts, and had a very firm understanding with the Deputy Secretary of Defense that he would give this matter his personal attention, as he had already assured us he would.

We voted unanimously and with the greatest of confidence to sustain the research and development funds that were already in the bill.

There was one item about pilot tanks that a member thought should be reduced a little. However, on the main thrust of the matter, there was a unanimous vote.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. STENNIS. I yield for a question.

Mr. FULBRIGHT. Mr. President, the Senator from Mississippi has said that the GAO is not competent to make a judgment on these matters in the Military Establishment. I believe I quote him correctly.

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

Mr. STENNIS. Mr. President, I yield myself 10 additional minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 additional minutes.

Mr. FULBRIGHT. Mr. President, could the Senator tell us if, in his judgment, anyone outside of the Military Establishment itself is competent to make a judgment on these matters?

Mr. STENNIS. There are a great many men of unusual competence in the systems analysis. They are very prominent in their particular fields to make some very exacting and demanding analyses of these problems.

Mr. FULBRIGHT. That was not my question. I asked if there really is anyone in the Senator's opinion outside officials of the Defense Department who is competent to make a judgment as to the reliability, or the need, or necessity of these weapons systems.

Mr. STENNIS. We have to have someone, of course, that has some idea about their purposes and their use. Some men have that knowledge by experience. However, we can find engineers to pass on some points.

Questions of physics and electronics are involved.

I think it is well known that most Presidents seek to find men of great capability in a particular field.

I do not think that I could add anything more to the answer.

I have no argument with the motives and sincerity of the Senator from Wisconsin in offering this amendment. I am fearful, however, that the Senator himself does not recognize its adverse impact, and the fact that, if adopted, it would inevitably augment and compound the very problem which the Senator very commendably wants to correct.

There have, of course, been significant cost increases in this program although there is some argument about the amount and extent of the overruns. From a percentage standpoint the overrun is less than on many weapons systems which have not received such critical publicity. However, I do not minimize the C–5A overrun. It is substantial and a matter for genuine concern.

We all regret these overruns, and it is not my purpose to defend them. However, let us put this matter and the Senator's amendment in proper perspective. The overrun has already occurred. It is a fact and the Senator's proposal will not eliminate it. In fact, there is every reason to believe that the amendment will have exactly the opposite effect. Deferrals, stretchouts, and delays in a weapons program—and this would certainly result from the Senator's amendment—inevitably substantially increase the overall cost

of the program and the cost to the Government. This is a fact of life. Thus, the Senator's amendment would magnify the cost problem which he has so vigorously criticized on so many occasions in recent weeks and months. The adoption of this amendment would be like throwing the baby out with the bath water.

It would be completely false economy and the height of folly to develop a greatly needed and very effective aircraft and proceed as far as we have with it and then disrupt the program for a GAO study and investigation just when the planes are about to roll off the production line and we begin to reap the benefit of our investment in time, effort, and money. From a cost effective standpoint, this would be the very worst step we could take.

Let me state the case bluntly. We need the 23 aircraft involved. No one questions this seriously. The Senator's amendment will both delay their delivery and drive up the cost. Upon what basis then can the amendment be approved?

Now for the C–5A aircraft itself. We are assured by the Air Force that it will meet most, if not all, of its performance requirements. Its capability for rapid deployment will give the Department of Defense a flexibility in planning for peacetime deployment and basing which it has never had before. Our national interest requires that the United States have the capability to deploy forces rapidly and the design of the C–5A was optimized to accomplish this.

Airlift is a basic element of our rapid deployment strategy and is the element which is most capable of providing a quick response to an unexpected contingency. When deployment is required, airlift is of the greatest importance in delivering troops and equipment within the first 20 days. Subsequently, the value of long-range airlift in resupply and delivery of critical items to less accessible areas is incalculable. The capability to provide a rapid response by airlift of limited but effective U.S. forces followed, if necessary, by a more massive buildup, greatly reduces the risk of small incidents developing into major conflicts.

The C–5A is the only aircraft which can carry almost all types of the combat weapons and equipment of an Army division concurrently with the personnel associated with the equipment transported. Such essential items as tanks, bridge launchers, armored personnel carriers, and helicopters can be airlifted only by the C–5A. Given enough time and sufficient aircraft, almost all of the equipment of an Army division can be transported overseas by C–5A's.

How many C–5A's are needed? Studies by the Air Force and the Joint Chiefs of Staff indicate a requirement for a minimum of six squadrons or 120 planes to meet the total airlift requirement in conjunction with other airlift resources such as the C–141. Studies also show that with the C–5A aircraft the total number of airlift aircraft in the force can be reduced by approximately one-half while providing more than three times the transport capacity. Such ancient aircraft as the C–124 and the C–133 will be phased out.

I do not join in any judgment about six squadrons of these planes. I limit my opinion and conclusion now to this fourth squadron.

I have a letter from Secretary Laird that I have already read to the Senate earlier in the debate. He says he has reserved judgment and is actively considering for the 1971 budget whether he will add any more actual C–5A's beyond this fourth squadron.

I heartily join with Secretary Laird on that point. I do not intend to say anything now with respect to having any final judgment upon the fourth squadron.

In the last paragraph of his letter of June 5, Secretary Laird says:

> I fully support the authorizations of funds for the above 23 aircraft.

They are the ones contained in the bill.

He says further:

> Any quantity beyond this is a matter for decision in the formulation of future budgets.

He is referring primarily there to the budget for 1971.

I assure the Senate that this matter has been gone over with the greatest of care and with most painstaking effort by highly competent men, outside advisers, and men on our committee. However, I come to that point last.

I am satisfied of the need, the quality, and the capability of this aircraft. And I am satisfied further that it is a contribution to a long-range policy that will make it possible, I think, to have our military dollar go further. I think that it will save on transportation costs. And this is a major item in the military program.

It eliminates just as many of the old planes as can possibly be eliminated. My philosophy as to weapons is not to try to have so much of everything or so many of different types, but to have the highest quality fighting planes and transport planes of whatever type it may be, or tanks, rifles, or other weapons, and try to have quality always foremost and always in the hands of the right kind of men.

They are expensive. There is no doubt that they will become more expensive. However, we cannot close our eyes to the fact that we are living in that kind of a world.

We are drafting men, not just those than go into the service professionally, but those who are drafted under the Selective Service Act. We say to them, "It is your responsibility as a citizen to go forth and render military service, even on foreign soil."

I am glad of the chance to try to save money. I think that a great deal more money can be saved. At the same time, I am not going to yield anything in quality or effectiveness or refuse to give every advantage to our men that can come from the best, most modern, and most responsive weapons that money can buy and science can build.

This is one of the items that goes to make up the modern weaponry that we need. Much of it has been long delayed.

We already approved the procurement of 58 of these aircraft in production run A. In January 1969 the Air Force, subject to congressional approval, exercised the option provided to procure 57 additional aircraft under production run B. The fiscal year 1970 budget contains authorization for $533 million to procure the first 23 run B aircraft. These 23 aircraft will complete a four-squadron force structure and there will be no commitment to procure any additional aircraft. The Congress will have complete freedom to reexamine this question next year.

We already have a sizable investment since we have obligated funds for 58 aircraft. The follow-on benefits of this investment resulting from the procurement of additional aircraft are yet to be realized.

Through fiscal year 1969 about $2.5 billion has been approved for the C–5A program, including $72 million in fiscal year 1969 for the procurement of long lead items for the 23 aircraft in this bill. In the event of contract cancellation, there is a contingent liability of $30.5 million for termination costs. Thus, if, as I think it will if adopted, this amendment kills all further C–5A procurement, the added loss to the Government, at a minimum, will be $102 million—$72 million in fiscal year 1969 funds for long lead items and $30.5 million in termination costs.

The incremental value of the 23 aircraft involved in terms of cost to the Government for the added airlift capability is self-evident. Any additional aircraft to be procured under the run B option will have to come before the Congress for consideration, and I can assure you that requests for additional aircraft will be subjected to extensive budgetary and cost studies to determine whether or not we are getting airlift value received for the dollars spent.

Regardless of the author's intent, I am of the opinion that the adoption of the Proxmire amendment will kill this program. At best, it will deny funds for one year. Let me outline the implications of that.

The amended Lockheed contract required that the fiscal year 1970 funds be on contract by September 1, 1969. By consent this has now been extended to October 1. The contract stipulates that if such funds are not allotted as required, an equitable adjustment may be made in the price of the 23 aircraft, in the delivery schedule, or in both, if the contractor has incurred additional costs or has been delayed in the work solely because of late funding by the Government. In addition, Lockheed can request termination in the event funds are not allotted as required.

The Air Force has furnished an estimate of the adjustment in price and schedule that will probably be requested by Lockheed if the funding of the 23 aircraft is delayed by 1 year. The cost increase to the Government, the Air Force asserts, would be $400 to $550 million, and there would be a 1½-year slippage in delivery of the first run B aircraft—from March 1971 to November 1972. These added costs do not include the engine contract, for which the Air Force estimates a cost increase for a 1-year delay of about $50 to $70 million.

The contractor and its subcontractors

and suppliers have about 40,000 experienced employees working on this program. It is not realistic to lay them off and then expect to have them available at the end of 1 year. Many new people would have to be hired and trained.

Finally, negotiation of the prices of run B aircraft after this delay would have to be with the current contractor as the sole source with no contractual commitments or price options available.

Another question is whether the C–5A, at the currently estimated increased cost, is still a good buy. The Air Force says the answer is clearly yes, considering both the need for airlifting "outsize" cargo—a basic C–5A requirement—and normal cargo as evaluated in ton-mile costs.

The "outsize" cargo requirement can be met only with the C–5A. The C–141 can carry only about 65 percent—by type—of the required Army deployment equipment. The loss of mobility which would result if there were no outsize aircraft in the military airlift force cannot be expressed in simple dollar figures.

However, the information furnished by the Air Force shows, even on a pure cost per ton-mile basis, the C–5A is substantially less expensive than the C–141 which is the lowest cost airlift system now operational, and that the C–5A, even with the recent cost increases, is the most economical of any airlift aircraft. There are three ways of showing the distinct economy of operation of the C–5A over other aircraft.

The 10-year cost per ton-mile for the C–5A will be 12 cents; that of the C–141 will be 16 cents. This cost includes procurement plus 10-year operating cost divided by the ton-mile capability.

The direct operating cost per ton-mile of the C–5A will be 2.9 cents; that of the C–141 will be 5.3 cents; and that of the C–124, which is the aircraft that the C–5A replaces in terms of outside capability, is 19.7 cents.

It takes 3.6 squadrons of C–141's to equal the airlift capability of one squadron of C–5A's. The annual operating cost for one squadron of C–5A's is $78 million, while the annual operating cost for 3.6 squadrons of C–141's is $135 million.

Thus, when the added requirement and value of the outsize cargo capability of the C–5A is considered in connection with its economy of operation, the C–5 clearly remains a good buy.

The Proxmire amendment also provides that the GAO should consider whether the purchase of a fourth squadron of C–5A's would make the United States liable for the cost of repairs and modifications necessary to correct "the structural defect revealed in the recent failure of the C–5A wing." Some explanation of this matter is necessary because the quoted language might leave an erroneous impression.

Lockheed is contractually bound to demonstrate in ground static tests that the airplane will withstand forces of 150 percent of the maximum that it is designed to experience in actual flight. Testing to 150 percent of design load limit is done to provide a 50-percent safety margin.

During one of these tests on July 13, 1969, a failure occurred in the form of a large crack in the right wing. The failure occurred at a load of about 125 percent of that for which the airplane was designed.

The Air Force puts this failure in the category of a normal development problem. Engineers generally believe that if no failures occur in stress testing the airplane is probably overdesigned and overweight and thus inefficient in terms of payload and range. The current estimate is that the failure will not delay the completion of the development schedule or production delivery schedule. Corrective action is planned for the first operational aircraft which is to be delivered in December 1969.

I should point out that almost all aircraft have experienced failures of some component during static testing. Wing failure occurred on the B–52A at 139 percent of design load limit; the C–130A between 127 and 135 percent; the C–130B at 139 percent; and the F–104G at 135 percent. The C–141 had a main landing gear frame failure at 129 percent; a vertical tail failure at 135 percent; an aft fuselage failure at 120 percent; and a main landing gear failure at 145 percent. Many additional examples could be cited.

Failures of this nature are not unexpected and, in fact, are a part of the development process. They reveal possible weaknesses in the structures at an early stage in the development and thereby permit design modifications to be incorporated in the production aircraft.

In addition, there is no reason for GAO to study who is responsible for the cost of the repair and modification. Under the terms of the contract, if Congress does authorize further funding of run B aircraft, the cost of modifications made necessary by the cracked wing will be borne by the contractor, subject to the contractual sharing arrangement. The contract makes it clear that all costs associated with correction of this condition above the contract ceiling are Lockheed's contractual responsibility.

Let me summarize briefly. The Defense Department advises that the current program will produce a good aircraft with exceptional performance characteristics which are badly needed in our airlift force structure. I believe that the adoption of the Proxmire amendment will kill the program. Even if it does not, there can only be two results, both bad. In the first place, there will be a delay in delivery of 23 operational aircraft to the Air Force; in the second place, the cost of these aircraft will be driven up even below the levels which exist today and which have been so vigorously criticized by the distinguished Senator from Wisconsin. For all of these reasons, I think the adoption of this amendment would be a serious mistake. I hope it is defeated.

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

Mr. STENNIS. I yield.

Mr. FULBRIGHT. The Senator mentioned the quality. I agree with him about quality. However, I read in last Sunday's newspaper a very disturbing item about the M–16. I wonder if the Senator could reassure me about its quality.

This article said that the M–16 has proved in actual combat to be subject to corrosion and to malfunction because of being dirty, and so forth, and was not nearly as sturdy as what they call the AK–47; that any time a GI in Vietnam could throw down his M–16 and pick up an AK–47, he would do it.

Has the Senator ever read any such article?

Mr. STENNIS. I did not read that article.

I can say to the Senator that nothing is more important than the rifle, but I do not suppose there ever before has there been a war that gave us as much trouble as the climate, the mud, and the corrosion in Vietnam. It has been a super test for all. Finally, however, the news I get—there may be some dissent—is that it is almost a heaven-sent weapon with a certain kind of fighting over there and was long needed. We pushed the Defense Department over the line in getting a new source of supply.

Mr. FULBRIGHT. Do I correctly understand the Senator to say that he does not believe the M–16 is an inferior weapon or that the AK–47 is any better?

Mr. STENNIS. Some defects have shown up in it, as I understand; but we were highly pleased when we could get it into the hands of our men for this kind of fighting, and we are trying now to get it into the hands of the South Vietnamese troops.

Mr. FULBRIGHT. I am glad the Senator reassures us that it is the best in the business, because this article plainly said the opposite. I was very disturbed about it.

I agree with the Senator that they should have the best, but the best is not always necessarily the most expensive.

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

Mr. STENNIS. I yield 3 additional minutes.

Mr. FULBRIGHT. I recently read an article about the new Swedish fighter plane which was exhibited at the Paris air show. I think it indicated that the plane cost approximately $2 million, compared with the considerably greater cost of ours. It indicated that the Swedes have made a better plane than ours, at less cost.

Mr. STENNIS. That is beyond my knowledge.

Mr. FULBRIGHT. It is an article in the newspaper. I did not write it.

Mr. STENNIS. I do not read all the newspapers.

I will be glad to look into it. I do not think there are many planes better than ours—our better ones.

Mr. FULBRIGHT. It is the cost. That is what is partly involved in this contract—that is, that this is an improvident and excessively extravagant plane and that the contract was very improvidently drawn. This is part of the picture. It is not that anybody wishes to deny the Armed Forces a good weapon. But there should be some choice between what we get for our money—whether we have no regard whatever for the taxpayer or whether the sky is the limit when we buy an airplane.

Mr. STENNIS. We can buy some weap-

ons elsewhere, but we are not going to be dependent upon some other country for spare parts of an essential weapon.

Mr. FULBRIGHT. That is not my point. I am not advising that we buy anywhere else. But it seems to me that unless Congress exercises some supervision and questions the Pentagon, all we are going to do is to spend twice as much as we need to spend. That is the point.

I am a member of the Committee on Finance. We are dealing now with taxes. I have to be responsible and take the heat for raising the taxes, I suppose, from time to time. And this is the committee that provides the money from the taxpayers. But it seems to me that Congress should have some regard for careful spending of money. That is the only point I am making. I do not advise that we buy Swedish planes, but surely we should be able to make planes as good as those made by the Swedes, for approximately the same cost.

Mr. GOLDWATER. Mr. President, will the Senator yield, so that I may try to answer the distinguished Senator from Arkansas?

Mr. STENNIS. I yield 2 minutes.

Mr. GOLDWATER. We are talking about apples and oranges. The Swedish airplane is an air superiority fighter for use over the Swedish homeland. It is not a long-range fighter or an all-weather fighter. It has a single jet capability. We manufacture a fighter plane in this country that is as good as that airplane, but we have not found any use for it. We have been providing the F–5 for South Vietnam. It is a very worthwhile weapon.

As to the apples and oranges reference I used, the Swedish fighter plane can be considered the apples and the C–5A the oranges. We have to have all-weather capability, and we have to have long-range capability. The aircraft we have designed will serve tactical purposes, also. We hope, with the new Air Force fighter, to come up with a good interceptor aircraft, which we have not built in 15 years.

When one picks an isolated item such as the French Mystere, that is a very fine aircraft. I do not think it would fit into the U.S. Air Force's plans, any more than our F–4 would particularly fit into the French Air Force's plans. They, by the way, are becoming competitive with us in the world markets, but I do not think the world would buy their planes if they could get ours.

Mr. FULBRIGHT. Since the Senator brought it up, I wish he would straighten me out about two items. One is the fighter aircraft we sold to Germany, or at least our design was sold, and the other is the F–111. They raise questions of prudence in spending of money. I did not mean to say we had no adequate planes, but do we produce comparable planes at similar cost?

Mr. GOLDWATER. If we did not build planes for the purposes for which we need them, we could eliminate a great deal of avionics and become more cost comparable with foreign countries. The F–104 is no longer in our inventory. It was not in our inventory for a great length of time. It was made both in Japan and Germany. The German Air Force, I must say had quite a few accidents which were not caused by the aircraft. They finally overcame the problem, and they have a fine interceptor for short range, but of great capability. If we were in danger of being attacked on our own soil, this is the type of interceptor we would have.

The F–111 all along has been named incorrectly. It should not have the designation "fighter." It should be a B–111. This, I must say, was an expensive airplane. The contract was let by Secretary McNamara, over the advice of every person connected with it, to a company that the experts felt would not make as good an aircraft as the lowest bidder.

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

Mr. GOLDWATER. I ask for 2 additional minutes.

Mr. STENNIS. Mr. President, I am sorry. I yield 1 additional minute.

Mr. GOLDWATER. The aircraft now, for its purposes as a bomber, a carry-on strategic bomber, is working very well. I do not mean to say that we have to eliminate the advanced manned strategic system, because the B–111 will not replace the B–52. We have to go past it.

So the answer, I hope, has been contained in these words to the Senator from Arkansas.

Mr. STENNIS. Mr. President, I am sorry, but I do not have additional time to spare.

Mr. FULBRIGHT. Has the Senator from Wisconsin any time?

Mr. PROXMIRE. I have very little time. I would be happy to yield when I finish. How much time does the Senator wish?

Mr. FULBRIGHT. Two minutes.

Mr. PROXMIRE. I yield 2 minutes to the Senator.

Mr. FULBRIGHT. Mr. President, I think that what has taken place in the Senate, largely due to the efforts of the Senator from Wisconsin in raising questions, is that for the first time in my memory we have really seriously raised questions about these weapons systems.

A serious question was raised about the F–111 in the committee—not on the Senate floor, as I recall, but in the committee. Now we are raising questions here. I think it is entirely proper.

It seems to me that with respect to these contracts, such as the C–5A, which has been widely publicized, something should be done. All the Senator from Wisconsin is doing is saying, "Let us take a little further look at it."

If we reject the amendment, it will simply open the floodgates to the Pentagon, and they will have no restraint whatever in anything they wish to do. There will be no limit on what they can spend or what kind of contract they make. The point is to try to bring some balance between the cost and the quality, as the Senator from Mississippi (Mr. STENNIS) has remarked. We all want quality. We do not have it, by any means. In a number of cases the Pentagon has not been successful. We would like to have quality every time. But I do not think quality or prudence are promoted by not looking into these matters, and, on occasion, at least holding up authorizations pending a survey or reconsideration as in the C–5A amendment proposed by the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, before summarizing the major arguments in support of the C–5A amendment, I shall explain once again what the amendment does.

PURPOSE OF THE AMENDMENT

The amendment removes from S. 2546 the funds earmarked for the purchase of 23 additional aircraft, $533 million. The first 58 C–5A's authorized, funded, and under construction are not affected by my amendment. No matter how the Senate votes today, the Air Force will have at least 58 C–5A's, assuming the Lockheed Corp. does not default on its contract.

The funds for the 23 additional aircraft are deleted by the amendment for a specific purpose. That purpose is to give the Comptroller General of the United States time to conduct and submit to the Congress a comprehensive study and investigation of the past and projected costs of the 23 additional aircraft. The study by the Comptroller General would include the following matters:

First, whether the additional 23 C–5A's are an economic replacement for the C–141 and other aircraft in view of the great increase in both the procurement and operating costs of the C–5A.

Second, whether the purchase of the fourth squadron—the 23 additional aircraft—would add significantly to our deployment capability.

Third, whether purchase of the fourth squadron would make the United States liable for all contractor losses and termination costs if the fifth and sixth squadrons were not procured. I might add at this point that Lockheed has already expressed its opinion that the Government has obligated itself to purchase six squadrons of C–5A's, or a total of 120 planes. The Air Force denies this. It seems to me essential that Congress know exactly what the Government's legal obligations are in this case before funds for new purchases are authorized.

Fourth, whether purchase of the fourth squadron would make the Government liable for the cost of repairs and modifications necessary to correct the structural defect revealed in the recent failure of the C–5A wing. By the way, I put this question directly to the Air Force some time ago. I have gotten a lot of gobbledygook back, but no satisfactory response.

Fifth, the current cost estimates necessary to complete construction of the first three squadrons—58 aircraft—the fourth squadron, and the fifth and sixth squadrons, including the cost of spares and operating expenses over the next 10 years. It is simply amazing to me that the Air Force has consistently refused to bring its cost estimates up to date during the past year. The most recent Air Force report, the Whitaker report, admits that it used cost estimates made last October. In fact, those estimates were based on data gathered in August of 1968. In other words, the most recent data allowed to emerge from the Pentagon on the costs of the C–5A is over a year old. Why has the Air Force hidden the most current cost estimates? Have costs escalated again so that there will be fur-

ther overruns? Are the cost overruns now substantially higher than $2 billion?

Sixth, the cost implications of triggering off the repricing formula on the fourth squadron and the fifth and sixth squadrons of C–5A aircraft. It will be recalled that the C–5A contract negotiated by the Air Force contains a blatant reverse incentive in that the higher the costs to produce the first three squadrons, the higher the price of additional squadrons. This, of course, creates a possibility of reversing the usual industrial production cost trends whereby the costs of production decrease as the number of units produced increase.

The Comptroller General would transmit the results of his study to the Congress no more than 90 days after the enactment of the act. His report would also contain such recommendations as he might deem appropriate. However, let me make clear that the function of the investigation would be to provide the Congress with an independent source of analysis and facts about the C–5A. The ultimate decision to go ahead with further C–5A purchases or to suspend purchases is for Congress to make. The General Accounting Office would be merely serving its traditional role as an investigative and factfinding arm of the Congress.

The overall purpose of the C–5A amendment is clear. It is to suspend the authorization of funds for purchase of the fourth squadron until Congress has a comprehensive and reliable set of facts on which it can base a decision. For it is also clear that Congress cannot at the present time make an intelligent judgment about the facts in this case.

REASONS FOR SUPPORTING THE AMENDMENT

The Air Force has systematically hidden the facts about the C–5A. In effect, Congress was deceived about the nature of the contract and the cost status of the program. The repricing formula was not made known until the Subcommittee on Economy in Government discovered it in November 1968.

The Air Force failed to disclose the huge cost overruns. In the spring of 1968 Air Force spokesmen testified before House and Senate congressional committees that there were no overrun problems. A few months later my committee learned that the C–5A would cost $2 billion more than Congress had been told it would cost. By the way, Congress was also told as recently as last January that the aircraft would be delivered on time and would exceed its performance specifications. We now know that the first deliveries will be at least 6 months late. We also have reason to believe that performance standards have been degraded, that the Air Force has waived its right to have the FAA certify the airworthiness of the plane, and that actual performance may very well be less than the original contract performance specifications.

WHAT WILL THE C–5A COST?

No one in Congress can say with any degree of accuracy what the C–5A will actually cost. The C–5A is a flying pig in the poke. In view of the already huge overruns, the likelihood that costs will continue to escalate, and the failure of the Air Force to satisfactorily explain the cost increases, Congress would be remiss in its duties to the taxpayer to rush into the purchase of 23 additional C–5A's.

There is mounting evidence that the 23 C–5A's in question will not be an economic replacement for the C–141 and other aircraft.

WHY 81 RATHER THAN 58 PLANES?

The Air Force has not shown why the military justification for the rapid deployment concept requires 81 C–5A's, in addition to the remainder of our airlift capability, rather than 58 C–5A's. Again, it should be kept in mind that no challenge has been made to the 58 aircraft now under construction. Only the fourth squadron of 23 planes is being questioned.

The 90-day delay in the authorization of funds called for by the amendment cannot possibly have an adverse effect on national security. The argument that time is of the essence in this case is a spurious one. The C–5A has little if anything to do with the real defense of this nation. Rapid deployment has been defended as a part of a long-range policy which contemplates American withdrawal from some foreign bases and the return of some troops from overseas. But this policy has not yet been adopted. Even if the policy were to be adopted, there has been no showing that rapid deployment objectives could not be attained with the 58 C–5A's now under construction. Furthermore, in light of our enormous stockpile of nuclear weapons and our tremendous arsenal of conventional arms, the argument that a 90-day delay in the authorization of a fourth squadron of C–5A's in any way endangers the defense program is plainly ridiculous.

DEFECTIVE CONTRACT

The Air Force entered into a bad contract, filled with defects, deficiencies and ambiguities, detrimental to the interests of the Government and the public in addition to the repricing formula, the Air Force now concedes that the economic escalation clause and others are fuzzy and confusing. The Air Force, after much prodding from Congress is now attempting to renegotiate portions of the contract. The question is, however, how much will the Air Force give away to Lockheed this time? Surely, the contractor is not about to relinquish its advantages under the contract without consideration. My amendment will enable the government to negotiate from strength.

WITNESSES GAGGED

In addition to the serious disclosure problems, the Air Force has attempted to distort and manipulate the public record. It tried to gag at least one witness invited to testify before the Subcommittee on Economy in Government and later attempted to doctor written testimony submitted subsequent to the taking of oral testimony. Air Force officials have also been guilty of tampering with Air Force internal reports so as to conceal the existence of the cost overruns. Investigations by the SEC and the Justice Department into this aspect of the C–5A case are currently underway. Only last Friday, the latest evidence of possible SEC violations was made public. In light of the shocking record of bad faith on the part of the Air Force, it simply cannot be relied upon by the Congress for the true facts about this program.

It is time to call a halt to Air Force mistakes, Air Force giveaways, and Air Force bad faith in connection with the C–5A program. A monumental record of inept management, waste, and inefficiency has already been established in this program. After the billions of taxpayers' dollars that have been expended on the C–5A the public is entitled to some assurance that future expenditures are absolutely essential to national security.

WHY IS THE FOURTH SQUADRON NECESSARY?

And that is the main point of the amendment. At present, no Member of the Senate can assure his constituency of the need for pouring yet more billions of dollars into the C–5A program. No Senator can in good faith tell the people of his State what the C–5A will cost. No Senator can truthfully say that the fourth squadron of C–5A's is economically or militarily justified. The purpose of the amendment is not to terminate the C–5A program, but rather to answer the questions about it. I say to those of my colleagues who have accepted the Air Force arguments in favor of further purchases, the Air Force has demonstrated its inability to be either candid or objective with the Congress when it comes to the C–5A. The Air Force has deceived and misled the Congress in this matter again and again.

Now is the time to obtain the facts about the C–5A from a new source independent of the Air Force.

FUTURE BURDEN MAY BE SCANDALOUS

Mr. President, sometimes it is necessary to pull back the facade and curtain to get behind the facts. I have come across something which to me is alarming. It grows out of a statement made by the Senator from Mississippi on the floor of the Senate in connection with the C–5A last Wednesday and also what he said last August.

In August, the Senator from Mississippi inserted into the RECORD questions prepared by the Armed Services Committee and the answers supplied by the Department of Defense. Question No. 3 inquired about the effect on the present program if fiscal year 1970 procurement funding is delayed. The Pentagon's response was to the effect that Lockheed would soon run out of Government funds and "It is doubtful that Lockheed would be able to finance on its own the costs of continuing the run A production during this time period. As a result, there is a substantial likelihood that the contractor would be forced to default the contract for the run A aircraft."

On September 3, the Senator from Mississippi (Mr. STENNIS) made the same argument. He said:

> First, government funds will be exhausted before the first of the year, and the contractor will then be confronted with whether he will continue the program under his own financing even though he is legally liable to deliver the 58 aircraft under run A. If the contractor should default on run A, the Air Force indicates it is possible that the number of planes to be received will be somewhere between 10 and 20 rather than 58. In the meantime, well over $2 billion in government funds will have been expended on this program for which we will have little to show.

This argument is disturbing because it completely ignores the merits of the case. The Senate is being asked not to consider either the economic justification or the military justification for the fourth squadron. Instead, the Senate is being faced with the threat that if funds are not authorized for the fourth squadron the contractor will default on his contract and fail to deliver the first three squadrons. Since Congress has already appropriated over $2 billion for this contract, for the first three squadrons, it would indeed be an enormous waste of money if the Government were not to obtain the first three squadrons.

This kind of argument, advanced by the Department of Defense, seems to me to come close, at least, to placing the Senate in the position of one who is being blackmailed. It sounds like someone is delivering an ultimatum: pay up a half billion dollars as an installment on the fourth squadron, or the Government does not get the first three squadrons.

There is another equally disturbing inference to be drawn from this argument. Let us assume, as the Pentagon assures us, that the contractor will run out of Government funds before the first of the year. The Air Force has also stated that if the contract is terminated, after 58 planes have been produced, the Lockheed Corp. will lose over $600 million. Since this corporation, according to my information, has a net worth of under $400 million, a prospect of such a loss could induce it to refuse to continue to perform. Let me say parenthetically at this point that no one in Congress really knows how much Lockheed stands to lose because no one knows how much this contract is costing. As I have stated before, our most recent cost data is over a year old. It has been provided to us by the Air Force and has not been verified to my satisfaction.

But let us assume that Lockheed would lose over $600 million at the end of the first 58 planes. How would the funds authorized in the bill before us today improve the contractor's position? The bill provides for $225 million to cover the overrun on the first 58 airplanes. My amendment does not touch these funds. Of that $225 million. I am informed $100 million has already been spent, under the continuing authorization which followed the end of the fiscal year. The remainder of this money will be exhausted by the end of the year. The bill also contains $210 million for spare parts. This money would not be available to the contractor to cover the costs of production of the first 58 aircraft.

Most of the remaining funds in the bill are earmarked for the fourth squadron. The contractor is expected to make a profit on the 23 planes so that the huge loss of $671 million is reduced to $507 million, which means that next year we will be faced with bailing out Lockheed again on this same C–5A.

One possibility, I suppose, is that other funds in the bill before us today would be diverted from their intended purpose and applied to the cost of production of the first 58 aircraft. For example, it would violate the intent of Congress to use the funds earmarked in the bill for the fourth squadron in order to pay the remaining costs of the first three squadrons.

As I said, diverting funds from this bill to pay the remaining costs of the first three squadrons of C–5A's would violate the intent of Congress. If this is what is expected to occur, I believe the Members of the Senate are entitled to know these facts before voting on this bill. If it is expected that the contractor will be permitted to apply part of the money from the fourth squadron to pay for the cost of the first three squadrons, then I think we ought to know that. We ought to vote with our eyes open.

If those are the facts, I do not criticize the Senator from Mississippi for passing them on to his colleagues. At the same time, one may wonder about the Pentagon's role in managing the taxpayers' dollars and one may wonder whether the Senate has been reduced to the status of silent counsel to the Department of Defense. For money authorized by this Congress for a specific purpose is not supposed to be used for any other purpose.

In addition, the pay-up-or-else kind of choice that is being presented to us, that is, pay-up for the fourth squadron or we do not get the first three squadrons, denies the Senate the authority to make any decision. Rather, we become merely subject to the ability of Government contractors to perform efficiently, and to the financial arrangements made between the Pentagon and its contractors.

Is the Federal Government so intimidated by its contractors that it must continue to dole out public money for new contracts, regardless of whether or not they are needed, so that the contractors will not default on the old contracts?

Do Defense contractors have such a stranglehold on the Government that it is really they, not us, who control the public purse strings?

Is the Congress deliberating over a public issue, with the authority to make a public decision, or are we merely weighing the amount of tribute to be paid to the Defense industry?

I say to the Senate today that if we go along with the Pentagon's arguments, we will be in no better position next year than we are in today. In no better position, just a question of whether we drown in 50 feet of water or 40 feet of water.

If the contractor is faced with a staggering loss today, he will be faced with an almost equally staggering loss a year from today even if the funds for the fourth squadron are authorized. If the funds for the fourth squadron are used to pay the remaining costs of the first three squadrons, next year we will be confronted with a similar argument. Next year, we will be told that a fifth squadron is necessary, and the reason will be because the contractor is unable to cover the costs of the fourth squadron, or even of the first three squadrons.

We have been assured during these debates on several occasions that the fifth and sixth squadrons are not in this bill. We have been told that the decision to go ahead with the fifth and sixth squadrons will be made a year from now. But I have learned only yesterday that there is money in this bill for the fifth squadron. $52 million in the bill before us is set aside for long-leadtime items for procurement of 20 aircraft in fiscal year 1971. That is what the committee report states.

Frankly, I had assumed that this money was intended to be used in connection with the fourth squadron. However, I am now informed that the long-leadtime items are for the fifth squadron. So we are dealing to some extent with the fifth squadron in this bill.

This fact reinforces my conviction that the Congress is being entrapped into spending more billions of dollars for C–5A's which we may not need. It reenforces my conviction that the Senate must delay the decision to go ahead with the authorization of funds for the fourth or fifth squadrons.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the September 6 Milwaukee Journal entitled "A Place To Save Money."

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

A PLACE TO SAVE MONEY

Of all the outrageous skeletons in the Pentagon's abundant closets, one of the worst is the cost escalation of almost $2 billion in the contract for the huge C–5A jet transport planes. Thus, Senator Proxmire's efforts to bar expenditures for more of the planes, pending a thorough investigation by the General Accounting Office, makes eminently good sense. His amendment does not affect the 58 planes already authorized by Congress.

According to Congressional testimony, the estimated costs of 120 planes, including spare parts, under the contract with Lockheed has shot up more than $1.9 billion—from $3.4 billion to $5.3 billon—since 1965. That cost increase, by the way, is six times the total 1969 City of Milwaukee expenditures controlled by the common council.

Proxmire presents persuasive evidence that Lockheed realized it could not fulfill the terms of its original bid, but offered an unrealistically low figure undercutting Boeing and Douglas to get the contract.

The Senator also is trying to get the Pentagon to release two reports that indicate that the Government would be wasting money if it bought more than 58 of the transports—the world's largest planes. Proxmire points out that ferrying capacity of private contract fliers more than meets military needs.

One central conclusion is that, in the event of war anywhere in the world, the Army would not be able to mobilize troops fast enough to make use of more than 58 of the gigantic planes. However, the Department of Defense has refused to release the reports, falling back on the old excuse of national security.

Air Force officials acted disgracefully in trying to cover up the cost escalation until Proxmire and other Congressional investigators caught up with them late in 1968. When one courageous employee testified, the Air Force tried to get rid of him, then relegated him to a minor post where, as Proxmire put it, he was told to check "cost overruns on a bowling alley in Thailand."

Defense Secretary Laird has promised more efficient management over multi-million dollar defense contracts. A good start would be the suspension of any more C–5A purchases pending a complete investigation.

Mr. PROXMIRE. Mr. President, I yield the floor.

Mr. HARRIS. Mr. President, I will vote against the amendment of Senator PROXMIRE to hold up continued funding of the C–5A plane because I believe the amendment is not in the national interest. We

need the ability to move large numbers of troops and heavy materiel with the rapidity and economy which this plane provides. I am hopeful that with continued funding of the C–5A we may be able to bring home soon a substantial number of American troops presently stationed in Europe. To be able to bring home a substantial number of American troops would help us in several important ways, including the reduction of our balance-of-payments deficit.

While I am strongly in favor of the greatest possible efficiency and the lowest possible cost in the production of this plane, I believe at the present time that the plan for production and delivery of these planes should be carried out.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. How much time remains for each side?

The PRESIDING OFFICER. The Senator from Mississippi has 3 minutes remaining.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

Mr. STENNIS. Mr. President, I yield back the remainder of my time.

Mr. President, another parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi will state it.

Mr. STENNIS. What is the pending question now before the Senate?

The PRESIDING OFFICER. The question is on adoption of the amendment of the Senator from Wisconsin.

Mr. STENNIS. This is, then, a straight yea and nay vote?

The PRESIDING OFFICER. The Senator is corect, but the yeas and nays have not yet been ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, this is the Proxmire amendment as originally offered, is it not? There are no amendments to the amendment?

The PRESIDING OFFICER. The Senator from Mississippi is correct.

Mr. STENNIS. Those, of course, in favor, will vote yea, and those opposed will vote nay; is that not correct?

The PRESIDING OFFICER. The Senator is correct.

All time on the amendment has now been yielded back. The question is on agreeing to the amendment of the Senator from Wisconsin.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. COOK (after having voted in the affirmative). Mr. President, on this vote, I have a live pair with the Senator from Colorado (Mr. DOMINICK). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the affirmative). Mr. President, on this vote, I have a live pair with the senior Senator from Missouri (Mr. SYMINGTON). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. MANSFIELD (after having voted in the affirmative). Mr. President, on this vote, I have a pair with the distinguished junior Senator from Alabama (Mr. ALLEN). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Washington (Mr. MAGNUSON), and the Senator from Connecticut (Mr. RIBICOFF) are absent on official business.

I further announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Minnesota (Mr. MCCARTHY), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Alabama (Mr. ALLEN) are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho (Mr. CHURCH) would vote "yea."

On this vote, the Senator from Connecticut (Mr. RIBICOFF) is paired with the Senator from Tennessee (Mr. BAKER). If present and voting, the Senator from Connecticut would vote "yea," and the Senator from Tennessee would vote "nay."

Mr. SCOTT. I announce that the Senator from Colorado (Mr. DOMINICK) is necessarily absent, and his pair has been previously announced.

The Senator from Tennessee (Mr. BAKER) is absent because of death in his family, and is paired with the Senator from Connecticut (Mr. RIBICOFF). If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Connecticut would vote "yea."

The result was announced—yeas 23, nays 64, as follows:

[No. 82 Leg.]

YEAS—23

Case	Hughes	Proxmire
Eagleton	Kennedy	Saxbe
Ellender	Mathias	Schweiker
Fulbright	McGovern	Tydings
Goodell	Metcalf	Williams, N.J.
Hart	Mondale	Yarborough
Hartke	Nelson	Young, Ohio
Hatfield	Pell	

NAYS—64

Aiken	Goldwater	Murphy
Allott	Gore	Muskie
Anderson	Gravel	Packwood
Bayh	Griffin	Pastore
Bellmon	Gurney	Pearson
Bennett	Hansen	Percy
Bible	Harris	Prouty
Boggs	Holland	Randolph
Brooke	Hollings	Russell
Burdick	Hruska	Scott
Byrd, Va.	Jackson	Smith
Cannon	Javits	Sparkman
Cooper	Jordan, N.C.	Spong
Cotton	Jordan, Idaho	Stennis
Cranston	Long	Stevens
Curtis	McClellan	Talmadge
Dodd	McGee	Thurmond
Dole	McIntyre	Tower
Eastland	Miller	Williams, Del.
Ervin	Montoya	Young, N. Dak.
Fannin	Moss	
Fong	Mundt	

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—3

Byrd of West Virginia, for.
Cook, for.
Mansfield, for.

NOT VOTING—9

Allen	Dominick	McCarthy
Baker	Inouye	Ribicoff
Church	Magnuson	Symington

So the amendment was rejected.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 107

Mr. PROXMIRE. Mr. President, on behalf of myself, Mr. CASE, Mr. GORE, Mr. YARBOROUGH, Mr. YOUNG of Ohio, Mr. METCALF, Mr. MONDALE, Mr. TYDINGS, Mr. COOK, Mr. EAGLETON, and Mr. PACKWOOD, I call up my disclosure amendment (No. 107) and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. STENNIS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

Mr. PROXMIRE's amendment (No. 107) is as follows:

At the end of the bill add a new section as follows:

"SEC. 402. (a) As used in this section—

"(1) The term 'former military officer' means a former commissioned officer of the Armed Forces of the United States who—

"(A) served on active duty for any period of time as a member of a regular component of the Armed Forces in the grade of colonel (or equivalent) or above,

"(B) serve on active duty for a period of ten years or more and, at any time during the five-year period immediately preceding his last discharge or release from active duty, was directly engaged in the procurement of any weapon system or directly engaged in the negotiation, renegotiation, approval, or disapproval of any contract for the procurement of services or materials for or in connection with any weapon system, or

"(C) served, for any period of time during the five-year period immediately preceding his last discharge or release from active duty, as a representative of the Department of Defense at the factory or plant of a defense contractor in connection with work being performed by such contractor on any weapon system.

"(2) The term 'former civilian employee' means any former civilian officer or employee of the Department of Defense—

"(A) whose annual salary at any time during the five-year period immediately preceding the termination of his last employment with the Department of Defense was equal to or greater than the minimum annual salary rate at such time for positions in GS–15,

"(B) who was directly engaged, at any time during the five-year period immediately preceding the termination of his last employment with the Department of Defense, in the procurement of any weapon system or directly engaged in the negotiation, renegotiation, approval, or disapproval of any contract for the procurement of services of materials for or in connection with any weapon system, or

"(C) who served, for any period of time

during the five-year period immediately preceding the termination of his last employment with the Department of Defense as a representative of the Department of Defense at the factory or plant of a defense contractor in connection with work being performed by such contractor or any weapon system.

"(3) The term 'defense contractor' means any individual, firm, corporation, partnership, association, or other legal entity, which provides services and materials to or for the Department of Defense in connection with any weapon system.

"(4) The term 'services and materials' means either services or materials or services and materials which are provided as a part of or in connection with any weapon system.

"(5) The term 'weapon system' means any aircraft, vessel, tracked combat vehicle, or missile, or any part or component thereof.

"(6) The term 'Department of Defense' includes any military department thereof.

"(b) Any former military officer or former civilian employee who—

"(1) was employed for any period of time during any calendar year by a defense contractor,

"(2) represented any defense contractor during any calendar year at any hearing, trial, appeal, or other action in which the United States was a party and which involved services and materials provided or to be provided to the United States by such contractor, or

"(3) represented any such contractor in any transaction with the Department of Defense involving services or materials provided or to be provided by such contractor to the Department of Defense,

shall file with the Secretary of Defense, in such form and manner as the Secretary may prescribe, not later than March 1 of the next succeeding calendar year, a report containing the following information:

"(1) His name and address.

"(2) The name and address of the defense contractor by whom he was employed or whom he represented.

"(3) The title of the position held by him with the defense contractor.

"(4) A brief description of his duties with the defense contractor.

"(5) His military grade while on active duty or his gross annual salary while employed by the Department of Defense, as the case may be.

"(6) A brief description of his military duties while on active duty or while employed by the Department of Defense during the three-year period immediately preceding his release from active duty or the termination of his civilian employment, as the case may be.

"(7) A description of any work performed by him in connection with any weapon system while serving on active duty or while employed by the Department of Defense, as the case may be, if the defense contractor by whom he is employed is providing substantial services or materials for such weapon system, or is negotiating or bidding to provide substantial services or materials for such weapon system.

"(8) The date on which he was released from active duty or the termination of his civilian employment with the Department of Defense, as the case may be, and the date on which his employment with the defense contractor began and, if no longer employed by such defense contractor, the date on which his employment with such defense contractor terminated.

"(9) Such other pertinent information as the Secretary of Defense may require.

"(c) Any employee of the Department of Defense who was previously employed by a defense contractor in any calendar year and—

"(1) whose annual salary in the Department of Defense is equal to or greater than the minimum annual salary rate for positions in GS–15,

"(2) who is directly engaged in the procurement of any weapon system or is directly engaged in the negotiation, renegotiation, approval, or disapproval of any contract for the procurement of services or materials for or in connection with any weapon system, or

"(3) who is serving or has served as a representative of the Department of Defense at the factory or plant of a defense contractor in connection with work being performed by such contractor on any weapon system,

shall file with the Secretary of Defense, in such form and manner as the Secretary may prescribe, not later than March 1 of the next succeeding calendar year, a report containing the following information:

"(1) His name and address.

"(2) The title of his position with the Department of Defense.

"(3) A brief description of his duties with the Department of Defense.

"(4) The name and address of the defense contractor by whom he was employed.

"(5) The title of his position with such defense contractor.

"(6) A brief description of his duties at the time he was employed by such defense contractor.

"(7) A description of any work performed by him in connection with any weapon system while he was employed by the defense contractor or while performing any legal services for such contractor, if such contractor is providing substantial sevices or materials for such weapon system or is negotiating or bidding to provide substantial services or materials for such weapon system.

"(8) The date on which his employment with such contractor terminated and the date on which his employment with the Department of Defense began thereafter.

"(9) Such other pertinent information as the Secretary of Defense may require.

"(d)(1) No former military officer or former civilian employee shall be required to file a report under this section for any year in which he was employed by a defense contractor if the total cost to the United States of services and materials provided the United States by such contractor during such year was less than $10,000,000; and no employee of the Department of Defense shall be required to file a report under this section if the total cost to the United States of services and materials provided the United States by the defense contractor by whom such employee was employed was less than $10,000,000 in each of the applicable calendar years that he was employed by such contractor.

"(2) No employee of the Department of Defense shall be required to file a report under this section for any calendar year on account of employment with or services performed for a defense contractor if such employment was terminated or such services were performed five years or more prior to the beginning of such calendar year.

"(e) The Secretary of Defense shall, not later than May 1 of each year, file with the President of the Senate and the Speaker of the House of Representatives a report containing a list of the names of persons who have filed reports with him for the preceeding calendar year pursuant to subsections (b) and (c) of this section. The Secretary shall include after each name so much information as he deems appropriate, and shall list the names of such persons under the defense contractor for whom they worked or for whom thy performed services.

"(f) Any former military officer or former civilian employee whose employment with a defense contractor terminated during any calendar year shall be required to file a report pursuant to subsection (b) of this section for such year if he would otherwise be required to file under such subsection; and any person whose employment with the Department of Defense terminated during any calendar year shall be required to file a report pursuant to subsection (c) of this section for such year if he would otherwise be required to file under such subsection.

"(g) The Secretary shall maintain a file containing the information filed with him pursuant to subsections (b) and (c) of this section and such file shall be open for public inspection at all times during the regular workday.

"(h) Any person who fails to comply with the filing requirements of this section shall be guilty of a misdemeanor and shall, upon conviction thereof, be punished by not more than six months in prison or a fine of not more than $1,000, or both.

"(i) No person shall be required to file a report pursuant to this section for any year prior to the calendar year 1970."

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, will the Senator yield to me for a moment?

Mr PROXMIRE. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, we do not have controlled time on this amendment. The yeas and nays have been ordered. I know that the Senator from Wisconsin wishes to give an explanation of the amendment, and I shall respond briefly. There may be a vote upon it fairly soon.

The next amendment after this one, I hope, will be the amendment regarding the aircraft carrier, which is offered by the Senator from Minnesota and the Senator from New Jersey. They have been very cooperative about the matter, and will perhaps call up their amendment later today, as I understand.

I mention this simply for the information of the Senate. We do not have a proposal for controlled time now, but I think the two authors of that amendment and I will be able to make a recommendation to the Senate on the matter sometime soon after the debate begins. Of course, the majority leader will speak for the program for tomorrow otherwise, but I do wish to get that amendment before the Senate.

Mr. PROXMIRE. Mr. President, may I say to the Senator from Mississippi that I do not expect to take much time on my pending amendment. I hope we can have a vote on it by 5:30, or perhaps earlier. If the Senator wishes to enter into a unanimous-consent agreement on time, I shall be happy to do so, but I think we can get to a vote promptly without it.

Mr. STENNIS. Perhaps we should. Mr. President, if we can have order and these visitors will sit down and be quiet, I think the Senator is certainly entitled to be heard, and it will expedite matters greatly.

The PRESIDING OFFICER. The Senate will be in order.

Mr. PROXMIRE. Mr. President, I wish to modify the amendment I have sent to the desk as follows:

On page 1, line 2, after the word "former" at the end of line 2, add the words "or retired."

The purpose of the addition is to make clear that the amendment applies to "retired" as well as "former" military officers.

The PRESIDING OFFICER. The yeas and nays having been ordered, unanimous consent is required to modify the amendment.

Mr. PROXMIRE. I ask unanimous consent that I be permitted to make that modification.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

Mr. PROXMIRE. I have an additional modification, as follows:

On page 8, line 13, strike out "No" and insert in lieu thereof, the following:

"No former or retired military officer or former civilian employee shall be required to file a report under this section for any calendar year on account of active duty performed or employment with the Department of Defense if such active duty or employment was terminated five years or more prior to the beginning of such calendar year; and no".

The purpose of the modification is self-explanatory. It limits the period of reporting to 5 years after officers or civilian employees leave the Pentagon and go to work for defense contractors.

I ask unanimous consent that this further modification be permitted.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

Mr. PROXMIRE. The fundamental principle behind the amendment is that "sunlight is a great disinfectant." The amendment would affect three classes of persons. Annual disclosure statements would be required from former or retired high ranking military officers, and all former or retired military procurement officers who go to work for major defense contractors.

The amendment would also apply to former high ranking civilian officers and all former civilian procurement officers who work for the major contractors.

Finally, it would apply to former employees of defense contractors who come to work for the Pentagon.

Let me outline the major provisions.

RETIRED MILITARY OFFICERS

The amendment would require retired officers of the rank of colonel or Navy captain and above, and procurement officers and former military plant representatives of lesser rank who work for companies doing more than $10 million a year business with the Pentagon, to disclose certain facts to the Secretary of Defense, by March 1 of each year.

This would include their names, the title and description of their work during the 3 years prior to retirement, the date of their retirement, the date of employment with the contractor, and the title and description of their work with the contractor. In addition the amendment would require a declaration of any work on planning, research, or decision-making on any product, contract, weapon system or component in which the officer was involved while at the Pentagon and in which his employer has a substantial interest.

Mr. President, much of the information this amendment seeks from former officers is now submitted by retired officers under a statement of employment (Department of Defense Form 1357). What this amendment does is to require additional information about the nature of their work while they were at the Pentagon with special reference to the details of any procurement work they were involved in in which their civilian employer has a substantial interest.

Of course this requirement would apply only to those high ranking officers and procurement officers of lower ranks who go to work for defense contractors.

No one can claim, therefore, that the amendment would call for excessive paperwork. Much of the information is now provided but not generally made public.

FORMER CIVILIAN OFFICIALS

The amendment calls for disclosure of the same information from former civilian employees of the Pentagon of grade 15 or above. It also calls for disclosure by former civilian officials of whatever rank who were involved in procurement and who work for or represent companies doing more than $10 million a year business with the Pentagon. The amendment would apply not only to former high-ranking civilians who work directly for the contractors, but also to those who "represent" them in any transaction for services or materials. Its intention is to require disclosure by lawyers and others who are involved in procurement.

If a former Assistant Secretary of the Air Force, Army, or Navy left the Pentagon and went into private law practice he could be required to report under this amendment.

If he represented the contractor on an income tax or a bond issue matter, he would not have to report. But if he was retained to represent, or did represent the contractor on a matter involving a weapons system or services or materials to the Pentagon, he would be required to report.

The test is whether he is retained by and represents the contractor in a transaction.

If a contractor retains him and he makes a phone call to the Pentagon or takes an admiral to lunch or plays golf at Burning Tree Country Club on behalf of his client contractor, the former high ranking officia. would have to file an annual disclosure statement so long as his services were retained.

I think such a requirement is long overdue. And in fairness to former high ranking military officers, it is just as important if not more so to require disclosure from former high ranking civilians.

FORMER CONTRACTOR'S EMPLOYEES

The amendment calls for similar disclosure by present Pentagon civilian employees who previously worked for a contractor doing more than $10 million in business with the Pentagon. It requires disclosure by them of any work by them on specific products, research, weapon systems or components in which his previous employer had a substantial interest, in order that conflicts may not develop.

FREEDOM OF INFORMATION

The amendment requires that the information be open to inspection by the press and public at the Pentagon.

The amendment also calls for the Secretary to make an annual report to Congress by May 1 of each year giving the information in an organized and tabulated form. While the reporting requirement in the bill has been written in general terms, in order to avoid requiring an excessive amount of data, it is nonetheless the intent of this provision that the pertinent information be provided or summarized.

SUNLIGHT IS A GREAT DISINFECTANT

Mr. President, while I believe that it is extremely important that the very weak conflict-of-interest laws now on the books should be strengthened, I also believe that disclosure can be of great help. There is an old saying that sunlight is a great disinfectant.

Furthermore, this amendment is appropriate to this bill while the proposal I made earlier for tightening the conflict-of-interest laws would apply to the Government as a whole and should properly have hearings to consider them before they are passed.

Basically what my amendment does is to require more detailed information from high-ranking officers and all former procurement officers and plant representatives who go to work for the big companies than is now required. As I have said, much but not all of the information is now in the hands of the Pentagon.

But the major change is to require the same detailed data from the former civilian employees. This, I think, is a very proper requirement and is long overdue.

But more important is the fact that the amendment requires the Pentagon to make the data open to inspection by the press and the public, which they formerly refused to do. In addition, it requires that an annual report be made to the Congress. This, I believe, will make it possible for Congress and the public to gain an overall view of the situation.

REGULAR FLOW OF INFORMATION

Mr. President, what my amendment would do is to make information available on an annual basis which, in the past has been available only when insisted upon by Members of Congress.

In 1969 I asked for and received from the Pentagon a list of high ranking former military officers now employed by the 100 largest defense contractors. The list given to me totaled 2,124 former officers in the employ of the 100 largest contractors. Ten companies alone employed 1,065, or over half of them. They are given in tables 1 and 2, which I ask unanimous consent to have printed in the RECORD at this point.

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

TABLE 1.—*A list of the 100 largest companies ranked by 1968 value of prime military contracts and number of retired colonels or Navy captains and above employed by them, February 1969*

1. General Dynamics Corp	113
2. Lockheed Aircraft Corp	210
3. General Electric Co	89
4. United Aircraft Corp	48
5. McDonnell Douglas Corp	141
6. American Telephone & Telegraph	9
7. Boeing Corp	169
8. Ling-Temco-Vough, Inc	69
9. North American Rockwell Corp	104
10. General Motors Corp	17
11. Grumman Aircraft Engineering Corp	31
12. AVCO Corp	23
13. Textron, Inc	28
14. Litton Industries, Inc	49
15. Raytheon Co	37
16. Sperry Rand Corp	36
17. Martin Marietta Corp	40
18. Kaiser Industries Corp	11
19. Ford Motor Co	43
20. Honeywell, Inc	26
21. Olin Mathieson Chemical Corp	3
22. Northrop Corp	48
23. Ryan Aeronautical Co	25
24. Hughes Aircraft Co	55
25. Standard Oil of New Jersey	2
26. Radio Corp. of America	35
27. Westinghouse Electric Corp	59
28. General Tire & Rubber Co	32
29. Int'l Telephone & Telegraph Corp	34
30. IBM	35
31. Bendix Corp	25
32. Pan American World Airways	24
33. FMC Corp	6
34. Newport News Shipbulding	6
35. Raymond/Morrison, etc.[1]	6
36. Signal Companies, Inc. (The)	9
37. Hercules, Inc	13
38. Du Pont, E. I. de Nemours & Co	3
39. Texas Instruments, Inc	7
40. Day & Zimmerman, Inc	1
41. General Telephone & Electronics Corp.	35
42. Uniroyal, Inc	6
43. Chrysler Corp	11
44. Standard Oil of California	6
45. Norris Industries	2
46. Texaco, Inc	4
47. Collins Radio Co	3
48. Goodyear Tire & Rubber Co	6
49. Asiatic Petroleum Corp	0
50. Sanders Associates, Inc	17
51. Mobil Oil Corp	2
52. TRW, Inc	56
53. Mason & Hanger Silas Mason	5
54. Massachusetts Institute of Technology	5
55. Magnavox Co	3
56. Fairchild Hiller Corp	7
57. Pacific Architects & Engineering	16
58. Thiokol Chemical Corp	3
59. Eastman Kodak Co	15
60. United States Steel Corp	2
61. American Machine & Foundry	7
62. Chamberlain Corp	3
63. General Precision Equipment	23
64. Lear Siegler Inc	4
65. Harvey Aluminum, Inc	4
66. National Presto Industrial Inc	0
67. Teledyne, Inc	8
68. City Investing Co	4
69. Colt Industries, Inc	4
70. Western Union Telegraph Co	5
71. American Manufacturing Co. of Texas	0
72. Curtiss Wright Corp	1
73. White Motor Co	1
74. Aerospace Corp	6
75. Cessna Aircraft Co	0
76. Emerson Electric Co	3
77. Seatrain Lines, Inc	4
78. Gulf Oil Corp	1
79. Condec Corp	1
80. Motorola, Inc	3
81. Continental Air Lines, Inc	4
82. Federal Cartridge Corp	1
83. Hughes Tool Co	13
84. Vitro Corp. of America	25
85. Johns Hopkins Univ	13
86. Control Data Corp	14
87. Lykes Corp	0
88. McLean Industries, Inc	2
89. Aerodex, Inc	5
90. Susquehanna Corp	7
91. Sverdrup & Parcel Assoc., Inc	9
92. States Marine Lines Inc	0
93. Hazeltine Corp	7
94. Atlas Chemical Indus., Inc	0
95. Vinnell Corp	0
96. Harris-Intertype Corp	4
97. World Airways, Inc	4
98. International Harvester Co	6
99. Automatic Sprinkler Corp	3
100. Smith Investment Co	0
Total	2,124

[1] Raymond Int'l. Inc.; Morrison-Knudsen Co., Inc.; Brown & Root, Inc.; and J. A. Jones Construction Co.

TABLE 2.—10 MILITARY PRIME CONTRACTORS EMPLOYING LARGEST NUMBER OF HIGH-RANKING RETIRED MILITARY OFFICERS, AND VALUE OF THEIR FISCAL YEAR 1968 CONTRACTS

Company and rank by number of high-ranking retired officers employed	Number employed, Feb. 1, 1969	Net dollar value of defense contracts, fiscal year 1968 (millions)
1. Lockheed Aircraft Corp	210	$1,870
2. Boeing Co	169	762
3. McDonnell Douglas Corp	141	1 101
4. General Dynamics	113	2,239
5. North American Rockwell Corp	104	669
6. General Electric Co	89	1,489
7. Ling Temco Vought, Inc	69	758
8. Westinghouse Electric Corp	59	251
9. TRW, Inc	56	127
10. Hughes Aircraft Co	55	286
	1,065	9,552

Mr. PROXMIRE. Mr. President, it has been 10 years since similar information has been made public. In 1959, during the hearings on the Renegotiation Act, former Senator Paul H. Douglas asked for and received similar details. In that year there were 721 former high ranking officers employed by the top 100 companies—88 out of 100 reporting. I ask unanimous consent that table 3, listing those 100 companies alphabetically and giving the number of high ranking ex-officers each employed be printed in the RECORD at this point.

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

TABLE 3.—*Alphabetical list of the 100 largest companies by 1958 value of prime military contracts and number of retired colonels or Navy captains and above employed by them, June 1959*

1. American Bosch Arma Corp	(1)
2. American Telephone & Telegraph Co.	1
3. Asiatic Petroleum Corp	(1)
4. Avco Corp	4
5. Bath Iron Works Corp	2
6. Beech Aircraft	(2)
7. Bell Aircraft Corp	3
8. Bendix Aviation Corp	14
9. Bethlehem Steel Co	8
10. Blue Cross Association	(1)
11. Boeing Airplane Co	30
12. Brown-Raymond-Walsh	(1)
13. California Institute of Technology	(1)
14. Cessna Aircraft Co	1
15. Chance Vought Aircraft Inc	6
16. Chrysler Corp	11
17. Cities Service Co	4
18. Collins Radio Co	5
19. Continental Motors Corp	2
20. Continental Oil Co	2
21. Curtiss-Wright Corp	4
22. Defoe Shipbuilding Co	(1)
23. Douglas Aircraft Co. Inc	15
24. E. I. du Pont de Nemours & Co	1
25. Eastman Kodak Co	12
26. Fairchild Engine & Airplane Corp	7
27. Fairbanks Whitney Corp	4
28. Firestone Tire & Rubber Corp	3
29. Food Machinery & Chemical Corp	6
30. Ford Motor Co	5
31. The Garrett Corp	2
32. General Dynamics Corp	54
33. General Electric Co	35
34. General Motors	(3)
35. General Precision Equipment Corp	(2)
36. General Tire & Rubber Co	28
37. Gilfillan Brothers Inc	(1)
38. B. F. Goodrich Co	1
39. Goodyear Tire & Rubber Co	2
40. Greenland Contractors	(2)
41. Grumman Aircraft Engineering Corp	1
42. Hayes Aircraft Corp	3
43. Joshua Hendy Corp	(1)
44. Hercules Powder Co. Inc	1
45. Hughes Aircraft Co	7
46. International Business Machine Corp	3
47. International Telephone & Telegraph Corp	24
48. The Johns Hopkins University	16
49. The Kaman Aircraft Corp	1
50. Peter Kiewit Sons Co	1
51. Lear, Inc	2
52. Lockheed Aircraft Corp	60
53. Marine Transport Lines, Inc	1
54. Marquardt Aircraft Co	2
55. The Martin Co	15
56. Massachusetts Institute of Technology	(2)
57. Mathiasen's Tanker Industries, Inc	1
58. McDonnell Aircraft Corp	4
59. Minneapolis Honeywell Regulator Co	(1)
60. Motorola, Inc	(2)
61. Newport News Shipbuilding & Dry Dock Co	6
62. North American Aviation, Inc	27
63. Northrop Aircraft Inc	16
64. Olin Mathieson Chemical Corp	6
65. Oman-Farnsworth-Wright	(1)
66. Morrison-Knudsen Co., Inc	1
67. Pan American World Airways, Inc	(2)
68. Philco Corp	17
69. Radio Corp. of America	39
70. The Rand Corp	14
71. Raytheon Mfg. Co	17
72. Republic Aviation Corp	9
73. Richfield Oil Corp	4
74. Ryan Aeronautics Co	9
75. Shell Oil Corp	(1)
76. Sinclair Oil Corp	1
77. Socony Mobil Oil Co	1
78. Sperry Rand Corp. (Gen. Douglas MacArthur not included)	12
79. Standard Oil Co. of California	(2)
80. Standard Oil Co. of Indiana	(2)
81. Standard Oil of New Jersey	1
82. States Marine Corp	(1)
83. Sundstrand Machine Tool Co	(2)
84. Sunray Mid-Continent Oil Co	(1)
85. Sylvania Electric Products, Inc	6
86. Temco Aircraft Corp	6
87. Texaco, Inc	(1)
88. Thiokol Chemical Corp	8
89. Thompson Ramo Wooldridge, Inc	6
90. Tidewater Oil Co	3
91. Tishman (Paul) Co., Inc	(1)
92. Todd Shipyards Co	2

TABLE 3.—*Alphabetical list of the 100 largest companies by 1958 value of prime military contracts and number of retired colonels or Navy captains and above employed by them, June 1959*—Continued

93. Union Carbide Corp	4
94. Union Oil Co. of California	(1)
95. United States Lines Co	(1)
96. United Aircraft Corp	15
97. Westinghouse Air Brake Co	42
98. Westinghouse Electric Corp	33
99. The White Motor Co	(1)
100. System Development Corp	2
Total	721

[1] None.
[2] Not available.
[3] Survey being taken.

Source: CONGRESSIONAL RECORD, June 17, 1959, pp. 11044–45. Statement by former Senator Paul H. Douglas.

Mr. PROXMIRE. Mr. President, in the meantime, efforts by the press and public to get such information from the Pentagon failed even though the Pentagon had such information available from the data from the statement of employment it requires each retired officer to make and to keep up to date.

My amendment will regularize what I think is a proper disclosure practice. In addition, it will extend disclosure requirements to civilian as well as former military officers.

Mr. President, I ask unanimous consent that an article in the August 26 issue of Look magazine entitled, "Generals for Hire," be printed in the RECORD.

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

GENERALS FOR HIRE

(By Berkeley Rice)

For those who have trouble understanding the complexities of the military-industrial complex, one graphic illustration is the traffic in retired military officers who join the defense industry. More than 2,000 retired generals, colonels, Navy admirals and captains now work for the 100 largest defense contractors. Their numbers have tripled in the last ten years. The top ten firms employ more than half of the 2,000. Many of these had been involved in the contracting process on major weapons systems. Their decisions often meant millions of dollars to companies for whom they now work.

Sen. William Proxmire (D., Wis.) calls this a "dangerous and shocking situation." While not charging anyone with corruption, he claims the trend represents "a distinct threat to the public interest." The threat, he says, is twofold: high-ranking retired officers may be using their influence at the Pentagon to affect decisions on contracts with their companies; active officers involved in procurement may be influenced by the prospect of jobs with companies they are buying from. Defense contractors, of course, deny the charges of influence-peddling, and insist they hire ex-military men because of their expertise, and not in reward for past favors.

Despite these denials, research on the employment of retired officers reveals some intriguing patterns. Take the Minuteman II missile program, which has climbed from an original price of $3.2 billion to $7 billion. One of the major subcontractors is North American Aviation ($669 million in 1968 defense contracts). Its autonetics division produces the missile's guidance system for the Air Force. Two Air Force plant representatives and a project officer for the contract recently retired and joined North American autonetics, one as division manager. Lt. Gen. W. Austin Davis, ex-chief of USAF's Ballistic Systems Divisions, which handled the contract, is now a vice president of North American. His chief procurement officer also joined the company, which employs a total of 104 high-ranking retired officers, including several other Air Force generals.

Asked if this employment pattern is unusual, a senior Pentagon official remarked, "It happens all the time. Almost all the officers who have anything to do with procurement go into the business. Naturally, they go to the companies they've had the most contact with. If you check the history of any missile or weapon program you'll find the same story."

The story usually ends with the Defense Department paying far more than the original estimate. When the Navy contracted with Pratt & Whitney for 2,000 engines for the controversial TFX, or F–111, the original bid was $270,000 per engine. By 1967, when production began, the price had risen to more than $700,000 apiece. The man who signed the production contract was Capt. Patrick Keegan, the Navy's plant representative at Pratt & Whitney. Soon afterward, he retired from the Navy and joined P & W as special assistant to the executive vice president. Sharing his office was another special assistant, a former colonel who until his retirement had been in charge of engine purchases for the Air Force.

The problem of plant representatives is crucial, for they are the watchdogs who supposedly guard against delays, failures and cost overruns on a contract. At Marietta, Ga., where Lockheed Aircraft Corporation ($1.8 billion in 1968 defense contracts) is turning out the giant C–5A jet transport, 230 Air Force officers watch over production. Despite all this supervision, however, the C–5A is well behind schedule, and the final price on 115 planes has climbed from the original bid of $1.9 billion to $3.2 billion. The fact that some of these Air Force production supervisors will probably join the 210 other retired generals and colonels at Lockheed makes one wonder about their objectivity.

There are some limits on what kind of work these men may do when they retire. Federal laws prohibit retired officers from selling to the Department of Defense for three years after retirement and to their own service for life. However, the laws are vague about what constitutes "selling." Since 1962, the Department has taken action in only one case involving a major contractor. Asked why, a Defense Department legal officer comments, "I doubt if anybody here is vigorously beating the bushes trying to discover violations of the selling laws."

Since the purpose of defense companies is to sell to the Defense Department, some observers feel the question as to which employees are engaged in sales is ridiculous. Anyway, most large firms now call their salesmen "marketing men." At defense companies, many of the marketing men are retired officers, but they do not sign the contracts.

W. T. "Pete" Higgins, a former Navy officer, is "marketing manager for naval programs" for an electronics company. "I come with the team that makes the presentation," he admits, "but only as an adviser. With my background in naval electronics, I know damn well I'm helping the company get contracts." Does this mean using his influence? "That's nonsense," says Higgins. "Anything of significance goes through ten to fifteen levels in the chain of command before a final decision. Only peanuts are settled on a single level that could be influenced by personal interest."

Helping the company get defense contracts is a popular non-selling job for high-ranking retired officers. They usually have titles like "assistant to the president" or "director of advanced planning," but they are known in the trade as "rainmakers." Regardless of how much clout they have at the Pentagon, they bring to their companies valuable inside knowledge of service plans for future weapons systems. When a general or admiral who has been involved in planning or research on a big project retires, defense contractors bid for his services as eagerly as any professional football team after a top college quarterback. When Maj. Gen. Harry Evans reired in 1967 as vice director of the Air Force's $3 billion Manned Orbiting Laboratory program, he was immediately hired as vice president and general manager of Raytheon's Space and Information Systems Division. In 1966, Bell Aerospace Corporation, the Army's largest supplier of helicopters, hired Gen. Hamilton Howze, former chief of Army Aviation, as vice president for product planning.

Most of the large defense companies have highranking ex-officers in their Washington offices. Everyone denies that they have any influence on defense contracts, but they are obviously there because they know their way around the Pentagon. One of them is Lt. Gen. William Quinn, former Army Chief of Public Information, and now in charge of "Washington operations" for Martin Marietta, which produces many of the Army's missiles. "We maintain liaison with Defense," says General Quinn, "but I don't go over to the Pentagon on any sales matters." Asked about using his influence, he admits he knows "half the people in the hierarchy over there," but claims he never uses his contacts for business. "Believe me," says Quinn, "this operation is as clean as a hound's tooth. Our real contribution is in maintaining a dialogue between our companies and the military people."

Just how retired officers can help to "maintain a dialogue" can be seen in the work of an ex-Navy officer who prefers to remain anonymous. He retired in 1968 from the Bureau of Naval Weapons, where he had been involved in the selection of contractors. He now works for one of them as a $200-a-day consultant in Washington. "I know a lot of Navy people here," he says, "and I sort of help the company's men find their way around. The salesmen take care of selling, but if you don't have an intro like me, you waste your time with underlings who don't have any power. If I want a contract, I know exactly who to go to. Some other guys may know the technical stuff, but I know the people. That's my expertise."

Such expertise may raise questions about conflict of interest, but not to most retired officers who have joined the defense industry. Says Pete Higgins, "You take a man who retires around 45 to 50, with his kids ready for college, and he's got a problem. He can't do it on his retired pay. He's got to have a second career. Many of these men have no other marketable experience. Where the hell else do you want them to go!"

No one seems to know, but as they continue to go into the defense industry the contracting process may suffer. One Defense official claims, "the fact that these lucrative job opportunities exist cannot help but influence those who deal with defense contractors. I remember trying to hold down costs on a large contract once, and a general working with me said, 'I must be out of my mind, trying to cut the overhead on this company. I'll be part of that overhead in a few years.' "

When military men spend much of their careers dealing with companies they may eventually work for, they naturally develop some concern for the company's point of view. When 90 percent of the major defense contracts are negotiated in such a congenial atmosphere, price and the public interest can easily become secondary considerations. A normal buyer-seller relationship has a built-in check against this sort of thing, because the buyer must spend his own money. The services do not, a fact which Pentagon officials and procurement officers often seem to forget.

Despite all the criticism of defense spending, most military men look on the growing traffic between the services and the de-

fense industry as natural and proper. An admiral who has made the transition himself claims, "It's good for the military, it's good for the company, and it's good for the country."

It's certainly good for the companies thriving on defense contracts. It may be good, or at least comforting, for the military to deal with former comrades who understand their problems and look forward to jobs in industry. But as defense costs continue to drain funds desperately needed for domestic programs, some Americans are beginning to wonder if "it" is really good for the country.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the list of the 100 largest contractors and the amount of Defense Department prime contracts they received in fiscal year 1968 be printed at the end of my remarks.

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

100 COMPANIES AND THEIR SUBSIDIARIES LISTED ACCORDING TO NET VALUE OF MILITARY PRIME CONTRACT AWARDS

[Fiscal year 1968 (July 1, 1967 to June 30, 1968)]

Rank and name	Thousands of dollars	Percent of U.S. total	Cumulative percent of U.S. total
U.S. total [1]	38,826,625	100.00	100.00
Total, 100 companies and their subsidiaries [2]	26,171,192	67.41	67.41
1. General Dynamics Corp	2,231,488		
Dynatronics, Inc	27		
Stromberg Carlson Corp	7,782		
United Electric Coal Co	42		
Total	2,239,339	5.77	5.77
2. Lockheed Aircraft Corp	1,858,363		
Lockheed Shipbuilding Construction	11,834		
Total	1,870,197	4.82	10.59
3. General Electric Co	1,485,096		
General Electric Supply Co	3,611		
Total	1,488,707	3.83	14.42
4. United Aircraft Corp	1,320,991	3.40	17.82
5. McDonnell Douglas Corp	1,087,660		
Conductron Corp	5,372		
Hycon Manufacturing Co	7,805		
Total	1,100,837	2.84	20.66
6. American Telephone & Telegraph Co	161,405		
Chesapeake & Potomac Telephone Co	13,018		
Illinois Bell Telephone Co	38		
Mountain States Telephone and Telegraph Co	1,872		
New England Telephone & Telegraph Co	549		
New Jersey Bell Telephone Co	529		
New York Telephone Co	152		
Northwestern Bell Telephone Co	235		
Ohio Bell Telephone Co	601		
Pacific Northwest Bell Telephone	160		
Pacific Telephone & Telegraph Co	225		
Southern Bell Telephone & Telegraph	2,178		
Southwestern Bell Telephone	1,197		
Teletype Corp	22,591		
Western Electric Co., Inc	571,177		
Total	775,927	2.00	22.66
7. Boeing Co	762,141	1.96	24.62
8. Ling Temco Vought Inc	50,011		
Altec Services Co	58		
Braniff Airways Inc	46,304		
Continental Electronics Manufacturing Co	4,238		
Jefferson Wire & Cable Corp	151		
Jones & Laughlin Steel Corp	695		
Kentron Hawaii, Ltd	8,549		
L T V Electro systems	123,592		
L T V Aerospace Corp	487,762		
L T V Ling Altec, Inc	886		
Memcor, Inc	25,883		
National Car Rental System	11		
Okonite Co	1,656		
Wilson & Co., Inc	8,299		
Wilson Pharmaceutical & Chemical Corp	16		
Wilson Sporting Goods Co	150		
Total	758,261	1.95	26.57
9. North American Rockwell Corp	668,482		
Remmert-Werner, Inc	159		
Total	668,641	1.72	28.29
10. General Motors Corp	629,515		
Frigidaire Sales Corp	95		
Total	629,610	1.62	29.91
11. Grumman Aircraft Engineering Corp	629,197	1.62	31.53
12. Avco Corp	583,648	1.50	33.03
13. Textron, Inc	18,438		
Accessory Products Co	133		
Bell Aerospace Corp	478,691		
Bell Aerosystems Co	100		
Bostich, Inc	14		
Camcar Screw Manufacturing Co	80		
Fafnir Bearing Co	1,501		
Fanner Manufacturing Co	66		
Talon, Inc	332		
Textron Electronics, Inc	993		
Townsend Co	297		
Waterbury Farrel	102		
Total	500,747	1.29	34.32
14. Litton Industries, Inc	28,752		
Aero Service Corp	822		
Allis (Louis) Co	1,318		
Alvey Ferguson Co	130		
Clifton Precision Products Co	27		
Eureka X-Ray Tube Corp	33		
Ingalls Shipbuilding Corp	277,289		
Kimball Systems, Inc	22		
Litton Precision Products, Inc	6,829		
Litton Systems, Inc	150,386		
Monroe International, Inc	43		
Profexray, Inc	27		
Royal Typewriter Co., Inc	13		
Total	465,691	1.20	35.52
15. Raytheon Co	431,241		
Amana Refrigeration, Inc	18		
Machlett Laboratories, Inc	19,350		
Micro State Electronics Corp	125		
Raytheon Education Co	926		
Seismograph Service Corp	94		
Total	451,754	1.16	36.68
16. Sperry Rand Corp	447,197	1.15	37.83
17. Martin Marietta Corp	357,642		
Amphenol-Borg Electronics, G.m.b.H	286		
Bunker Ramo Corp	35,526		
Total	393,454	1.01	38.84
18. Kaiser Industries Corp	97		
Kaiser Aerospace & Electronic Co	5,615		
Kaiser Jeep Corp	295,803		
Kaiser Steel Corp	52,836		
National Steel & Shipbuilding Co	31,983		
Total	386,334	1.00	39.84
19. Ford Motor Co	76,771		
General Micro-Electronics, Inc	170		
Philco Ford Corp	304,403		
Total	381,344	0.98	40.82
20. Honeywell, Inc	351,625		
Computer Control Co., Inc	57		
Total	351,682	.91	41.73
21. Olin Mathieson Chemical Corp	329,415	.85	42.58
22. Northrop Corp	182,150		
Hallicrafters Co	33,467		
Northrop Carolina, Inc	26,183		
Page Communications Engineers, Inc	67,934		
Secda, Inc	493		
Warnecke Electron Tubes, Inc	29		
Total	310,256	.80	43.38
23. Ryan Aeronautical Co	133,751		
Continental Aviation & Engineering Corp	39,142		
Continental Motors Corp	111,891		
Wisconsin Motor Corp	8,374		
Total	293,158	.76	44.14
24. Hughes Aircraft Co	285,858		
Meva Corp	251		
Total	286,109	.74	44.88
25. Standard Oil of New Jersey	148		
American Cryogenics, Inc	251		
Enjay Chemical Co	93		
Esso A.G	1,310		
Esso International Corp	114,905		
Esso Petroleum Co., Ltd	92		
Esso Research & Engineering Co	1,164		
Esso Standard Eastern, Inc	340		
Esso Standard Italiana	2,035		
Esso Standard Oil Co., S.A	2,584		
Esso Standard S.A.F	119		
Esso Standard Thailand, Ltd	124		
Humble Oil & Refining Co	121,212		
Total	274,377	.71	45.59

Footnotes at end of tables.

100 COMPANIES AND THEIR SUBSIDIARIES LISTED ACCORDING TO NET VALUE OF MILITARY PRIME CONTRACT AWARDS—Continued
[Fiscal year 1968 (July 1, 1967 to June 30, 1968)]

Rank and name	Thousands of dollars	Percent of U.S. total	Cumulative percent of U.S. total
26. Radio Corp. of America	254,961		
RCA Defense Electronics Corp	39		
RCA Institutes, Inc	12		
Total	255,012	.66	46.25
27. Westinghouse Electric Corp	247,664		
Thermo King Corp	1,466		
Thermo King Sales & Service	66		
Westinghouse Electric Supply Co	1,319		
Westinghouse Learning Corp	524		
Total	251,039	.65	46.90
28. General Tire & Rubber Co	11,636		
Aerojet-Delft Corp	979		
Aerojet-General Corp	210,232		
Batesville Manufacturing Co	24,182		
Fleetwood Corp	10		
Frontier Airlines, Inc	21		
General Tire International Co	996		
Total	248,056	.64	27.54
29. International Telephone & Telegraph Corp	135,713		
Amplex Corp	67		
Barton Instrument Corp	37		
Consolidated Electric Lamp Co	11		
Continental Baking Co	2,194		
Federal Electric Corp	65,499		
ITT Electro Physics Laboratories	2,715		
ITT Gilfillan Inc	34,809		
ITT Technicl Services, Inc	521		
Total	241,566	.62	48.16
30. International Business Machines Co	223,023		
Science Research Associates, Inc	199		
Service Bureau Corp	439		
Total	223,661	.58	48.74
31. Bendix Corp	214,398		
Bendix Field Engineering Corp	7,426		
Bendix Westinghouse Automotive	175		
Dage Electric Co., Inc	13		
Fram Corp	1,017		
Mosaic Fabrications, Inc	195		
P & D Manufacturing Co., Inc	331		
Total	223,555	.58	49.32
32. Pan American World Airways, Inc	205,652	.53	49.85
33. FMC Corp	175,860		
Gunderson Bros. Engineering Corp	9,406		
Total	185,266	0.48	50.33
34. Newport News Shipbuilding & Dry Dock Co	181,248		
Nuclear Service & Construction Co., Inc	61		
Total	181,309	.47	50.80
35. Raymond Morrison Knudsen (JV)	176,000	.45	51.25
36. Signal Cos., Inc.:			
Dunham Bush, Inc	465		
Garrett Corp	114,620		
Mack Trucks, Inc	48,407		
Signal Oil & Gas Co	5,792		
Southland Oil Corp	2,287		
Total	171,571	.44	51.69
37. Hercules, Inc	170,242		
Haveg Industries, Inc	1,119		
Total	171,361	.44	52.13
38. du Pont, E. I. de Nemours & Co	30,662		
Remington Arms Co	193,907		
Total	170,569	.44	52.57
39. Texas Instruments, Inc	169,271	.44	53.01
40. Day and Zimmerman, Inc	166,240	.43	53.44
41. General Telephone & Electronics Corp	93		
Automatic Electric Co	9,682		
Automatic Electric Sales Corp	1,829		
General Telephone and Electronic Lab	273		
General Telephone Co., of Southeast	151		
Hawaiian Telephone Co	4,626		
Lenkurt Electric Co., Inc	8,650		
Sylvania Electric Products, Inc	133,706		
Total	159,010	.41	53.85
42. Uniroyal, Inc	154,163		
Uniroyal International Corp	136		
Total	154,299	.40	54.25
43. Chrysler Corp	146,586		
Factory Motor Parts Co	14		
Total	146,600	.38	54.63
44. Standard Oil Co. of Calif	71,462		
Caltex Asia, Ltd.[3]	1,853		
Caltex Oil Products Co.[3]	61,766		
Caltex Oil Thailand, Ltd.[3]	1,995		
Caltex Overseas, Ltd.[3]	379		
Caltex Philippines, Inc.[3]	436		
Chevron Asphalt Co	50		
Chevron Chemical Co	797		
Chevron Oil Co	2,153		
Chevron Oil Co. of Venezuela	1,610		
Chevron Shipping Co	1,297		
Standard Oil Co., Kentucky	2,297		
Standard Oil Co., Texas	122		
Total	146,217	.38	55.01
45. Norris Industries	139,064		
Fyr Fyter Co	202		
Total	139,266	.36	55.37
46. Texaco, Inc	45,404		
Caltex Asia, Ltd.[3]	1,853		
Caltex Oil Products Co.[3]	61,766		
Caltex Oil Thailand, Ltd.[3]	1,995		
Caltex Overseas, Ltd.[3]	379		
Caltex Philippines, Inc.[3]	436		
Jefferson Chemical Co., Inc	105		
Texaco Antilles, Ltd	88		
Texaco Export, Inc	22,561		
Texaco Puerto Rico, Inc	2,451		
White Fuel Co., Inc	984		
Total	138,022	.35	55.73
47. Collins Radio Co	134,754	.35	56.08
48. Goodyear Tire & Rubber Co	55,358		
Goodyear Aerospace Corp	76,201		
Motor Wheel Corp	2,046		
Total	133,605	.34	56.42
49. Asiatic Petroleum Corp	132,796	.34	56.76
50. Sanders Associates, Inc	130,830		
Mithras, Inc	481		
Total	131,311	.34	57.10
51. Mobil Oil Corp	128,065	.33	57.43
52. TRW Inc	126,363		
Globe Industries, Inc	348		
International Controls Corp	672		
Ramsey Corp	14		
United-Carr, Inc	70		
Total	127,467	0.33	57.76
53. Mason & Hanger Slas Mason Co	127,064	.33	58.09
54. Massachusetts Institute of Technology (N)	124,143	.32	58.41
55. Magnavox Co	123,100	.32	58.73
56. Fairchild Hiller Corp	121,165		
Burns Aero Seat Co., Inc	94		
Total	121,159	.31	59.04
47. Pacific Architects & Engineers, Inc	120,895	.31	59.35
58. Thiokol Chemical Corp	119,363	.31	59.66
59. Eastman Kodak Co	117,566		
Eastman Chemical Products Corp	51		
Eastman Kodak Stores, Inc	706		
Total	118,323	.30	59.96
60. United States Steel Corp	108,322		
Reactive Metals, Inc	161		
United States Steel International, Inc	7,679		
Total	116,162	.30	60.26
61. American Machine & Foundry Co	108,871		
Cuno Engineering Corp	1,052		
Total	109,923	.28	60.54
62. Chamberlain Corp	104,441	.27	60.81
63. General Precision Equipment Corp.:			
American Meter Controls, Inc	29		
Controls Co. of America	377		
General Precision Decca Systems	90		
General Precision Systems, Inc	86,361		
Graflex, Inc	1,571		
Industrial Timer Corp	15		
National Theatre Supply	16		
Strong Electrical Corp	3,605		
Tele-Signal Corp	9,686		
Vapor Corp	2,194		
Total	103,944	.27	61.08
64. Lear-Siegler, Inc	74,000		
American Avitron	43		
L S I Service Corp	27,526		
Transport Dynamics, Inc	685		
Verd A Ray Corp	18		
Total	102,272	.26	61.34

Footnotes at end of table.

100 COMPANIES AND THEIR SUBSIDIARIES LISTED ACCORDING TO NET VALUE OF MILITARY PRIME CONTRACT AWARDS—Continued

[Fiscal year 1968 (July 1, 1967 to June 30, 1968)]

Rank and name	Thousands of dollars	Percent of U.S. total	Cumulative percent of U.S. total[1]
65. Harvey Aluminum, Inc.	25,048		
Harvey Aluminum Sales	74,045		
Total	99,093	.26	61.60
66. National Presto Industries, Inc.	96,886	.25	61.85
67. Teledyne, Inc.	77,173		
Adcom, Inc.	309		
Amelco, Inc.	4,146		
Continental Device Corp.	27		
Crystalonics, Inc.	13		
Electro Development Co.	50		
Geotechnical Corp.	25		
Getz William Corp.	128		
Gill Electric Manufacturing Corp.	517		
Hydra Power Corp.	1,017		
Irby Steel Co.	59		
Isotopes, Inc.	802		
Landis Machine Co.	22		
Micronetics, Inc.	346		
Microwave El3ctronics Corp.	30		
Milliken, D. B., Co., Inc.	1,024		
National Geophysical Co., Inc.	92		
Ordnance Specialties, Inc.	24		
Packard Bell Electronics Corp.	6 504		
Penn Union Electric Corp.	11		
Pines Engineering Co., Inc.	158		
Rodney Metals, Inc.	11		
Wah Chang Corp.	26		
Total	92,514	.24	62.09
68. City Investing Co.:			
American Electric Co.	35,966		
Hayes Holding Co.	49,002		
Rheem Manufacturing Co.	1,857		
Wilson Shipyard, Inc.	164		
Total	86,989	.22	62.31
69. Colt Industries, Inc.	2,258		
Chandler Evans, Inc.	10,087		
Colts, Inc.	68,989		
Flox Corp.	194		
Fairbanks Morse, Inc.	4,582		
Pratt & Whitney, Inc.	436		
Total	86,546	0.22	62.53
70. Western Union Telegraph Co.	79,299	.20	62.73
71. American Manufacturing Co. of Texas	76,552	.20	62.93
72. Curtiss Wright Corp.	74,799		
Comet Tool & Die Co.	350		
Zarkin Machine Co.	275		
Total	75,424	.19	63.12
73. White Motor Co.	15,976		
Hercules Engines, Inc.	58,610		
Minneapolis Moline, Inc.	394		
Total	74,980	.19	63.31
74. Aerospace Corp. (N)	73,541	.19	63.50
75. Cessna Aircraft Co.	71,834		
Aircraft Radio Corp.	1,076		
Total	72,910	.19	63.69
76. Emerson Electric Co.	63,776		
Pace, Inc.	68		
Rantec Corp.	31		
Ridge Tool Co.	26		
Supreme Products Corp.	8,807		
Wiegand (Edwin L.) Co.	134		
Total	72,842	.19	63.88
77. Seatrain Lines, Inc.	42,039		
Commodity Chartering Corp.	1,667		
Hudson Waterway Corp.	22,547		
Transeastern Shipping Corp.	4,348		
Total	70,601	.18	64.06
78. Gulf Oil Corp.	66,934		
Goodrich Gulf Chemicals, Inc.	81		
Gulf Oil Trading Co.	259		
Pittsburgh Midway Coal Mining Co.	104		
Total	67,378	.17	64.23
79. Condec Corp.	65,162		
Consolidated Controls Corp.	1,587		
N J E Corp.	155		
Total	66,904	.17	64.40
80. Motorola Inc.	65,715		
Motorola Overseas Corp.	218		
Total	65,933	.17	64.57
81. Continental Air Lines Inc.	64,523	.17	64.74
82. Federal Cartridge Corp.	64,519	.17	64.91
83. Hughes Tool Co.	62,353	0.16	65.07
84. Vitro Corp of America	59,674		
Vitro Minerals Corp.	1,471		
Total	61,145	.16	65.23
85. Johns Hopkins University (N)	57,674	.15	65.38
86. Control Data Corp.	50,225		
Associated Aero Science Labs, Inc.	1,891		
CEIR, Inc.	852		
Control Corp.	142		
Electronic Accounting Card Corp.	723		
Pacific Technical Analysts, Inc.	1,705		
TRG, Inc.	1,264		
Total	56,802	0.15	65.53
87. Lykes Corp.	55,247		
Gulf South American Steamship Co.	683		
Total	55,930	.14	65.67
88. McLean Industries, Inc.			
Equipment, Inc.	5,902		
Gulf Puerto Rico Lines, Inc.	259		
Sea-Land Service, Inc.	49,751		
Total	55,912	.14	65.81
89. Aerodex, Inc.	55,345	.14	65.95
90. Susquehanna Corp.	2,415		
Atlantic Research Corp.	51,452		
Xebec Corp.	886		
Total	54,753	.14	66.09
91. Sverdrup Parcel Association Inc.	1,396		
Aro, Inc.	53,165		
Total	54,561	.14	66.23
92. States Marine Lines, Inc.	54,015	0.14	66.37
93. Hazeltine Corp.	53,781	.14	66.51
94. Atlas Chemical Industries, Inc.	53,574	.14	66.65
95. Vinnell Corp.	51,609	.13	66.78
96. Harris-Intertype Corp.	913		
Gates Radio Co.	796		
PRD Electronics, Inc.	20,613		
Radiation, Inc.	29,156		
Total	51,478	.13	66.01
97. World Airways, Inc.	51,358	.13	67.04
98. International Harvester Co.	51,271	.13	57.17
99. Automatic Sprinkler Corp. of America	50,395		
Badger Fire Extinguisher Co.	38		
Total	50,433	.13	67.30
100. Smith Investment Co.:			
Smith, A. O. Corp.	40,323		
Smith, A. O. of Texas	9,998		
Total	50,321	.13	[4] 67.43

[1] Net value of new procurement actions minus cancellations, terminations, and other credit transactions. The data include debit and credit procurement actions of $10,000 or more, under military supply, service and construction contracts for work in the United States plus awards to listed companies and other U.S. companies for work overseas. Procurement actions include definitive contracts, the obligated portions of letter contracts, purchase orders, job orders, task orders, delivery orders, and any other orders against existing contracts. The data do not include that part of indefinite quantity contracts that have not been translated into specific orders on business firms, nor do they include purchase commitments or pending cancellations that have not yet become mutually binding agreements between the Government and the company.

[2] The assignment of subsidiaries to parent companies is based on stock ownership of 50 percent or more by the parent company, as indicated by data published in standard industrial reference sources. The company totals do not include contracts made by other U.S. Government agencies and financed with Department of Defense funds, or contracts awarded in foreign nations through their respective governments. The company names and corporate structures are those in effect as of June 30, 1968, and for purposes of this report company names have been retained unless specific knowledge was available that a company had been merged into the parent or absorbed as a division with loss of company identity. Only those subsidiaries are shown for which procurement actions have been reported.

[3] Stock ownership is equally divided between Standard Oil Co. of California and Texaco, Inc.; half of the total of military awards is shown under each of the parent companies.

[4] Does not agree with percentage shown on 2d line at beginning of table due to rounding.

Mr. PROXMIRE. Mr. President, there are a number of examples why this disclosure legislation is needed. I ask unanimous consent that excerpts from the speech I gave in the Senate on June 25, 1969, giving the details of testimony received by my subcommittee on this matter, as well as the letter I sent to the Attorney General about it, be printed in the RECORD.

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

[From the Congressional Record, June 25, 1969]

Mr. PROXMIRE. Mr. President, yesterday, I sent a letter to the Attorney General calling on him to act on testimony before the Subcommittee on Economy in Government, of the Joint Economic Committee. The testimony appeared to bring out what was a clear violation of the conflict-of-interest laws and regulations.

I enclosed pages 631 to 634 of the transcript of our hearings for June 10, 1969, when Mr. Merton Tyrrell testified, and I also referenced excerpts from a memorandum from Mr. A. E. Fitzgerald to Air Force Gen. J. W. O'Neill, which appeared on page 1044 of the transcript for Friday, June 13, 1969.

The testimony related to five Air Force officers who dealt with the Minuteman missile contracts. They retired and went to work for the company, the Autonetics Division of North American Rockwell or the parent company, where they had represented the Government on contracts the company held.

Two of the men were Air Force plant representatives at the company. A third was the guidance and control project officer in charge of the guidance systems the company was making. A fourth was in charge of the Ballistic Systems Division pricing for the Air Force before he retired and went to work for the company. A fifth was the general in command of the Ballistics Systems Division who dealt with the company on these contracts.

The problem is presented most forcefully in an excerpt from Mr. Fitzgerald's memorandum to Gen. J. W. O'Neill. In it he stated:

"In formulating a broad management improvement plan for Minuteman I believe you should consider the problem posed by the mass migration of Air Force officers into the management ranks of contractors with whom they have dealt."

Mr. Fitzgerald continues:

"The Air Force Plant Representative (AFPR) . . . who revoked our clearance at Autonetics is now a division manager at Autonetics. His predecessor, equally protective of the contractor's interest, is also now employed by North American Aviation. The procurement officer who blocked access by the Minuteman Program Control Office to Autonetics contract negotiation records is now employed by North American Aviation. The immediate superior of the project office who was excluded from Autonetics' plant is now employed by Autonetics. The officer cited to me as responsible for killing the cost reduction project I contracted to perform at Autonetics is now employed by North American Aviation."

It is quite clear that these officers represented the Government in connection with the Minuteman missile system and the guidance and control systems of the Minuteman missile with the North American Rockwell Co. and its Autonetics Division subsidiary. It is also clear that they went to work for the company following their retirement from the service.

Title 18, section 207 of the United States Code certainly appears to make such action illegal. It provides that anyone who has been an officer or employee of the Government and then "knowingly acts as agent or attorney for anyone other than the United States in connection with a judicial or other proceeding, application, request for a ruling or other" and I emphasize "other proceeding, determination, contract, claim, controversy, charge, accusation or other particular matter involving a specific party or parties in which the United States is a party or has a direct and substantial interest and in which he participated personally and substantially as an officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, while so employed, shall be fined, etc."

It is clear that these men participated personally and substantially as officers of the Government in a wide variety of decisions affecting North American Rockwell.

As high-placed employees of the Autonetics Division of North American Rockwell and of the parent company which did some $668 million in defense work in 1968 there appears to be every reason to believe that they acted as agents for the company in connection with proceedings and contracts or other particular matters in which they were involved as specific parties when they were agents and officers of the U.S. Government.

It is one thing for a military or civilian officer of the Government to retire and go to work generally for a company doing business with the Government. It is another thing for those who represented the Government in the plant and in direct negotiation and supervision of contracts with a particular company to then go to work for that company.

As I wrote to the Attorney General:

"If this is not a conflict of interest, then the laws and the DOD directives are not worth the paper they are written on."

Mr. President, I ask unanimous consent that the letter I sent to the Attorney General and the excerpts from the transcript of the hearings which I mentioned be printed in the RECORD.

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C., June 23, 1969.

HON. JOHN N. MITCHELL,
Attorney General of the United States, Department of Justice, Washington, D.C.

MY DEAR ATTORNEY GENERAL: On Tuesday, June 10, 1969, the Subcommittee on Economy in Government of the Joint Economic Committee heard testimony from Mr. Merton Tyrrell, Executive Vice President of the Performance and Technology Corporation. Mr. Tyrrell had performed work for the Defense Department and the Air Force in connection with the cost efficiency of the production of the guidance and control systems for the Minuteman Missile. In the course of his work he had visited the plants of the contractor and conferred extensively with representatives of the Air Force and the company.

During his testimony, Mr. Tyrrell mentioned what he believed were the harmful effects on efficiency and costs when military or civilian Defense Department contracting, procurement, and plant representative officials go to work for the very firms where they have previously represented the Government on contracts held by these companies.

Under questioning by me Mr. Tyrrell gave a number of specific examples where the plant representatives of the Air Force retired and went to work directly for the company (Autonetics Division of North American Rockwell) where they had just been representing the Government on contract work for the Air Force. In this case, the four men mentioned by Mr. Tyrrell worked on the Minuteman contract for the Air Force and then went to work for the Minuteman contractor. Two of them had been plant representatives for the Air Force. A third was the guidance and control project officer for the Air Force. A fourth was in charge of BSD pricing for the Air Force before he retired and went to work for the company.

In addition to these four, a memorandum provided by the Air Force indicates that the General in Command of the Ballistics Systems Division who dealt with the company on these contracts, also went to work for the company. (See p. 1044, Friday, June 13, 1969 transcript of hearings).

In 1968, North American Rockwell, the parent company, was the 9th largest defense contractor and had contracts worth some $668 million in that year. As of February 1969, they employed over 100 retired military personnel of the rank of Colonel or Navy Captain and above.

I am enclosing copies of pages 631–634 of the transcript of the hearing where the testimony is given.

I am forwarding this testimony to you for action. If true, and I have no reason to doubt the testimony, these acts appear to be a clear violation of the conflict of interest laws, regulations, Executive Orders, and codes of ethics laid down by the Defense Department, the Civil Service Commission, and by the Congress. If these acts are not a violation then, contrary to the repeated representations and statements by the Defense Department, either the laws are toothless or their enforcement is feeble. If this is not a conflict of interest, then the laws and the DOD directives are not worth the paper they are written on.

I say this because when I made public the list of almost 2100 former retired officers of the rank of Colonel or Navy Captain and above who in February of this year were working for the 100 largest defense contractors, I received reassurances that the laws and regulations against conflict of interest were effective from no less a person than the Assistant Secretary of Defense for Installations and Logistics, the Honorable Barry J. Shillito.

Concerning these former officers, Secretary Shillito wrote:

"Their employment, as is the case of all of our approximately 700,000 retired military personnel, is covered by regulation and laws which are designed to prevent conflict of interest."

In reference to the conflict of interest statutes (P.L. 87–649, 87–778, and 87–849 plus the policies and procedures implementing them in DOD Directive 5500.7), Secretary Shillito said:

"We feel these controls are sound and are working."

I therefore urge you to take immediate action in this case as well as any others brought to light by our hearings.

When government contracting officers and representatives—whether civilian or military—leave the government and go to work directly for a company where they have just been representing the government on contracts with that company, there certainly appears to be a prima facie case of a serious conflict of interest.

With best wishes.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

EXCERPTS FROM JUNE 10, 1969, HEARINGS OF THE SUBCOMMITTEE ON ECONOMY IN GOVERNMENT OF THE JOINT ECONOMIC COMMITTEE, PAGES 631–634

Senator PROXMIRE. Thank you gentlemen, very much.

Mr. Tyrrell, this is one of the most shocking examples of waste and extravagance that I have seen in the years I have been in Washington.

As I understand it, on Minuteman overall, we have been told by a witness before our committee last November, there was a profit of 42 percent on invested capital. Now, in your statement you refer to the harmful

effects as you put it "of the switchover of personnel between Government and industry," the very thing Senator Goldwater and I were discussing, that is, procurement officials who go to work for the industry, and sometimes industry officials who come in and go to work in procurement. Can you explain what you mean specifically, how much of a problem was it on Minuteman—let me put it this way—first, how many Defense Department officials, civilian or military, made the switch over to the contractor?

Mr. TYRRELL. Well, in the area of the guidance and control area alone, there were a number of them. For example, the Air Force Plant Representative when we first arrived there, Colonel Roland, retired and went to work for Autonetics. Another Air Force Plant Representative while we were there, Colonel Yockey, retired and went to work for Autonetics.

Senator PROXMIRE. What jobs did these men hold in the Defense Department before they went to work?

Mr. TYRRELL. They were the Air Force Plant Representative who was locally stationed at the contractor's plant and who in effect headed up the administrative administration of the guidance and control contracts.

Senator PROXMIRE. Isn't there a law that prohibits a procurement official from going to work for the contractor with whom he is dealing within a period of two years?

Mr. TYRRELL. I am not a lawyer, sir, and I could not tell you if there is a law to that effect.

Senator PROXMIRE. At any rate, you know as a matter of fact that these men did work on the Minuteman contract for the Air Force?

Mr. TYRRELL. That is correct.

Senator PROXMIRE. And then went directly to work for the Minuteman contractor?

Mr. TYRRELL. That is correct.

Senator PROXMIRE. What were their jobs with the contractor when they went to work for them?

Mr. TYRRELL. Yockey I believe is a director of the business operations there.

Major Klecker, who was the guidance and control project officer, is assistant program manager at Autonetics.

I am not familiar with Colonel Roland's title.

Senator PROXMIRE. Are there other people whose names you could give us?

Mr. TYRRELL. Well, as I mentioned, Major Klecker, who was the project officer, went to work for Autonetics.

Additionally, when we first arrived there there was a Colonel Richard Cathcart who subsequently retired and went to work for Autonetics. And he was the head of the PSD pricing before his retirement.

Senator PROXMIRE. In your judgment, is this prevalent in defense industry in its relationship with the Defense Department?

Mr. TYRRELL. I think it is relatively prevalent. We see it quite frequently. And a number of personnel or military people do retire at a relatively early age, and they quite frequently go to work for the defense contractors.

Senator PROXMIRE. Is it your conviction that this is one of the reasons why there is a soft attitude toward cost overrun and why there isn't the kind of strict surveillance and discipline which you recommend?

Mr. TYRRELL. I think it probably relates to that. I am not sure whether it is the sole cause. I think one of the things that tend to create the softness as you phrase it is this team concept that I brought out in my statement, wherein they consider themselves all members of the same team. And it becomes rather difficult, then, for them to disassociate themselves. And I don't think it is conscious collusion as was pointed out by the Senator, it is something that has just evolved.

They are all part of the same group.

Senator PROXMIRE. Autonetics is a division of North American; is that correct?

Mr. TYRRELL. Yes, it is.

Senator PROXMIRE. And what companies made up the contract or team to which you refer on page 3?

Mr. TYRRELL. There were eight major associate contractors in the Minuteman program.

The Autonetics divisions of North American Rockwell is the guidance and control contractor.

The Boeing company is the integrating contractor, and produces some of the aerospace vehicle equipment.

The Thiokol Wasatch Division produces the first stage motor.

Aerojet General, Sacramento the second stage motor.

Hercules Bokas Works did produce the third stage motor.

Sylvania Electronics the electronics system.

The General Electric Systems Department the Mark XII re-entry system.

Avco Lycoming missile systems division the Mark XI re-entry.

Senator PROXMIRE. You say 490.4 million dollars was the original cost of the research and development for the Minuteman II as of 1962?

Mr. TYRRELL. That is correct.

Senator PROXMIRE. What were the total original estimates including R&D and production as of 1962?

EXCERPTS FROM DECEMBER 15, 1967, MEMORANDUM FROM A. E. FITZGERALD TO AIR FORCE GEN. J. W. O'NEILL INCLUDED IN HEARINGS FROM FRIDAY, JUNE 13, 1969

In formulating a broad management improvement plan for Minuteman, I believe you should consider the problem posed by the mass migration of Air Force officers into the management ranks of contractors with whom they have dealt. The AFPR who revoked our clearances at Autonetics is now a division manager at Autonetics. His predecessor, equally protective of the contractor's interest, is also now employed by North American Aviation. The procurement officer who blocked access by the Minuteman Program Control office to Autonetics contract negotiation records is now employed by North American Aviation. The immediate superior of the project officer who was excluded from Autonetics' plant is now employed by Autonetics. The officer cited to me as responsible for killing the cost reduction project I contracted to perform at Autonetics is now employed by North American Aviation.

It is of course impossible to assess the effect of impending employment by contractors on the actions of officers still on active duty. I am sure that many of the individuals I have cited had no idea of going to work for North American at the time they were so vigorously protecting the interests of that company vis-a-vis the Government. On the other hand, it is perfectly clear to me that these same officers studiously avoided any action which might offend their ultimate employer.

Lest you accuse me of being unfair to North American and the officers they have employed, I concede that the condition I have described is not unique. Indeed, it is common enough to be our next national scandal. However, the fact that it is so widespread makes it imperative that the practice and its corrosive effect on our stewardship be controlled.

I believe publicity is the solution to the problem just cited. However, I do not have strong convictions on this point. I should like to discuss it with you further.

Mr. PROXMIRE. Mr. President, shortly afterward, on July 17, I received a reply from the Attorney General, in which he wrote that the law did not cover the situation I sent to him.

Because of that fact and the large number of both former civil and military employees and officers who leave the Pentagon, I believe this amendment is urgently needed.

Disclosure itself will help cure the problem.

I ask unanimous consent that the Attorney General's letter be printed in the RECORD at this point.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Without objection, it is so ordered.

DEPARTMENT OF JUSTICE,
Washington, D.C., July 17, 1969.

Hon. WILLIAM PROXMIRE,
U.S. Senate,
Washington, D.C.

DEAR SENATOR: This is in reply to your letter dated June 23, 1969, wherein you forwarded to the Department information obtained during the hearings before the Subcommittee on Economy in Government of the Joint Economic Committee concerning alleged violations of the conflict of interest statutes by five former Air Force officers who went to work for the Autonetics Division of North American Rockwell Corporation after they retired from military service. The information furnished has been carefully examined and reviewed by the Criminal Division in regard to possible violations of criminal statutes. Our review did not encompass possible infractions of the Code of Ethics or the Standards of Conduct for Government employees because the enforcement of these provisions are within the jurisdiction and responsibility of the Department of Defense and the Civil Service Commission.

There are generally four criminal statutes which concern the area of your inquiry. These statutes are Title 18, United States Code, Sections 207, 208, 281 and 283.

Section 207 is a twofold statute. Subsection (a) prohibits any former employee from *acting as agent or attorney* for anyone other than the United States in connection with any "particular matter" in which the United States is a party and in which matter he personally and substantially participated while he was a Government employee. This is a lifetime bar. It is to be noted that the former employee must act as an agent or attorney. The office of the Attorney General stated in a January 28, 1963, *Memorandum Regarding Conflict of Interest Provisions of Public Law 87–849* (which can be found in the supplement to Section 201 of Title 18, U.S.C.A., and also at 28 F.R. 985) that—

An individual who has left an agency to accept private employment may, for example, immediately perform technical work in his company's plant in relation to a contract for which he had official responsibility—or, for that matter, in relation to one he helped the agency negotiate.

Subsection 207(b) basically prohibits a former Government employee for one year from *personally appearing* before any court or Federal department or agency *as an agent or attorney* for any party other than the United States in connection with any particular matter involving a specific party in which the United States is a party and which particular matter was under his official responsibility while he was a Government employee. Official responsibility is defined in 18 U.S.C. 202(b).

It can, therefore, be readily seen that both of these subsections require some act of a representational nature on the part of the former Government employee before they are violated.

With regard to retired officers of the Armed Forces of the United States, there are two additional statutes. Section 281 of Title 18, United States Code, forbids any retired officer to "*represent* any person in the sale of anything to the Government through the department in whose service he holds a retired status." (Emphasis supplied.)

Section 283 of Title 18, U.S.C. forbids a

retired officer for a period of two years after his retirement to—

. . . act as agent or attorney for prosecuting or assisting in the prosecution of any claim against the United States involving the Department in whose service he holds a retired status, or to allow any such retired officer to *act as agent or attorney for prosecuting or assisting in the prosecution of any claim* against the United States involving any subject matter with which he was directly connected while he was in an active-duty status. (Emphasis supplied.)

It can readily be observed that once again both of these statutes require some act of a representational nature by the retired officer. It is to be noted that these statutes are a prohibition against the retired officer selling to his former service (Section 281) and acting as agent for prosecuting or assisting in the prosecution of any claim. It is to be further noted that the term "claim" is not as broad as those particular matters set forth in Section 207 of Title 18, U.S.C.

There also exists a provision of Section 208 of Title 18, U.S.C., which requires a Government employee to notify his superiors if he is negotiating employment with any firm with which he is officially dealing as a Government employee. There are no criminal statutes which prohibit a retired military officer from being employed by a corporation or company solely because he had been dealing with that corporation or company in his official capacity as a Government employee. There is a non-criminal statute (37 U.S.C. 801(c)) which provides, in essence, that a regular retired officer shall not receive his retirement benefits if, within three years after his retirement, he engages for himself or for others in the selling or contracting for the sale or negotiating for the sale of any supplies or war materials to any agency of the Department of Defense. It can be observed that this statute also requires a representational act.

The information supplied in your letter and its enclosure is insufficient to indicate a violation of any of the aforementioned statutes. While there exists an opportunity for possible conflict of interest violations to occur when a former Government employee takes a position such as described in your letter, the employment is not, in and of itself, a violation. In view of the fact that thousands of Government employees leave Federal service for private employment each year, evidence that there is a specific allegation of a violation, and not a mere opportunity for the violation to have been committed, is needed to justify the initiation of a criminal investigation. If, however, you have additional facts sufficient to indicate the existence of a violation, I assure you that the matter will be thoroughly investigated and evaluated for possible criminal prosecution.

I hope this letter has helped clarify the existing law in this difficult area.

Sincerely,

WILL WILSON,
Assistant Attorney General.

VIETNAM REASSESSMENT

Mr. GORE. Mr. President, according to published reports, President Nixon has called a general conference for an assessment, or peradventure a reassessment, of the Vietnam war and the policy of the U.S. Government with respect thereto. I take the floor in a genuine effort to make a small contribution to this reassessment and to the solution of this intolerable problem. I hope I can do so without the slightest measure of partisanship. At least, this will be my endeavor.

Nevertheless, it will be necessary to speak frankly. It may be that some will interpret a statement of the hard facts as I interpret them as being partisan. Let the record show it is not so intended.

Beginning last fall, the press began to carry unconfirmed reports about consideration being given to phased withdrawal of U.S. troops from Vietnam. These reports indicated that the plans under consideration involved the withdrawal of increments of U.S. troops as South Vietnamese troops improved their capabilities. On February 28, President Thieu of South Vietnam indicated that some such plan had been discussed with his government. He was quoted in the Washington Post as saying:

> One and possibly two United States divisions can leave South Vietnam during the last 6 months of 1969.

Added credence was given to reports about phased withdrawal by Secretary of Defense Laird. Upon his return from an inspection trip to Vietnam in March, he spoke of implementing what he called phase II of the program to train and equip the South Vietnamese Army to take over a major share of the fighting.

Mr. President, announcements of the withdrawal of U.S. troops have a most pleasant sound, particularly to those whose sons, husbands, and fathers are in Vietnam. But I am convinced that a phased withdrawal of increments of U.S. troops is not a formula for ending the war. Rather, it is a formula for prolonging the war, perhaps under conditions somewhat more palatable to the electorate, for a time, but which would condemn this country to indefinite involvement in the morass in which we now unfortunately find ourselves.

When Secretary Rogers appeared before the Foreign Relations Committee on March 27 to brief the committee on U.S. foreign policy generally, I asked him about a statement that had been attributed to a State Department briefing officer about a gradual phased withdrawal that would extend over a period of 2 or 3 years. I suggested to the Secretary—

> A long drawn out phased withdrawal seems to me to overlook the one and only formula for America to extricate herself from this morass. What it should be is a political settlement brought about all at once in one agreement.

The Secretary responded, in part, as follows:

> I agree with you that I would be unrealistic and unwise to be talking about a phased withdrawal over any such period of time as that. I would think, and if the other side is willing that we ought to have a withdrawal as quickly as possible. We are prepared, if the other side is prepared, to have a withdrawal over a very short period of time.

In his prepared statement, Secretary Rogers had said:

> We are prepared to begin withdrawal of our forces simultaneously with those of North Vietnam.

The Secretary made it clear that he was talking about the mutual withdrawal of both our own and allied troops on the one hand, and North Vietnamese troops on the other. He made no reference to unilateral U.S. withdrawal.

On May 8 of this year, in a statement on the floor of the Senate, I expressed my concern about phased withdrawal of U.S. troops. At that time, I said:

> If troop withdrawal is to herald the actual termination of this American land war in Asia, it must be a step that is taken in consequence of a negotiated political settlement that is plain for all, including the American people, to see, to read, and to understand. Our experience with secrecy and credibility has been an unhappy experience. So much so that "open covenants openly arrived at" is deeply imbedded in American ideals. If the Pentagon-Saigon axis has in mind the withdrawal of increments of U.S. troops over a period of years, leaving behind U.S. troops to back up the South Vietnamese Army, and to prop up a corrupt military dictatorship in Saigon, such withdrawals will but signify a prolonged war there and a long-term U.S. involvement. It is utterly unrealistic to think that the United States will be permitted, without a very long war, to establish in South Vietnam another South Korea-type client state.

On May 14, President Nixon made a major policy statement on Vietnam—the only one on this subject he has made to the American people since his inauguration.

I found some encouragement in what he said. After repeating the cliches about self-determination for the people of Vietnam in almost the same words previously used by the Johnson administration, President Nixon proposed—

> 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.

The President added:

> 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.

It seemed to me that in his May 14 speech, President Nixon was suggesting the creation of an international body, with elections to be held under the supervision of that international body. Such an approach might make possible genuine self-determination for the people of South Vietnam—a far cry from the Saigon regime's concept of self-determination.

After a careful reading of the President's speech, I concluded not only from what he said, but also from what he did not say, that he had recognized that this war can be ended only by a political settlement, and that he had recognized further that a political settlement having as its cornerstone the maintenance in power of the Thieu-Ky regime was not attainable. Thus it seemed to me that the President might have realized that if we are to extricate ourselves from Vietnam, we must first extricate ourselves from the embrace of the Thieu-Ky regime—the albatross which destroyed the Johnson administration.

But on June 8, President Nixon met with President Thieu on Midway Island. It will be recalled that President Thieu prepared for this meeting by going first to South Korea and Taiwan, at each place issuing militant statements in which he was joined by Presidents Park

and Chiang Kai-shek, about the necessity for carrying on the war.

At Midway, on June 8, President Nixon announced the "withdrawal" of 25,000 U.S. troops from Vietnam.

The President indicated that a decision would be reached on further "withdrawals"—the term "withdrawal" later being changed to "replacement"—by the end of August. On one occasion, he stated that he hoped to "beat" a withdrawal timetable suggested by former Secretary of Defense Clark Clifford, who had proposed the withdrawal of 100,000 U.S. troops this year and the withdrawal of all remaining ground combat troops by the end of 1970.

Mr. MURPHY. Mr. President, will the Senator yield for a question?

Mr. GORE. I yield.

Mr. MURPHY. I should like to ask when the former Secretary made the proposal. Was that while he was Secretary or after the new administration came into office? I have forgotten the exact date.

Mr. GORE. This was made later, this year.

Mr. MURPHY. Did the former Secretary propose withdrawal of any troops while he was Secretary?

Mr. GORE. If so, I do not have the record.

Mr. MURPHY. I just wanted to keep those dates straight.

I thank the distinguished Senator.

Mr. GORE. I thank the able Senator for his contribution and his clarification.

Recently, however, the President deferred to an indefinite date a decision on any further unilateral withdrawal of U.S. troops.

Whether the President has, in fact, deferred a decision on withdrawal of additional U.S. troops or merely postponed the announcement of it, is not clear. There are rumors that a firm decision had been made to withdraw another increment of troops and that the announcement was canceled at the last minute. I do not know.

Be that as it may, the crucial issue is whether this administration has determined to go down the rocky, endless road of piecemeal withdrawal of only a portion of U.S. troops with a commitment that sufficient troop strength will remain to maintain in power the Saigon regime.

Surely, the return of even a single soldier is welcomed. But I do not believe that the return of 25,000 or 100,000 American men is a formula for ending the war.

According to reports, 25,000 troops, or thereabouts, have now been withdrawn. What contribution to peace has this made?

It has been suggested that phased withdrawal, coupled with an unspoken but obvious pledge that we will keep enough troops there indefinitely to prevent collapse of the current Saigon regime, would convince North Vietnam that its cause is hopeless and therefore encourage Hanoi to negotiate. In my view, the history of the Vietnamese people does not support such a conclusion. They are accustomed to long struggles, spanning generations or even centuries. Neither does our experience in this war indicate that such a policy would be successful. A policy of phased withdrawal holds no more promise of success than did the policy of bombing North Vietnam to the conference table.

It may well be true that the phased withdrawal of increments of U.S. troops from Vietnam will buy time for the administration with the American people. But the question is, how will this time be used?

If it is used to tighten our embrace of the Saigon regime, the prospects for peace will be dim indeed.

When President Nixon went to Vietnam a few weeks ago, he stood side by side with President Thieu on the steps of the Presidential Palace, a symbolic act which proclaimed both to President Thieu and to the world that our Government stands with President Thieu's government. While there, the President described the Vietnam war as possibly "one of America's finest hours." After departing Vietnam, President Nixon praised President Thieu, according to the Washington Evening Star, as "a very capable guy, an excellent politician—probably one of the four or five best in the world."

Perhaps the President's appraisal of Mr. Thieu as a politician is accurate, in a sense, depending upon definition. After being elected by about one-third of the vote in an election run by a military junta which he controlled, Mr. Thieu has managed to keep the United States firmly tied to his government. This is quite a political feat.

President Thieu insists that any election to be held in South Vietnam would have to be organized and run by his regime. This seems to me in contravention of President Nixon's speech on May 14. Moreover, President Thieu insists that—

> It will take 2 years to set up the machinery so that elections can actually take place.

Two years from when? How long must American boys fight and die in Vietnam? We have suffered more than 60,000 casualties since the inauguration of President Nixon on January 20.

Although President Nixon came back to Washington saying the door to peace was open, President Thieu went back to Saigon and said:

> There will be no coalition government, no peace cabinet, no transitional government, not even a reconciliatory government.

Meanwhile he continues to close down newspapers that voice dissent and to jail those who disagree with him.

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

Mr. GORE. I yield.

Mr. YARBOROUGH. I wish to ask the Senator if it is not a fact that we have now suffered more casualties in the Vietnam war than we suffered during the entire Korean conflict?

Mr. GORE. I believe that is correct.

Mr. YARBOROUGH. Is it not a fact that, at the casualty rate for the past month, in about 8 more weeks, if the war progresses at the same rate, we will have suffered more casualties than we suffered in World War I?

Mr. GORE. I do not know.

Mr. YARBOROUGH. I think the Senator will find that is correct. If the casualties continue at the past month's rate, in 8 weeks we will have suffered more casualties in this war than we did in World War I.

Mr. GORE. This is a bloody, costly war. We have gained nothing from it and we will gain nothing from it. This war must be ended.

Even so, President Thieu, according to reports, was even reluctant to engage in a cease-fire during the funeral of the leader of North Vietnam, although urged to do so, according to reports, by the United States.

The current widely heralded "reshuffling" of President Thieu's cabinet makes it clear that he has no intention of broadening the base of his government or making it more responsive to the needs of the South Vietnamese people. On the contrary, press reports concerning changes in the cabinet reflect a step in the opposite direction, a revival of the influence of followers of former President Diem.

Two weeks after Midway, President Nixon was asked at a press conference if we were "wedded" to the Thieu government. After saying, quite naturally, that the United States is not wedded to any government in the sense that it has to get that government's approval before we act, he went on to say that "there is no question about our standing with President Thieu" and that "we are not going to accede to the demands of the enemy that we have to dispose of President Thieu before they will talk." Sadly, President Nixon's visit to Vietnam confirmed his earlier statement.

If this Nation continues to equate its own interests with those of President Thieu, we will not achieve a political settlement anytime in the foreseeable future that will end the Vietnam war. Mr. Thieu may well be an able politician, but he ought not have any license to make U.S. policy.

It is my earnest hope that President Nixon is, in fact, reconsidering the efficacy of what appears to me to be a policy of piecemeal withdrawal of only a portion of U.S. troops, rather than merely considering the announcement or postponing the announcement of the second step along that road. It is my hope that the President does not feel obliged to stand indefinitely with President Thieu, sacrificing our own national interests in favor of those of the Saigon regime, for sacrificing our own interests means not only our interests in the international context but it means sacrificing every day the lives, health, and limbs of many, many more American boys.

Rather, I hope that President Nixon will expand and develop what I interpreted as the subtle message of his May 14 speech, which I promptly applauded on the floor of the Senate, and seek a political settlement based upon genuine self-determination for all of the people of South Vietnam. A little tarnish on Mr. Thieu's political image will not be too high a price to pay for such a settlement.

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

Mr. GORE. I yield.

Mr. FULBRIGHT. Mr. President, I think the Senator has presented in a very

concise and persuasive manner the very crux of the situation facing us in Vietnam. He did so also in his speech on May 8, which he quotes on page 3 of the copy of the speech I have. There he made clear, as he has done today, that there is no possibility of political settlement so long as we are completely committed to the support of the existing Government of South Vietnam. That does not necessarily mean we wish to insure that they have no future at all, but that we are not committed to them.

The principle the Senator reads into the President's speech of May 14 is correct, I believe. He was right in applauding it, if the President meant it; but I do not think the President has acted in the way the Senator interpreted the speech. If he had, I think we would all be better off.

I congratulate the Senator on the way he has stated the issue. I have tried to state it in a similar way.

It does not matter how much we talk about settlement, the war cannot be settled as long as we insist on maintaining the puppet government in South Vietnam. I think that is clear.

Mr. GORE. I thank the Senator. Would he not agree that unless the people who live in South Vietnam have the will to live together in peace, there is no way that the United States can force peace?

Mr. FULBRIGHT. I agree. There is no way. We cannot force peace. We have the alternative, of course, of all-out war, or using nuclear weapons. The previous administration has rejected that alternative. I certainly reject it. I take it that the present administration has rejected it. I hope we can prevail upon the administration not to return to any such idea.

Now the question is how to settle the war by negotiation. A free election is an indispensable element, it seems to me. This requires a return to what the Senator from Tennessee is saying; namely, the principles of the Geneva Accords. North Vietnam did accept those principles as did others.

I think that means an open election, not under the control of any existing government—certainly not the present government in South Vietnam.

May I briefly remind the Senator from Tennessee that we are engaged now in an examination of the tax bill and he has been playing a prominent part in it. I only wish to remind the Senate, and the country, that the war is damaging this Nation not just by the tragic loss of lives in Vietnam, which is serious enough, but by its dramatic cost—almost as much as World War I. And now there is the dislocation of our economy and the lives of our people which is brought out every day in hearings in the Finance Committee. We see what is happening as a result of inflation and the effort to control it. There is the heavy taxation, and all the other disruptions flowing, I believe, from the Vietnam war either directly or indirectly. Consider the debate here today on a matter like the C–5A program. In normal times, I do not believe the country would stand for the extraordinary extravagance and improvidence exhibited in that contract. What has happened in that contract is absolutely unprecedented. Yet, because of the Vietnam war, which has so distorted our judgment, we are willing to take anything.

That is what I mean by the Vietnam war being the background against which our judgments are distorted in things like contracts, inflation, the great need for educational improvements, and pollution control. Our approach to all these things is distorted by the Vietnam war. It is destroying the United States if it is not stopped. If this war goes on year after year, this country will be, I think, on the decline, a decline from which I believe we will not recover. This is very serious, much more serious than many people in this country realize. This war must be concluded.

Mr. GORE. Not only are taxes and the budget affected by the war, but the high cost of living——

Mr. FULBRIGHT. And inflation.

Mr. GORE. Yes. The high interest rates. Indeed, this poses a serious threat to this country, and to the well-being of its citizens.

Mr. FULBRIGHT. This morning's newspaper reported that the interest rates on AAA corporate bonds are the highest in history, over 8 percent.

Mr. GORE. I should like to advert to one statement the Senator from Arkansas made; namely, relating that the previous administration had ruled out nuclear war. He expressed the opinion that the present administration had done that, too. I believe that to be the case. Indeed, one of President Nixon's statements made on May 14 was that—and I use his words right now, we have "ruled out"—I remember those words because they impressed me—we have "ruled out" a victory on the battlefield.

I think perhaps that former President Johnson had finally ruled that out, too; but so far as I recall, he never quite said so.

A few days ago, at the Governors' conference at Colorado Springs, the distinguished and able Governor of Tennessee, the Honorable Buford Ellington, chairman of the Governors' conference, was quoted in the press saying that he thought it was high time the United States either win the Vietnam war or settle the Vietnam war. I may not be quoting his exact words, but that is how I remember them. At any rate, that was the sentiment that he expressed, according to press reports.

In my opinion, he bespoke the single largest segment of sentiment held by the people of Tennessee.

During the course of this year, I have made more than 100 visits to Tennessee and to various communities in Tennessee, talking to thousands of people, and listening to many opinions. I believe that the one single largest segment I heard expressed was that which was voiced by Governor Ellington last week.

Well, since President Nixon, Commander in Chief, has "ruled out" a military victory, the only alternative is to find a settlement.

I do not believe that we will find a settlement by equating the interests of the United States with the interests of a corrupt, military dictatorship in Saigon.

Mr. FULBRIGHT. I agree with the Senator from Tennessee. Whether corrupt or not, it is simply not in our interests.

Mr. GORE. Whatever it is, it still is not, I agree, in our interest.

Mr. FULBRIGHT. It is not in the interests of the United States to distort our whole national life and economy for the benefit of a small segment in Vietnam, regardless of whether they are corrupt or not. It is against our interests. It never has been in our interest. This is not a war in a true sense. It was a horrible mistake in judgment. This is a conflict of inequality and disproportion. The strength and size of little North Vietnam and the powerful United States, make it inconceivable to think of it in terms of a war such as World War I and World War II.

People get killed, of course, but it is not that kind of contest. That is why, I think both the previous and the present administrations have ruled out nuclear war.

If there were to be war with Russia or with China—a desperate war—I have no doubt that we would use whatever weapons we had. I believe we probably would, if we ever got into war with Russia or with China. But I think it is inconceivable that the President would continue to hold up a settlement for the reasons the Senator from Tennessee has stated. I believe those are the reasons, and I congratulate the Senator from Tennessee on a very fine statement.

Mr. GORE. I thank the Senator.

Mr. YARBOROUGH. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I am happy to yield to the Senator from Texas.

Mr. YARBOROUGH. I congratulate the distinguished Senator from Tennessee, a distinguished member of the Committee on Foreign Relations, for his review of the situation.

I associate myself with his remarks on the withdrawl of troops being dependent upon the statements of the present Saigon regime.

As an American citizen, I have been galled and humiliated time after time by the statements of those men in Saigon who say that we cannot withdraw any of our troops.

Under the Constitution of the United States, the President of the United States is the Commander in Chief of our Armed Forces and Congress is given the authority to declare war. The President sent those Armed Forces into South Vietnam. Congress did not send those Armed Forces into South Vietnam. He sent them. He was the sole Commander. Statements have been made, not by the present President but by the former President, that no American troops would be withdrawn at this time, because the South Vietnamese could not afford to let them go. No American President has said anything about it.

I think it is time that the President of the United States say that our troops be withdrawn—it is long overdue—he should have said that 3 years ago, 2 years ago, 6 months ago.

Any time is a proper time for the President of the United States to remind Thieu and Ky that he, not they, commands the Armed Forces of the United States. I long to see an American President remind those fellows of that.

Now, I wish to ask the Senator whether he has any information on this point: I

have had a number of Americans who have served in Vietnam in different capacities come back and tell me that the wife of Marshal Ky is rapidly picking up rich rice plantations in South Vietnam.

Does the Committee on Foreign Relations have any information on that point? Does the Senator from Tennessee have any? If we do not, I wish that the chairman of the committee with jurisdiction would investigate that.

I think the American people who are sending their sons to have their blood shed are entitled to know whether Ky or Thieu—Ky is the one I have heard—is using this means to grab off this personal property in his wife's name—the personal hegemony of the rice estates in South Vietnam. I think we ought to know it. Enough Americans coming back say it to warrant a Senate investigation to find out. If it is not true, it should be laid at rest. If it is true, the American people ought to know it.

Mr. GORE. I do not know whether or not that is true. I did read a report a few days ago that an estimated 2,000 Vietnamese who have grown rich are leaving Vietnam each month, to live in Paris, Geneva, Bern, and other nice and safe places in Western Europe.

There is no question that there is enormous profiteering in Vietnam from the war. A lowly soldier from Tennessee, who had just returned from Vietnam, drove more than 200 miles yesterday to see me in Memphis, Tenn., and related to me one incident after another of thievery, pilfering, and profiteering of American goods, their being misused and their being on the black market. He said he had served his year's time over there for nothing; that we would gain nothing.

Another man told me that the helmet of a boy had been brought home by a friend and that, as this boy lay dying in the jungle, he had scrawled on the helmet, "I have given my life for a useless war."

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

Mr. GORE. I yield.

Mr. STENNIS. I know the Senator has had a fine prepared statement here. I hurriedly read part of it. If I may say so, we are down to a situation in which we may be able to vote in a few minutes on an amendment on which the yeas and nays have been ordered; and the Senator knows the situation tomorrow. If it is his plan to conclude soon, and if he could indicate that, we could let Senators know. Otherwise——

Mr. GORE. Mr. President, it has been with reluctance that I have intruded these remarks upon the Senate——

Mr. STENNIS. I do not blame the Senator at all.

Mr. GORE. But when I read the announcement that President Nixon had called a major conference of his advisers to assess, and perhaps reassess, the Vietnam war and our policy, I felt an urge to try to exercise the responsibility of advice from the Senate. I feel there is nothing before the Senate, nothing before this country, including the pending bill, that even approaches the importance of peace in Vietnam.

But, Mr. President, I have now expressed my views, and I do not wish to detain the Senate further.

AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1970 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, AND FOR THE CONSTRUCTION OF MISSILE TEST FACILITIES AT KWAJALEIN MISSILE RANGE, AND RESERVE COMPONENT STRENGTH

The Senate resumed the consideration of the bill (S. 2546) to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, and to authorize the construction of test facilities at Kwajalein Missile Range, and to prescribe the authorized personnel strength of the Selected Reserve of each reserve component of the Armed Forces, and for other purposes.

Mr. STENNIS. Mr. President, the Senator from Wisconsin has an amendment with the most laudable purposes. It goes to the following situation: Of course, there are a great many people in the Department of Defense, some in uniform, some in civilian clothes, and a great number of contracts and subcontracts must be handled, and many of them are very involved, as the Senator knows. Many officers are retiring every day. Civilians leave the Department. Some of them show up rather quickly as employees of the very contractors whose work they had been passing on and who still have contracts pending in the Department of Defense. It has caused embarrassing situations before, and, it seems to me, that is true more and more now. There is nothing wrong with the employment.

As I understand the amendment, it merely requires a disclosure of those relationships. The Senator from Maine and I have discussed this subject and studied it together quite a bit. I have talked with other members of the committee, even though it has not been before our committee. Some regulation in this field would perhaps serve a good purpose.

I have the floor, I believe, and I wonder if the Senator will make some response. As I understand the amendment of the Senator from Wisconsin, it would apply to civilians and military officers alike, with no discrimination between the two groups. Is that correct?

Mr. PROXMIRE. The Senator is correct.

Mr. STENNIS. It applies to those with a rating of GS–15 and above, and also those with a military rank of——

Mr. PROXMIRE. Naval captain or colonel in the Army or Air Force and above.

Mr. STENNIS. And above.

Mr. PROXMIRE. And, in addition, it applies to all procurement officials. It applies to all plant representatives, regardless of their rank.

Mr. STENNIS. The Senator's amendment also applies to people who are coming into the Department of Defense from civilian life for a certain capacity?

Mr. PROXMIRE. Yes.

Mr. STENNIS. Will the Senator explain that for us somewhat?

Mr. PROXMIRE. For instance, if a man from civilian life is hired and if he has worked for a defense contractor, or several defense contractors, he would be required to disclose that fact at the time he went to work at the Pentagon. He would disclose his former employment, and he would disclose the weapons systems he and his company were working on when he was with the defense company. We know this goes both ways. We do not have that information with respect to some of the civilians who worked in the Pentagon and went out. We do have some of it as to officers, but that is not disclosed publicly.

Mr. STENNIS. All civilians who are nominated by the President of the United States to fill roles as assistant secretaries, for example, must come before our committee and disclose information about their former connections and make a full disclosure of their records. The amendment would require a disclosure by those, I will not say on a lower level, but on a different level of employment who are in similar categories. Is that correct?

Mr. PROXMIRE. The Senator is correct. As the Senator well knows, important decisions are made by people who are not at the assistant secretary level, but who may have relatively important and precise responsibility for procurement.

Mr. STENNIS. What does the Senator require? Merely disclosure, or is there something else?

Mr. PROXMIRE. Disclosure. There is no prohibition in this amendment. Persons may work anywhere they wish to, but they merely have to disclose, and make publicly available, for whom they work or for whom they have worked, and must do so for a period of 5 years.

Mr. STENNIS. There are no limitations or restrictions of any kind?

Mr. PROXMIRE. No; none whatever.

Mr. STENNIS. The amendment applies to officers and civilians alike?

Mr. PROXMIRE. That is correct.

Mr. STENNIS. They would merely have to disclose their previous connections?

Mr. PROXMIRE. They would have to disclose their names, former employers, former positions and also, of course, what their work was before—what their duties were, what their duties are, and whether their duties had changed at the time they made their reports. Duties would include a listing of specific weapons systems they worked on.

Mr. STENNIS. That would continue, under the present language of the amendment, for a period of 5 years?

Mr. PROXMIRE. Five years.

Mr. STENNIS. Would the Senator reconsider that point? After all, 5 years is a good, long time. If the Senator would modify his amendment, I believe it would be more acceptable. Would he be willing to make the period 3 years? Is it not true that the main point to which the Senator's amendment is directed is transitions from the Department to a contractor, or from a contractor to the Department, and the closeness of time and the affinity that might exist? Is not that the main

condition which the Senator is trying to correct?

Mr. PROXMIRE. There was no magic in the choice of a period of 5 years. That seemed like a reasonable period of time. Perhaps it may be too much. I would be willing to modify my amendment to provide, instead of a 5-year requirement, a requirement for 3 years, so that if an employee left the Pentagon and worked for a contractor, for 3 years he would have to make reports of this kind; and vice versa: If an employee of a defense contractor left to work for the Pentagon, he would have to report for 3 years.

Mr. President, I ask unanimous consent that in my modification on page 8 the word "five" be changed to "three".

The PRESIDING OFFICER (Mr. ALLEN in the chair). Is there objection? The Chair hears none, and the amendment is so modified.

Mr. STENNIS. Mr. President, I have read the amendment carefully. I know something about the problem. I have observed some of the matters to which it relates. I know the amendment has a wholesome purpose, and I believe it will have a wholesome effect.

Like anything else of this kind, a regulation has to be developed by trial and error. But I believe this is a good start. I expect to support the amendment because of its evenness in application, its lack of restriction, and its impartiality.

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

Mr. STENNIS. I yield.

Mr. HOLLAND. Does the amendment apply only to the expenditure of funds to be covered by this authorization, or for the period covered by this authorization, or for what period?

Mr. STENNIS. This is general law. This would be a general regulation. It will be written into the bill, and, if it survives conference, it will become permanent law.

Mr. HOLLAND. Another question: Does this amendment provide that the rate of compensation paid by private contractors and employers in the defense field to officers of the types mentioned and to civilian employees of the types mentioned must be disclosed?

Mr. STENNIS. No.

Mr. PROXMIRE. No, no salary disclosure is involved.

Mr. HOLLAND. Does this bill apply to Members of Congress, either generally or those who have been on the defense committees or the appropriations committees?

Mr. STENNIS. No, it does not undertake to regulate that group. I frankly think that if this does become law, it will lead to a general law on this subject matter.

Mr. HOLLAND. Mr. President, as I understand, the distinguished Senator thinks this is a good effort in the right direction, not necessarily perfect, and that probably if adopted here, it will bring about general legislation of greater clarity and importance?

Mr. STENNIS. Yes, that is my opinion of the situation.

Mr. HOLLAND. I thank the Senator, and I thank the Senator from Wisconsin.

Mrs. SMITH. Mr. President, will the Senator yield?

Mr. STENNIS. I yield to the Senator from Maine.

Mrs. SMITH. Mr. President, I think the amendment of the Senator from Wisconsin has much merit.

I hope he will offer similar amendments to all other procurement authorization bills whether they be for HEW, Labor, Commerce, Public Works, or any other legislation dealing with this subject.

Several Senators addressed the Chair.

Mr. STENNIS. Mr. President, I am not trying to keep the floor, but I believe I have the floor.

May I say to the Senator from Maine that I certainly endorse the suggestion she has just made. We did not make any effort to apply it to other departments and agencies, because on this bill we thought it would be better not to.

Mr. PROXMIRE. Mr. President, I thank the Senator from Maine very much. I agree wholeheartedly with her suggestion; I think it is excellent, and if no other Senator offers such amendments, I shall be happy to offer them on other authorization bills.

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

Mr. STENNIS. I yield to the Senator from California.

Mr. MURPHY. I ask the Senator from Mississippi if it is his clear understanding that the amendment proposed in no way militates against employment of military officers, but is simply a requirement of disclosure.

Mr. STENNIS. The Senator is absolutely correct. Nothing but disclosure.

Mr. MURPHY. I should like, just for the sake of the record, to point out from personal experience that there are sometimes methods involved in bidding on Government contracts, and the only people that you can find who can help you and explain to you how to make out your bid are people who have been with the Government. I do not think this is the best way to do it, but it is the case that it is very often necessary to get exactly such a person, who is experienced; otherwise, you cannot bid properly and in fair competition.

I wanted to make certain that the mere disclosure requirement in no way would impede such persons from employment, but that this is purely and simply for a matter of record so that, I guess remotely, if in any event there is a chance of conflict of interest, we would be able to find it out and stop that which would be illegal.

Mr. PROXMIRE. The Senator is absolutely correct. It is purely and simply a disclosure amendment, and that is all.

Mr. GOLDWATER. Mr. President, will the Senator yield, so that I may ask the author of the amendment a question?

Mr. STENNIS. I yield.

Mr. GOLDWATER. The Senator may have answered it when I was not present.

On page 1 of the amendment, under (A), the amendment designates officers who "served on active duty for any period of time as a member of a regular component of the Armed Forces in the grade of colonel (or equivalent) or above".

That language is used in defining the term "former military officer."

Would this language be so broad as to apply to the Reserve officer who has never served during a period of emergency, but has merely served his annual 2 weeks' tour of duty to maintain his commission and obtain promotions?

Mr. PROXMIRE. As I understand it, it would apply only to Regular officers. It would not apply to Reserves who served only from time to time. The minimum specified is 10 years, and that would be an unlikely situation.

Mr. GOLDWATER. I should like to hear the Senator's opinion on this, because it would probaly apply to tens of thousands of Reservists who probably never served for a long period, but would retain their proficiency by a 2 weeks' tour of duty every year.

Mr. PROXMIRE. It was not my intention that the amendment should cover that type of situation, because it would mean, as the Senator implies, that those people would be covered when this would not be their major occupation, and they would not have had any significant authority as far as procurement is concerned.

Mrs. SMITH. Mr. President, will the Senator yield to me for a question?

Mr. PROXMIRE. I am happy to yield to the Senator from Maine.

Mrs. SMITH. Will the Senator from Wisconsin advise the Senate whether his amendment covers $100-a-day consultants, for example?

Mr. PROXMIRE. As I understand it, it would not cover the consultants unless they came to work for the Pentagon.

Mrs. SMITH. Even though a consultant serves to the extent of $13,000 a year, with expenses? Would the Senator accept an amendment to include such consultants?

Mr. PROXMIRE. I am advised that if his company did $10 million a year business with the Pentagon, he would be covered. The amendment covers all firms that do $10 million a year business or more with the Pentagon, and the consultant would be covered in his own capacity, just as any other individual.

Mrs. SMITH. Would the Senator accept an amendment to include consultants up to a certain amount?

Mr. PROXMIRE. Absolutely.

Mrs. SMITH. Mr. President, I ask unanimous consent that the Senator from Wisconsin be permitted to accept my amendment, to include consultants earning up to $5,000 a year.

I am willing to make that $13,000.

Mr. PROXMIRE. May I say to the Senator from Maine that I have just been discussing this matter with staff members, and although they will go over the amendment to determine whether we have to write in the specific language, it may be that if we make our intentions clear here, consultants would be included without additional language.

Mrs. SMITH. Consultants would be included up to a certain amount?

Mr. PROXMIRE. Yes.

The PRESIDING OFFICER. Does the

Senator from Maine ask unanimous consent to withdraw her request in light of the explanation of the Senator from Wisconsin?

Mrs. SMITH. Mr. President, I ask unanimous consent to withdraw my request.

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

Mr. PROXMIRE. Mr. President, I should like to make one other modification to make my amendment consistent.

The Senator from Mississippi has suggested that we reduce the number of years from 5 to 3. I only corrected the previous modification I submitted to make that consistent. I ask unanimous consent to modify the amendment on page 8, line 17, where the term "five years" occurs to make it read "three years."

The PRESIDING OFFICER. Is there objection to the requested modification? If not, the amendment is so modified.

The question is on agreeing to the amendment as modified of the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. KENNEDY. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Washington (Mr. MAGNUSON), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Georgia (Mr. RUSSELL) are absent on official business.

I further announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Georgia (Mr. TALMADGE), are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho (Mr. CHURCH), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Georgia (Mr. RUSSELL), the Senator from Georgia (Mr. TALMADGE), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Connecticut (Mr. RIBICOFF) would each vote "yea."

Mr. SCOTT. I announce that the Senator from Colorado (Mr. DOMINICK) is necessarily absent.

The Senator from Tennessee (Mr. BAKER) is absent because of death in his family.

If present and voting, the Senator from Colorado (Mr. DOMINICK) and the Senator from Tennessee (Mr. BAKER) would each vote "yea."

The result was announced—yeas 90, nays 0, as follows:

[No. 83 Leg.]

YEAS—90

Aiken	Cranston	Harris
Allen	Curtis	Hart
Allott	Dodd	Hartke
Anderson	Dole	Hatfield
Bayh	Eagleton	Holland
Bellmon	Eastland	Hollings
Bennett	Ellender	Hruska
Bible	Ervin	Hughes
Boggs	Fannin	Jackson
Brooke	Fong	Javits
Burdick	Fulbright	Jordan, N.C.
Byrd, Va.	Goldwater	Jordan, Idaho
Byrd, W. Va.	Goodell	Kennedy
Cannon	Gore	Long
Case	Gravel	Mansfield
Cook	Griffin	Mathias
Cooper	Gurney	McCarthy
Cotton	Hansen	McClellan
McGee	Packwood	Sparkman
McGovern	Pastore	Spong
McIntyre	Pearson	Stennis
Metcalf	Pell	Stevens
Miller	Percy	Thurmond
Mondale	Prouty	Tower
Montoya	Proxmire	Tydings
Moss	Randolph	Williams, N.J.
Mundt	Saxbe	Williams, Del.
Murphy	Schweiker	Yarborough
Muskie	Scott	Young, N. Dak.
Nelson	Smith	Young, Ohio

NAYS—0

NOT VOTING—9

Baker	Inouye	Russell
Church	Magnuson	Symington
Dominick	Ribicoff	Talmadge

So Mr. PROXMIRE's amendment, as modified, was agreed to.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. McGEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, just to keep the record straight, the distinguished senior Senator from Georgia (Mr. RUSSELL), the President pro tempore of this body, would have voted in the affirmative had he been present, but he was absent on official business.

Mr. MONDALE. Mr. President, I call up my amendment which I submitted today as a modification to amendment No. 136.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MONDALE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

AMENDMENT NO. 146

On page 2, line 16, strike out "2,568,200,000;" and insert in lieu thereof "2,191,100,000;"

At the end of the bill add a new section as follows:

"SEC. 402 (a) None of the funds authorized to be appropriated by this Act may be expended in connection with the production or procurement of the nuclear aircraft carrier designated as CVAN-69; and no funds may be appropriated for any such purpose until after the Congress has completed a comprehensive study and investigation of the past and projected costs and effectiveness of attack aircraft carriers and their task forces and a thorough review of the considerations which went into the decision to maintain the present number of attack carriers. Such study and investigation shall, among other things, consider—

"1. What are the primary limited war missions of the attack carrier; what role, if any, does it have in strategic nuclear planning;

"2. To what extent and in what way is the force-level of on-station and back-up carriers related to potential targets and the number of sorties needed to destroy these targets;

"3. What is the justification for maintaining on continual deployment two carriers in the Mediterranean and from three to five in the Western Pacific;

"4. What is the overall attack carrier force level needed to carry out these primary missions;

"5. Does the present 'one for one' replacement policy for these carriers have the effect of maintaining or increasing this force level, in light of the fact that the newer carriers and their aircraft are more expensive and have far more capability than the older carriers which they are now replacing;

"6. Would a policy of replacing two of the oldest carriers with one modern carrier maintain a constant force level;

"7. How many, if any, attack carriers and carrier task forces are needed to back-up a carrier task force 'on-the-line';

"8. What efficiencies, such as the Polaris 'blue and gold' crew concept, can be utilized to increase the time in which a carrier can stay 'on-the-line';

"9. What type of military threats are faced by the attack carrier; what proportion of the costs of a carrier task force are allocated to carrier defense; what is the estimated effectiveness of carrier defense against various types and levels of threats;

"10. To what extent does the carrier's vulnerability affect its capacity to carry out its missions; what are the plausible contingencies in which carriers may be committed;

"11. What type of resources should be devoted to carrier defense, considering the range of threats, the costs and effectiveness of the defense, and the plausible contingencies in which a carrier can be effectively used;

"12. To what extent can land-based tactical air power substitute for attack carriers; to what extent should the role of the attack carrier be restricted to the initial stages of a conflict;

"13. What are the comparative systems costs for land-based and sea-based tactical air power;

"14. What is the comparative cost effectiveness of land-based and sea-based tactical air power;

"15. How is the attack carrier being used in support of American foreign policy; if there is a need for a 'show of force' in support of foreign policy commitments, can this need be met by smaller carriers or other types of ships?

"(b) In order to assist the Congress in carrying out such study and investigation, the Comptroller General of the United States shall review and make a report to the Congress on items number '8' and '13' in subsection 'a', above. He shall also review any studies which have been made, or may be made, by the Executive Branch which relate to the other items listed in subsection 'a', above. He shall provide summaries of such studies, together with any appropriate comments or questions, to the Congress. The report and summaries provided for by this subsection shall be furnished to the Congress not later than April 30, 1970."

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

Mr. MONDALE. I yield.

Mr. STENNIS. I am glad the Senator called up his amendment. That will permit us to start on it tomorrow. Even though we do not have controlled time now—and I do not think it wise to try to have an agreement now as to time—in the course of the debate I hope we can consider having a limitation on time.

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

Mr. MONDALE. I yield.

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, could the majority leader advise us as to the status of the pending bill and what his plans are for the remainder of the week?

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished acting minority leader, there will be no further votes tonight, but the Senate will meet at 10 o'clock tomor-

row morning. I understand that at 10:15 the sponsors of the pending amendment will be ready to speak.

Those Senators who desire to go to the funeral services for our late and beloved colleague, Mr. Dirksen, at the National Presbyterian Church will leave the steps of the Capitol at about 12:15. The service, I understand, is at 1 p.m. We should be back at 2 p.m. During that period, the Senate will stand in recess subject to the call of the Chair, and it is anticipated that the debate will be resumed at approximately 2 o'clock tomorrow afternoon. It is to be hoped that we can make some more progress with the bill. I am pleased with the progress made today—a little faster would not hurt.

We will not meet on Thursday, because some of us will be going to Pekin, Ill.

On Friday, we will come in at 10 a.m. It is anticipated that we will stay late, and if sufficient progress is made, we will not meet on Saturday; but if sufficient progress is not made, we may be forced to meet on Saturday.

Mr. SCOTT. I suggest, if the majority leader approves, that at the time the casket is removed from the rotunda tomorrow to be taken to the church, Members be invited to accompany the casket as a guard of honor. Senators are invited to attend for that purpose, and it is hoped that they will do so.

Mr. MANSFIELD. Yes. It is my understanding that buses will be available and that there will be a police escort all the way. It would be a fine mark of respect to our late colleague if we could all do that.

S. 2875—INTRODUCTION OF A BILL TO AMEND THE OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968

Mr. HRUSKA. Mr. President, I introduce a bill, the purpose of which is to provide financial assistance to States for the construction of correctional institutions and facilities. I ask that it be appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2875) to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide financial assistance to States for the construction of correctional institutions and facilities, introduced by Mr. HRUSKA, was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. HRUSKA. Mr. President, the Nation is engaged in a massive reexamination of its social programs. Tremendous sums are being spent by the Federal, State, and local governments to combat these ills. Concurrently, we have turned our attention and our resources to the problems of increasing crime and the protection of our citizens for, without an orderly society all else loses significance.

But one aspect of this problem represents a national disgrace to which relatively little in the way of additional effort and resources have been committed. I refer to the jails and the prisons of this country and to the juvenile training schools and detention facilities.

Experience has clearly demonstrated that far too many of these institutions corrupt rather than correct; contaminate rather than rehabilitate. In a great many instances, institutions are socially infectious breeding places which develop criminal careers. Too frequently, our jails and prisons are little more than human warehouses where idleness, homosexuality, and brutality are commonplace occurrences. In some institutions, the toughest, most hardened criminals gain power and control over other inmates and use this power to satisfy their own depraved desires.

When considering the conditions found in many of our jails and prisons, it is little wonder that rates of recidivism are so high. Confining men under these conditions can only serve to foster criminal behavior. So long as we permit recidivism to be the rule rather than the exception, crime will continue to increase as it has in the past.

Correcting criminal behavior is, and certainly should be, the primary goal of our jails and prisons. Unless we change the offender while he is incarcerated, the prospects for his returning to society as a law-abiding citizen are indeed remote. The endless cycle of arrest, imprisonment, release and rearrest has plagued us for too long. We must reverse this cycle. We must close down and eliminate these "schools of crime." We must begin to correct the problems which contribute to recidivism, or rates of crime will continue to increase.

Mr. Chief Justice Burger, in remarks before the American Bar Association's annual convention in Dallas, articulated his deep concern for reform of our Nation's penitentiaries and demonstrated his deep insight into the heart of the criminal justice system.

Mr. President, I ask unanimous consent that Chief Justice Burger's speech be printed in the RECORD following my remarks.

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

(See exhibit 1.)

Mr. HRUSKA. Mr. President, some small effort at reform has been made. Under the Omnibus Crime Control and Safe Streets Act of 1968, resources are made available for the improvement of prison facilities. But they are not enough, for under the present provision of the act the bulk of the funds rightfully is committed to a wide range of law enforcement activities. Only token sums so far have been applied to correctional construction purposes.

In its corrections program the Law Enforcement Assistance Administration has appropriately given its highest priority to the development of community-based projects for the rehabilitation of juvenile youth, and adult offenders. Here is where the greatest immediate impact can be made in the improvement of correctional services, and it is in the community, of course, where we have the best hope of accomplishing the rehabilitation of offenders.

The costs of institutionalization are rising and already have reached the point where we can no longer afford this form of disposition purely for purposes of punishment. It costs as much as $6,000 to $9,000 to keep a juvenile or youth in an institution for 1 year, and as much as $3,000 or $4,000 for an adult offender. Quite properly, therefore, the Law Enforcement Assistance Administration has emphasized in its initial efforts the bolstering of probation and other community resources in order that the costs of institutionalization may be minimized.

But the hard, simple, fact is that for the protection of the public thousands of offenders must be sent to institutions each year. These institutions are the single most neglected element in the entire law enforcement process.

The President's Commission on Law Enforcement and Administration of Justice reported:

> Institutional corrections suffers from long and indiscriminate use simply for punishment and banishment, purposes which inspire in the system little imagination, hope, or effort to improve.

There are in this country approximately 220 State training schools for juveniles and an undetermined number of detention facilities. According to the State plans submitted to the Law Enforcement Assistance Administration under the terms of the Safe Streets Act, these facilities are inadequate for their purposes. But even more significantly, the very absence of detention facilities has resulted throughout the United States in the widespread use of jails for juvenile offenders.

One Midwestern State reported that more than 1,600 children annually were held in jail. In many of the jails it was impossible to separate the juveniles from the adults and there was no supervision on a 24-hour basis. None of these jail facilities had any rehabilitation program whatsoever.

A Western State reported that only two of its counties has any separate juvenile detention facilities and that as a result the juveniles in the other counties had to be housed in the jails. An Eastern State reported that although its statutes specifically forbid the holding of juveniles in jail, "in 115 of the 120 counties there are no other facilities."

The results of this practice must be regarded as the shame of the Nation. One State, for example, said:

> Because of the lack of suitable detention facilities children have been placed in situations that were not only unfit for confinement of animals but have resulted in suicides, injuries, being subjected to unsanitary conditions, and forced into contact with undesirable influences.

Still another State acknowledged that it was not uncommon to have dependent homeless youngsters confined in facilities adjacent to, or mingled with, adults. No attempt was made to provide segregated housing for sexual offenders or the mentally ill other than what might be available in the individual cells.

A recent survey by the National Council on Crime and Delinquency reflected that more than 100,000 juveniles are held in jails every year in the United States.

And the jails themselves constitute yet another disgraceful picture in the almost total neglect of the so-called correctional institutions of this country.

There are more than 3,000 county jails in the United States and an undetermined number of city jails, perhaps 10,000 in all.

Almost without exception these jails are lacking in any meaningful rehabilitative programs or facilities. All too many of them have long ago been condemned as totally unfit for their purpose.

An Eastern State has closed all but seven of its jails. But of these seven, none was built in this century and six of them are more than 100 years old.

One jurisdiction reported to the Law Enforcement Assistance Administration that its jails had "no separate facilities for housing females, either juvenile or adult."

Another State said that its jails are "on the whole, outdated and unfit for use."

The planning agency of a Southern State asserted that its jails "suffer from neglect, often promote unsafe and outright brutal practices and encourage many first offenders to become career criminals."

A Midwestern State planning agency concluded that—

> There is a consensus that local jails are in trouble. . . . Many county jails were built in the nineteenth century and few have modern facilities . . .

A neighboring State described its municipal and local jails facilities as "often structurally inadequate, overcrowded, unsafe and filthy." The planning agency found that in one jail of this particular State "the plumbing had backed into the cells of the prisoners discharging human feces on the floor and walls." In another jail, the prisoners slept on mats on top of the welded cages because of overcrowding and that the prisoners had an open fire burning on the cell block floor to keep warm. In the same State they found a juvenile being held in an isolation cell without a toilet, with consequent abhorrent results, and that he had actually burned his own shoes in an attempt to keep warm. The report of the planning agency concluded:

> Conditions were even worse in other places . . .

There are no words fit to describe the degraded conditions characteristic of the jails of this country. And it is a problem that we have too long shrunk from recognizing and taking the action necessary to resolve sufficiently to meet even minimum standards of human decency.

Then there are the prisons.

The National Council on Crime and Delinquency reports that there are 358 penal and correctional facilities for adults in the United States. Of these, 55 are maximum security, 124 medium, 103 minimum and 68 mixed.

The Council stated:

> Of the original institutions still in use, 61 were opened before 1900; 25 of these are now more than 100 years old. Of the dormitories or cell blocks now in use, 31 percent are more than 50 years old; 29 percent are between 25 and 50 years old; 20 percent are between 10 and 24 years old; 20 percent are less than 10 years old.

Many of these institutions share the same problems as the jails. The physical facilities do not meet even the minimum standards of human decency and suitable facilities for effective rehabilitation programs are almost totally lacking.

A Western State reported to the Law Enforcement Assistance Administration that its State penitentiary should be replaced, that it was "a mass care, multitiered cell physical plant geared to custody and not conducive to proper segregation of different types of offenders and corrective programs."

A Southern State commented concerning its penitentiary:

> The "cages" are all dormitory-type with beds closely grouped together and various belongings of the inmates placed around the beds. On rainy days and at night, the close proximity of the inmates presents explosive situations. Also, the open dorms afford no privacy for the inmates. This lack of privacy and overcrowding is particularly acute in the women's camp.

A Midwestern State described its two State maximum security institutions as "old and rundown." The main penitentiary was built in 1839. An adjoining State reported similarly—

> A continuing problem is the age of the major penitentiary . . . Some of the buildings still in use were completed in 1836.

Still another State summed up the common problem in simple terms:

> Penal facilities, adult and juvenile, are inadequate and overcrowded.

Considering the deplorable state of the penal institutions in this country, we can easily understand why the field of corrections has failed so miserably in its responsibility for the rehabilitation of offenders. We can understand why the majority of the persons released from these institutions again get into trouble, and why the same persons go back to prison time and time again.

It is time that the Nation faces up to the fact that the outdated and outworn institutions must be replaced, and that facilities must be created where they are presently lacking. The unpleasant truth is that for years to come we will continue to send hundreds of thousands of juveniles, youths, and adults to institutions of various kinds. If we are ever to make any significant inroads on the problems of crime and delinquency, we must establish a system of institutions where it is possible to provide modern and effective programs of rehabilitative treatment.

To achieve this goal will, of course, require substantial sums of money.

The average State, and the average county and city, simply do not have the tax resources necessary to accomplish the task unaided. Here again, as with other grave national problems, the Federal Government must provide financial assistance.

I am, therefore, today sending a bill to the desk which would provide this assistance. My bill would amend the Omnibus Crime Control and Safe Streets Act of 1968 to make available initially $100 million for direct grants to the States. Additional sums would be authorized for subsequent fiscal years.

The bill follows the same formula as in the Safe Streets Act. Eighty-five percent of the annual appropriation would go directly to the States in the form of block grants, based on the relative population of each State. The remaining funds would be allocated by the Administrators of the Law Enforcement Assistance Administration to projects where additional assistance is particularly urgent.

The States would obtain these funds in the same way as they now obtain block grants under the Safe Streets Act, by incorporating their requirements in the same comprehensive law enforcement plans that they now submit to the Law Enforcement Assistance Administration. The bill provides for certain assurances that the funds would be distributed equitably, as for example, that the counties and localities would receive at least 50 percent.

The projects to be funded under this amendment would meet certain basic criteria to be worked out jointly by the Law Enforcement Assistance Administration and the Federal Bureau of Prisons. These criteria are intended among other things to assure that the design of new facilities would be economical and provide adequately for rehabilitative treatment programs.

I am convinced that the Law Enforcement Assistance Administration provides the best procedure for administering the provisions of this bill. The machinery is already established and functioning. The States would retain the responsibility for their own planning and for setting their own priorities.

Also, the Law Enforcement Assistance Administration, under its existing authority, is already encouraging the development of modern correctional programs, which include prototypes and models for correctional institutions. The additional provisions contained in my bill fit very properly into this effort.

One of these provisions calls for the sharing of correctional facilities on a regional basis. This is very important. Communications and transportation have progressed to the point where it is no longer necessary for each jurisdiction to have separate and distinct jail facilities. Care must be taken to insure that modern techniques of administration can be employed. Duplicity must be avoided whenever and wherever possible. This goal can only be achieved if proper emphasis is placed on establishing regional jail facilities.

The plight of the juvenile facilities, the jails, and the prisons is shared by every State in the Union, and the situation is growing progressively worse. These institutions have already reached the point where they have what most experts consider to be a heavily negative effect on the Nation's drive to bring its problems of crime and delinquency under control.

I am hopeful therefore that this bill will receive the early consideration of the Congress. The condition of our correctional systems constitutes a national shame and a repudiation of our national ideals and goals. We must finally acknowledge and face up to this shame, and start to do something about it.

Mr. President, the bill is not lengthy. I ask unanimous consent that the text of the bill be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

EXHIBIT 1

A PROPOSAL: A NATIONAL CONFERENCE ON CORRECTIONAL PROBLEMS

(Remarks of Warren E. Burger, Chief Justice of the United States)

For many years we neglected the entire spectrum of criminal justice. Slowly but with increasing pace we have corrected procedural inequities. This emphasis has led us to commit large public resources to the fact-finding process—the litigation of criminal charges and issues. In time we must take stock of what we have done and see whether all of it is wise and useful and constructive.

Meanwhile we must soon turn increased attention and resources to the disposition of the guilty once the fact-finding process is over. Without effective correctional systems an increasing proportion of our population will become chronic criminals with no other way of life except the revolving door of crime, prison and more crime.

There are some problems of American life relating to the law and the fair administration of justice which judges in their decisional function cannot properly and ought not attempt to solve. That judges cannot solve a problem by judicial decision is no reason for judges to remain silent or to be passive spectators of life around us. Judges can help—in the sense that all lawyers can help—by contributing leadership, ideas and programs based on the unique experience our work provides, and we have a duty to do so.

Specifically, I speak of the problem of what we should do with those who are found to be guilty of criminal acts. This is one of Mankind's large unsolved and largely neglected problems.

I do not mean that everyone everywhere has neglected the correctional phase of criminal justice. Many important improvements have been made in the Federal system over the past 30 years or more. Some of the states have very superior correctional systems guided by dedicated and skilled men and women drawn from the social and behavioral disciplines and many whose skills derive from long experience. Indeed, it is with this corps of dedicated people that much of the hope for the future rests.

I need not say in mid-1969 that the problem of securing an orderly society within a system of ordered liberty, guided by fair concepts of justice, is one of the great priorities of our time. However, the disposition of convicted persons is a crucial priority within that primary priority. The day when lawyers and judges could confine themselves sedately to deeds, wills, trusts and matters of commerce is gone. They must increasingly devote their special skills and talents to the large problems of community and national concern.

A friend of mine expressed some surprise 8 or 10 years ago that I had become so deeply concerned with the administration of criminal justice and asked "why?" I answered with a question, in the common fashion of lawyers:

"If we do not solve what you call the problems of criminal justice; will anything else matter very much?"

As we prepare to welcome the Moon Astronauts in Los Angeles it may not be out of order to make the obvious comment that a society which can spend billions to place three men into a flawless moon landing operation ought to be able to enforce its laws, protect its people, and deal with its delinquents both before and after conviction. Being first in space does not prove anything about the validity of the social and legal institutions of either Russia or America—and it surely proves nothing about our systems of justice. Dealing with the human animal is a task far more complex than exploring space; there the mathematician gives us a degree of predictability which can never be possible when human beings are involved. Moreover, if Man could be "programmed" our race will have really been lost.

Immature societies, like immature people, sometimes tend to think and say that everything they have is "the best"; but we are now the oldest continuing republic on earth and we have no need to bolster our national ego. We can afford to take a hard look at all our institutions, to compare them with other societies and to learn from them as they have so often learned from us.

Let us look for just a moment at how we are dealing with those charged with crimes. Over a period of 30 years, with a sharp acceleration in recent years, we have afforded the accused offender the most elaborate procedures, and the most comprehensive system of trials, retrials, appeals and post conviction reviews of any society in the world. None can match us in these manifestations of concern for the accused.

If I were sure—and I am not sure either way—that all this was good for the accused in the large and long range sense that it helps him, I would be in favor of all of it. We should put the question: "What is the social utility of what is proposed?" By "social utility" we must mean simply that a process is useful to all of us and that it strikes a fair balance between Society and the individual. This is the keystone of a fair and decent system of justice. It is against this standard that social institutions must be judged.

I challenge the social utility of any system of criminal justice which allocates, as we now do, a disproportionate amount of our resources to the techniques of trials, appeals and post conviction remedies while it gravely neglects the correctional processes which follow a verdict of guilt.

I do not suggest we diminish in the slightest our efforts toward ensuring that in every criminal proceeding—trial or not—we have three competent and trained professionals: a skilled judge, a skilled prosecutor and a skilled defense advocate. This tripod must have three legs to stand. We must insist on this. What I do suggest is that we must not stop there.

The American Bar Association Criminal Justice Project will soon be drawing to a close. All but two of its 15 or 16 reports have been, or are ready to be printed. I believe this undertaking will in due time take its place as one of the great enterprises of the organized bar. If the bulk of these standards becomes part of the state and Federal administration of criminal justice we will have a much better system. Parenthetically it will reduce the work of the Supreme Court—a matter in which I now have an acute interest.

But splendid as these efforts are, they are not enough. No progress should ever really satisfy Man. No accomplishments should ever be regarded as completing any task. Each becomes a platform for the next step, and the Criminal Justice Project is surely no exception. I hope progress and events will soon render it obsolete.

We must not content ourselves, however, with lavishing great concern and expense and manpower on criminal trials. We must take a fresh look at our responsibility to society with respect to the guilty who are convicted. By that I do not mean to expand or enlarge the post-conviction remedies—let that be clear—except as to states which still fall short in this respect. Some improvements need to be made in the processing of post conviction claims and examination of such claims administratively—but that is another story for another day.

What I propose is this: that the American Bar Association take the leadership in a comprehensive and profound examination into our penal and correctional systems from beginning to end—parole, probation, prisons and related institutions, their staffs, their programs, their educational and vocational training, the standards and procedures for release. By this I mean a study at least as careful and comprehensive as the American Bar Association Criminal Justice Project. (1) We should explore the desirability of separating the sentencing from the fact-finding function; (2) we should explore more fully programs of limited confinement and work release; (3) we should explore teaching methods adapted to the abnormal psychology of the habitual offender; and (4) we should search for programs that will permit the reduction of sentences as incentives for prisoners who will educate and train themselves. The prospect should be held out to each that he can—literally—educate himself out of confinement, thus preparing him to make his living honestly, with pride in his own skills.

I have no program or plan. All I have is the profound conviction, which I believe most judges share, that there must be a better way to do it. There must be some way to make our correctional system into something other than a revolving door process which has made "recidivist" a household word in America.

Such a study will cost a great deal in time of busy lawyers, judges and others. It will require that the social and behavioral disciplines, as well as state and Federal prison administrators, and parole and probation officials, take part. Such a study will require considerable money, but when I observe what has been done in the Bail Projects, the National Defender Project, the American Bar Association Criminal Justice Project and others, I have no doubt the manpower will be a far greater problem than the money.

If there are any correctional experts, they are not the lawyers and judges. For this reason the American Bar Association should enlist every discipline which has something to contribute.

This great Convention of the American Bar Association opened appropriately with a Prayer Breakfast Sunday morning so that we could seek Divine guidance in all matters relating to our responsibilities as members of the Bar. Let us never forget that in His teaching the redemption of sinful men has a high place. If we accept this in our daily lives, we surely cannot fail to apply it to the correctional phase of criminal justice.

EXHIBIT 2

S. 2875

A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide financial assistance to States for the construction of correctional institutions and facilities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That 82 Stat. 197 is amended as follows:

SECTION 1. Parts E and F of Title I are redesigned Parts F and G and the sections renumbered accordingly.

SEC. 2. Add a new Part E as follows:

PART E—CORRECTIONAL CONSTRUCTION ADMINISTRATION

"SEC. 501. (a) The Administration shall, in accordance with the provisions of this Part, make grants to State agencies for the period beginning July 1, 1969, and ending June 30, 1972.

"(b) for the purpose of making such payments, there is authorized to be appropriated the sum of $100,000,000 for the fiscal year ending June 30, 1970, $150,000,000 for the fiscal year ending June 30, 1971, $200,000,000 for the fiscal year ending June 30, 1972, and $250,000,000 for the fiscal year ending June 30, 1973.

"SEC. 503. (a) Any State desiring to receive its allocation of Federal funds under this Part shall, consistent with such basic criteria as the Administration may establish under Section 504, incorporate its application in

the State plan provided in Section 303. The application in addition to the provisions of Section 303, shall:

"(1) set forth a comprehensive Statewide program for the renovation and construction of correctional institutions in the State under which at least 50 per centum of all Federal funds granted to State agencies under this Act for any fiscal year will be available to agencies of political subdivisions of such State;

"(2) provide satisfactory assurance that the control of funds granted under this Act and title to property derived therefrom shall be in a public agency for the uses and purposes provided in this Act and that a public agency will administer such funds and property;

"(3) provide assurances that the State agency will pay from non-Federal sources the remaining costs of such program;

"(4) provide assurances that projects assisted under this Act will incorporate innovations and techniques in the design of such facilities in order to improve the effectiveness of the correctional institutions within such States;

"(5) provide assurances that the personnel standards and programs of such facilities will reflect the best practice prevailing in the United States;

"(6) set forth policies and procedures designed to assure that Federal funds made available under this Act will be so used as not to supplant State or local funds, but to supplement and, to the extent practicable, to increase the amounts of such funds that would in the absence of such Federal funds be made available for the purpose of this Act;

"(7) set forth procedures under which the State agency shall not finally disapprove an application for funds from an appropriate agency of any political subdivision of such State without first affording such agency reasonable notice and opportunity for a hearing;

"(8) provide, where feasible and desirable, the sharing of correctional institutions and facilities on a regional basis either among the political subdivisons of a State or among the various States in a region;

"Sec. 504. As soon as practicable after enactment of this Act, the Administration shall, after consultation with the Federal Bureau of Prisons, by regulation prescribe basic criteria to be applied by the State planning agency under Section 503. In addition to other matters such basic criteria shall provide:

"(1) the general manner in which State planning agency shall determine priority of projects based upon (a) the relative need of the area within such State for correctional facilities, (b) the relative ability of the particular public agency in such area to support a program of construction of such facilities, and (c) the extent to which the project contributes to an equitable distribution of assistance under this Act within each State;

"(2) general standards of design, construction and equipment for correctional facilities for different types of offenders and in different locations.

"Sec. 505. Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for the construction of facilities as a place of worship or religious instruction."

Sec. 2. (a) Subsection (f) of Part G—Definitions is amended to insert immediately after the first sentence, the following: "For correctional facility purposes, the term also includes the preparation of drawings and specifications for correctional facilities; altering, remodeling, improving or extending such facilities; and the inspection and supervision of the construction of such facilities. Such term does not include interests in land or off-site improvements."

(b) Part G—Definitions is amended to add the following subsections:

"(l) The term 'correctional institution' means any prison, jail, reformatory, work farm, detention center, community correctional center, regional correctional center, or other institution designed for the confinement or rehabilitation of individuals charged with or convicted of any criminal offense, including juvenile offenders.

"(m) The term 'correctional facilities' includes any buildings and related facilities, initial equipment, machinery, and utilities necessary or appropriate for correctional institution purposes."

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

Mr. HRUSKA. I am happy to yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I am unfamiliar with the proposed legislation but I wish to commend the distinguished Senator from Nebraska for bringing this general area to the attention of the Senate.

I have the good fortune to serve on the Committee on the Judiciary with the distinguished Senator from Nebraska. Last spring we had an opportunity to visit what I think is one of the most ideal correctional institutions that I have had an opportunity to see. This particular institution is a Federal youth rehabilitation facility located in West Virginia, just outside Morgantown. It is a very fine, modern correctional institution and can serve as a model for the Nation.

At that time we visited the institution in the company of the former Attorney General, Ramsey Clark. From past experience I know of his great interest and concern about this entire area. I think the whole area of rehabilitation of offenders is long overdue for action by Congress and the Senate.

I wish to commend the Senator for drawing our attention to this dimension of the criminal justice system. As a member of the committee which will consider it, I hope to be able to work with him on this legislation because I know very well of his deep commitment in this field. This is an area in which all of us talk about doing something but where there remains a very great opportunity for action.

I thank the Senator.

Mr. HRUSKA. I thank the Senator from Massachusetts for his contribution.

The Senator will find upon examining the bill that it is a projection of some of the things discussed during the formulation of the omnibus crime bill of 1968. In that bill and the provisions of the Law Enforcement Administration Act, we touched peripherally on the subject of correctional institution, but only slightly. This is an effort based on a study of longer duration than the procedures and mechanics contained in the Law Enforcement Administration Act in the field of construction and improvement of those institutions.

The proposed bill will be found to be within that framework. Without it all we are doing is spending a tremendous sum today to detect and apprehend for crime, maintaining an elaborate system for charging those persons with crime, and convicting them with crime, and that is the end of the road.

The greater part of the jails in America today—I would say as many as one-third, but the exact number escapes me—are over 100 years old and few were built in this century. That is a terrible indictment in this field.

Mr. KENNEDY. I commend the Senator. The whole area of corrections, both within and without correctional institutions, is one in which there has not been enough attention. I think all of us are at fault for not working with greater industry in this area. The Senator from Nebraska has performed a very important service in bringing this matter to the attention of the Senate. I am hopeful that we can get consideration of this entire field in the Committee on the Judiciary and develop legislation in this area at an early time.

Again I commend the Senator from Nebraska.

Mr. HRUSKA. I thank the Senator for his generous remarks.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. KENNEDY. Mr. President, if there is no further business to come before the Senate I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 16 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, September 10, 1969, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, September 9, 1969*

The House met at 11:45 o'clock a.m.

Rev. Donald N. Duncan, First Baptist Church, Marietta, Ohio, offered the following prayer:

Father of all mankind, we thank You for our Nation, which has been built upon the principles of Jesus Christ. Help us to remember that we are not our brother's keeper, but our brother's brother. For these men of the Legislature, who will write laws to control all facets of life, we thank You. Make them sturdy in mind and spirit.

We thank You for our world. We pray for peace, but not peace at any price. The peace that will last must be a cooperative peace. Be with our men in service.

Give this Government a keen sense of fairness. A will to make change, without losing the sense of direction of life. Help each Member of the House of Representatives to have faith, courage, and hope.

Bless the President of our country and all who are involved in making our Nation stalwart. Keep us mindful of the weak. Help us to be proud of the strong. Bless all who are in mourning this day.

We put ourselves in Your hands. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.