The list which I submitted as a supplement to the list furnished by the distinguished Senator from Maine in our hearings shows that the effort to get cooperation has continued, a series of attempts, up to the present time, up to September.

On the other point, as to cutting off after Apollo 12, we have nine Saturn V's now that are either built or in the process of construction. This is a pretty expensive piece of hardware to stop everything and say, "Hold the boat. We're not going to go any further. We have invested this money, but let us not spend any more money because we can't get cooperation from the Russians or someone else."

Mr. PROXMIRE. I cannot resist one Parthian shot. The Senator from Nevada seems to be saying that we have spent the money and have the equipment. Therefore, why not use it, even if there is no real purpose to be gained in doing so? Why not go ahead with it? Well, we can save $800 million by not using it, according to the letter from Dr. Paine. That is his own estimate. I think he is being conservative. We can save $800 million. I think that is a very strong argument in this day of enormous burdens on our taxpayer and inflation in favor of postponing manned flights.

Mr. CANNON. I would agree with the Senator completely, if there were no real purpose to it.

Mr. PROXMIRE. What is the purpose?

Mr. CANNON. The Senator from Wisconsin just read the purpose. He read that into the RECORD a few moments ago.

Mr. PROXMIRE. I am very interested to hear that, because the Senator from Nevada is an extraordinarily able Senator and has studied this program; and if anybody can give us an answer on this, I am sure he can. It is said that the purpose is to give us a better scientific knowledge of the earth and the moon and there is a human fulfillment in being able to look at television and seeing additional landings on the moon. It seems to me that this says there is not a significant purpose in benefiting human life and the quality of life in this country or in other countries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6508) to provide additional assistance for the reconstruction of areas damaged by major disasters.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be 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 8 o'clock and 2 minutes p.m.) the Senate adjourned until tomorrow, Friday, September 19, 1969, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 18, 1969:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Joel Bernstein, of Illinois, to be an Assistant Administrator of the Agency for International Development.

Ernest Stern, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development.

COMMODITY CREDIT CORPORATION

Thomas K. Cowden, of Michigan, to be a member of the Board of Directors of the Commodity Credit Corporation.

EXTENSIONS OF REMARKS

HUD'S SECRETARY GEORGE ROMNEY OUTLINES AID FOR HURRICANE VICTIMS UNDER FLOOD INSURANCE ACT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. EVINS of Tennessee. Mr. Speaker, in 1968 the Congress enacted the National Flood Insurance Act to assist those homeowners living in areas subjected to flooding. The recent Hurricane Camille and the devastation it caused underlined the importance of the program.

In this connection, Secretary George Romney of the Department of Housing and Urban Development has recently outlined proposals to increase the efficiency and effectiveness of this insurance plan.

Because of the interest of my colleagues and the American people in this most important program, I place in the RECORD herewith a copy of a letter from Secretary Romney discussing the matter and outlining proposals to improve its administration.

The letter follows:

THE SECRETARY OF HOUSING
AND URBAN DEVELOPMENT,
Washington, D.C., Sept. 15, 1969.

DEAR CONGRESSMAN: The recent disasters caused by Hurricane Camille have emphasized the potential significance of the National Flood Insurance Program. The Program, authorized by the National Flood Insurance Act of 1968, is administered by the Federal Insurance Administration of this Department, utilizing the services of the private insurance industry. In light of the increasing number of inquiries we are receiving about the program, it may be useful if I summarize briefly its purposes and limitations, and indicate the actions we propose to take in response to such disasters.

Based upon a recognition by the Congress of the vast number of persons currently residing in flood-prone areas and the impracticality of their relocation, the Flood Insurance Act contemplates both a comprehensive program of land management for flood-prone areas and a nationwide program of Federal flood insurance in response to the fact that such coverage is generally unavailable from private sources. Thus, as a condition of Federal insurance, and in order to minimize future losses of life and property, a community must adopt appropriate land use and control regulations restricting unwise future utilization of its flood plain.

Because of the concentration of hazards in these flood-prone areas and the consequent inability of any insurer, private of governmental, to spread the risk and the cost of insurance, the actuarial rate for flood insurance would prove prohibitive to most affected persons. Therefore, the statute provides for Federal Subsidization of the first $17,500 of flood insurance on single family structures, the first $30,000 on two-to-four family structures, and the first $5,000 on the contents of any dwelling unit. Similar coverage will also be made available for small businesses in the near future. At the present time, three communities in the United States have such Federal flood insurance available—Metairie, Louisiana; Fairbanks, Alaska; and Alexandria, Virginia.

Many more communities are now seeking this coverage, but as an outgrowth of the early history of the statute, detailed ratemaking studies were initially deemed necessary for each community seeking the coverage. Such studies are extremely time-consuming and would unquestionably take many years to carry out. At present, only 40 such studies are underway or under contract by the Federal Insurance Administration with such agencies as the U.S. Army Corps of Engineers and the Tennessee Valley Authority. Yet recent events have made abundantly clear the urgent need for flood insurance in many other flood-prone areas and communities throughout the United States.

In response to the obvious insurance needs of these other areas and to the increasing social and economic costs of unrestrained flood plain development, the Federal Insurance Administrator, Mr. George K. Bernstein, has been seeking new ways of accelerating the flood insurance program and expediting the provision of Federal flood insurance throughout the United States as rapidly as statutory limitations and our existing funds permit. Thus, in August he instructed the Corps of Engineers and other agencies that all pending and future studies should be made on a zone rather than a structure basis, which would significantly shorten the time required for the study. Economies of scale and any other time and money-saving methods will be sought wherever possible.

While we cannot promise results overnight, we hope to make significant new progress in this vital program during the next few months.

Sincerely,

GEORGE ROMNEY.

TREATMENT OF AMERICAN PRISONERS BY THE NORTH VIETNAMESE AND THE NATIONAL LIBERATION FRONT

HON. DELBERT L. LATTA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. LATTA. Mr. Speaker, I have joined with many other Members of this House in cosponsoring a resolution, stating it to be the sense of Congress that the President, the Department of State, the Department of Defense, the United Nations, and the people of the world appeal to North Vietnam and the National Liberation Front of South

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Vietnam to comply with the Geneva Convention relative to the treatment of prisoners of war and the inspection of prison facilities. It is almost impossible to believe that a civilized nation would withhold information on prisoners of war from their families for periods as long as 5 years despite their families' continuing efforts to secure the same.

Yes, Mr. Speaker, some of our 1,355 American servicemen missing in action or in enemy hands have now been held captive by North Vietnam for more than 5 long years. The Department of Defense has reason to believe that as many as 401 of these men are prisoners of war. Nine hundred and fifty-four of these 1,355 servicemen are carried as missing in action as information is not available concerning them. One cannot begin to comprehend the anxiety, grief, and frustration which has been suffered by the families of these servicemen during this period of time. Certainly, the North Vietnamese and the National Liberation Front should have a little human decency hidden away someplace. For them to release just the names of the prisoners being held would be welcome news to the families and a big step toward peace. I join with others in urging them to do so now.

In contrast to the failure of the North Vietnamese and the National Liberation Front to comply with the terms of the Geneva Convention, the detention camps holding prisoners taken by our forces are regularly inspected by the International Red Cross, adequate facilities are maintained, and lines of communication remain open. It is time for the North Vietnamese and the National Liberation Front to do likewise.

PENNSYLVANIA COLLEGE OF OPTOMETRY MARKS ITS 50TH ANNIVERSARY

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, September 18, 1969

Mr. SCHWEIKER. Mr. President, today, September 18, 1969, marks the 50th anniversary of an outstanding educational institution in the city of Philadelphia—the Pennsylvania College of Optometry. The only school of optometry in Pennsylvania, and one of only 10 in the entire Nation, Pennsylvania College of Optometry has graduated four-fifths of all the optometrists who practice in my State. However, its contributions in the profession of optometry have had nationwide importance.

As a part of its teaching program for its 400 students, the college operates four free eye clinics—two at public locations, one in the Philadelphia House of Correction, and one at Riverview, the home for the indigent aged operated by the city of Philadelphia. In 1969, these four clinics served nearly 10,000 persons in 54,000 separate clinic visits with eye examinations and eyeglasses. This provides a fine example of the kind of service which an educational institution can render to the community around it, while it offers professional training to its students at the same time.

In order to acquaint Senators with the many achievements of Pennsylvania College of Optometry during its 50 years, and its plans for the future, I ask unanimous consent to have printed in the RECORD an article about the school, published in the Journal of the American Optometric Association for December 1968.

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

PENNSYLVANIA COLLEGE OF OPTOMETRY

(By Andrew F. Fischer, O.D.[1])

The Pennsylvania College of Optometry stands on the threshold of its 50th anniversary. But PCO does not have to reach back into the distant past to dramatize present progress. Impressive changes can be brought into focus by contrasting the 1968/69 session with that of 1961/62. For example:

In 1961/62 the student body numbered 109. It now approaches 400.

Faculty has grown from 27 to 52.

In the past six years, the operating budget has quintupled—from approximately $200,000 to over $1,000,000.

The Albert Fitch Memorial Library (named for the founder of the College), is the largest specialized library of its kind in the world, has expanded from 6,100 to nearly 10,000 volumes.

The value of laboratory and clinical equipment has more than doubled, from about $240,000 to almost $600,000.

In 1961/62 the College clinics accommodated 19,500 patient visits. In 1968/69 it is estimated that 55,000 patient visits will be recorded in the four clinics. This makes PCO's public clinics, by attendance, the largest optometric clinics in the United States.

SOME EARLIER HIGHLIGHTS

To document innovations the College contributed to the profession, one must go back a little farther in time. In 1922 PCO was the first college of optometry to establish a free public eye clinic. In 1935 instruction in contact lens practice was started. In 1954 PCO was accredited by the Commission on Institutions of Higher Education of the Middle States Association of Colleges and Secondary Schools—the first independent health profession college to be so recognized. In 1955 PCO initiated the minimum six-year program. Not until twelve years later did all other schools and colleges of optometry adopt this requirement.

But enough of the past. A vital institution cannot dwell on fond recollections. It must live in the present—and plan for the future. Where is PCO now? Where is it going?

PCO/68

Present enrollment consists of 394 students, representing 23 states, the District of Coumbia, Puerto Rico and two foreign countries. Although the minimum entrance requirement is two years of pre-optometric college study, the College has found that in 1968, and for the previous seven years, the average entering student has had three-and-one-third years of pre-optometry college credit.

At PCO the rotionale is that the Sound of Theory should be accompanied by the Voice of Experience. As proud as PCO is of its faculty, it is considered important that students here be exposed to other outstanding experts. This led, in 1962, to the popular Visiting Lecturers Program, whereby twenty-eight top people in the field lecture second-semester seniors on latest developments in pediatric optometry, public health, practice management, technology, and so on.

[1] Director for Development, P. C. O.

This "extra-curricular activity," combined with the regular schedule of instruction, gives every PCO student a practical and panoramic view of his chosen profession. To these must be added over 800 hours of attendance in the clinics, where the students receive tremendous opportunities for the greatest diversity of experience in optometric practice.

An Externship Program is in effect between the third and fourth years externees spent a minimum of one week in offices of practitioners, where they get a feel of day-to-day professional life.

To keep open and active the line of communication between student, faculty and administration, there are faculty and student Curriculum Evaluation Committees. Student committee members meet with faculty committee members and the Dean. Students are encouraged to offer their evaluations of courses.

To house students in comfort on campus, PCO has constructed an apartment building which can accommodate 150 occupants. There are both efficiency and one-bedroom units, all attractively furnished. The building, completed in 1966, is fireproof, sound-treated and air conditioned to make its occupants as comfortable as possible. On the ground floor is a lounge and recreation room, which is available for tenant use and social functions. Although residence in the student apartment house is voluntary, it is fully occupied and there is a waiting list.

The Alumni Association is large and active. (Seven past presidents of the American Academy of Optometry are PCO alumni, as is the president-elect of the American Optometric Association.) Attendance at reunions and luncheons remains gratifyingly high. And to keep the 2,500 alumni informed on latest developments—and their own activities—a 48-page quarterly Alumni Bulletin is published which also contains relevant technical material.

WHAT LIES AHEAD

Most immediately, PCO looks forward to completion and occupancy of its new building. This 86,000 square-foot structure will contain all administrative offices and academic facilities, exclusive of clinics. Made possible by both Federal and State monies—a U.S. Public Health Service grant of $1,444,603 and a $1,327,000 loan authorized by the Pennsylvania Legislature—this will be the largest optometric edifice in the world.

The new building will contain classrooms, lecture halls and laboratories of the latest design, all interconnected by a closed-circuit television system. It will also house seminar and conference rooms, the bookstore, student lounge, and woodworking, metal and palstic shops in which experimental and special apparatus and equipment will be designed and constructed.

The new building will, in fact, literally house PCO: a complete, contemporary, fully staffed optometric college that will accommodate more than 500 students—all under one roof. Total cost of the roof, and everything that goes under it, will be approximately $4,000,000.

All in the PCO family (students, faculty, administration and alumni) are eagerly awaiting the latest and most dramatic evidence of progress.

LOOKING AHEAD

What will the next five years—ten years—bring for PCO? Here are just a few thoughts for the future:

A graduate program, leading to a Master of Science degree, is contemplated.

To accommodate the growing student body, the need for another apartment house that will offer comfortable and gracious on-campus living to those who want it is foreseen.

PCO will continue to try to attract more women to our profession, for they can make

real contributions and live interesting lives as optometrists.

The College would like to expand its already impressive clinical facilities, and is considering building a larger clinic.

The College looks forward to a vast expansion of service to members of the profession in continuing education.

As time goes on, it will be possible to know more accurately what needs to be done and what needs to be anticipated. But even a vision specialist can see only so far ahead. One thing, however, is clear: whatever decisions are made, they will be directly related to one or more of the College's four fundamental responsibilities:

1. PCO has a responsibility to its students: the solemn task of teaching them a profession.

2. PCO has a responsibility for the welfare of its faculty: without their skills and knowledge, no institution of learning can exist.

3. PCO has a responsibility to the profession. Abstractly, this means furthering the field of optometry in any way the College may serve. Concretely, it means assisting its alumni in every reasonable manner.

4. PCO has a responsibility to the community—city, state, nation—to supply manpower for vision care services.

To sum up: PCO wears its 50 years with dignity and vigor—and looks forward eagerly to the next 50 with confidence of experience.

THE TAX REFORM BILL AND HIGHER EDUCATION

HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. TAFT. Mr. Speaker, in submitting the tax reform bill to the House of Representatives, I am aware of the fact that the members of the Ways and Means Committee have the benefit of testimony from various college presidents expressing alarm at the possible effect of the bill on charitable contributions for higher education. It seems to me that there is no field in which there is a greater need for encouraging private support than in this one. Even though the tax reform bill made certain changes eliminating the most onerous suggestions with regard to contributions of appreciated property to educational institutions, there is still a great danger that the bill in its present form will have this effect. The exact effect of gifts of appreciated property under the bill as it left the House has been well described in a memorandum submitted to the Under Secretary of the Treasury recently by Kingman Brewster, Jr., president of Yale University.

For that reason, I submit for inclusion Mr. Brewster's letter and the memorandum attached to it be set out in full in Extensions of Remarks of the RECORD:

YALE UNIVERSITY,
New Haven, Conn., August 26, 1969.

Hon. CHARLS E. WALKER,
Under Secretary of the Treasury,
Washington, D.C.

DEAR SECRETARY WALKER: I and all other college presidents with whom I have spoken are convinced that the inclusion of the appreciated value of securities donated to charity as an allocable deduction will have a rippling effect on the ability of the nation's colleges and universities to raise the money they need. The inevitable effect will be to increase the dependence of higher education on direct government support.

The vitality and innovation, as well as the quality, of American higher education would be seriously impaired if there were not a healthy mix of public and private support from a great variety of sources. The discouragement of private capital gifts, coupled with the proposed tax on foundation income, would be a tremendous set-back to the unique American tradition of private charitable enterprise.

The seriousness of the impact of removing the tax incentive for private capital giving is suggested by the examples of institutional dependence on gifts of appreciated property which are listed in the attached tabulation.

The rejection by the House Committee of a direct tax upon the appreciated value of donated securities was taken to mean that the House did not desire to dissuade charitable gifts. Two aspects of the House Bill, however, go far to discourage such gifts.

First, the larger a gift of appreciated securities, the less in percentage terms will be allowed as a deduction.

Second, the larger such a gift, the less the taxpayer will be allowed to claim by way of other deductions.

Furthermore, the fund raiser will have no way of telling the donor what his gift will cost him until the tax year is over. This uncertainty itself will be a discouraging cloud over any capital fund-raising effort. There is a retroactive effect as well. The expectations and plans of all colleges and universities would be drastically upset if the many millions of dollars in outstanding pledges were to be put in question because of a major change in their tax treatment.

Neither revenue raising nor tax equity considerations would seem to us to justify lumping appreciated value of donated securities with other tax preferences and deductible expenditures which directly benefit the taxpayer.

The central fact which differentiates the appreciated value of donated securities from all other transactions, including a cash gift, is that the taxpayer can avoid the tax consequences simply by not making the gift. If he is discouraged from making the gift by reason of its tax cost to him, he simply retains the appreciated securities and the unrealized gain is not taxed. Therefore to discourage the charitable donation of appreciated stock does not act to increase the government's revenue.

It has been argued that it is somehow "unfair" for the person who has untaxed appreciated capital to be able to convert the appreciation component into a tax deduction, whereas those with only cash income must make their gifts, if at all, from after tax resources. Again this argument loses force in view of the fact that unrealized gains would not be taxed by the bill, unless sold or given away; so that the choice is not whether to put the man with unrealized gains in the shoes of the man with cash income only, but whether the former will be given some incentive to convert his privilege for the public benefit through a charitable gift.

The only tax equity argument we have heard which seems at all plausible also seems to us far less substantial than would be the blow to the initiative and solvency of the nation's private charitable undertakings. The point is made that the donor of appreciated property now receives psychic income which the donor of cash can achieve only after first paying an income tax. Although the former receives no economic benefit, it is argued, he does receive the inner glow and perhaps the outer recognition which is accorded to generosity. This, we assume, is thought to be sufficiently in the public interest so that it should not be discouraged, provided the donor is not in a position to gain economically or to avoid a tax he would otherwise have to pay.

The stakes are very high. The dampening of private charitable initiative could bring a serious threat to the autonomy, vitality, and quality of the inherently risky, controversial task of searching for an unknown truth and the training of each oncoming generation to face their own world.

The attached papers seek to indicate the degree of dependence of colleges and universities on gifts of appreciated property, and to explore in more detail the incidence of the House Bill.

Sincerely yours,

KINGMAN BREWSTER, Jr.,
President.

H.R. 13270—GIFTS OF APPRECIATED PROPERTY

I. WHAT THE BILL DOES

1. Current law limits gift deductions for most people to 30% of adjusted gross income. The bill would increase this to 50%. However, there are two complications:

(a) If the gift is in the form of appreciated property, the deductibility limit remains at 30%. As written, the special limit applies not to the amount by which the property has appreciated, but rather to the whole gift if any part of it represents appreciation. The reason for this provision was not explained by the House Ways and Means Committee.

(b) The 30% (or 50%) limit is no longer computed against the taxpayer's adjusted gross income, but against his "contribution base," a new concept. In general, the contribution base equals adjusted gross income *plus* all tax preferences over $10,000 not taxed by the Limit on Tax Preferences.

2. The bill repeals the current unlimited charitable deduction, a device by which about 100 enormously wealthy taxpayers—typically with annual incomes well over $1 million—can and do avoid all income tax liability.

3. In general, the Limit on Tax Preferences (LTP) requires the taxation of at least half of a taxpayer's economic income, i.e., adjusted gross income plus tax preferences. The untaxed appreciation component of a property gift is classified as a tax preference if it gave rise to a tax deduction.

Other tax preferences are:

(a) Tax exempt interest on state and local bonds;

(b) One-half of net long-term capital gains;

(c) The excess of accelerated over straight-line depreciation of depreciable real property; and

(d) The excess of farm losses under special farm accounting rules over losses had normal accounting rules been used.

A notable omission from the bill's list of tax preferences is the excess of percentage depletion over cost depletion. (Chairman Mills has said that the omission was owing to a misunderstanding which will be corrected in conference with the Senate.)

The precise effects of the LTP on a gift of appreciated property are impossible to state, because the answer must depend on the amount of other tax preferences possessed by the taxpayer. *The 30% rule on deductibility of appreciated property gifts prevents them from alone bringing the LTP into play.*

The only generality permissible at this juncture is that, to the extent a gift does share in bringing about application of the LTP, it will cause an increase in the donor's taxable income by an amount equal to half the gift, taxed at the highest applicable bracket. (The maximum by 1972 will be 65% for unearned income and 50% for earned income).

4. The Allocation of Deductions (AOD) section of the bill requires apportionment of most deductions (including gifts to charity) against the same items classified as tax preferences under the LTP, with two changes:

Tax-exempt interest is not counted except for bonds issued after 11 July 1969, and

The excess of percentage over cost depletion is included, along with the excess of intangible drilling expenses over the amount deductible had they been capitalized (dry holes excepted).

The tax effect of the AOD on gifts of appreciated property is easy to state: the larger the gift, the less in percentage terms can be taken as a deduction.

For example, a taxpayer with $100,000 income who makes a $15,000 zero basis property gift will have 1/22 of his charitable contribution disallowed. If he had made a $30,000 gift, 1/6 would have been disallowed.

Additionally, the more tax preferences a taxpayer has, the more costly is a gift, whether in the form of appreciated property or *in cash.*

Thus, if our taxpayer had $100,000 taxable income plus $50,000 in untaxed capital gains and made a $30,000 zero basis property gift, instead of 1/6 being disallowed as in the example above, 7/17 would be disallowed.

5. The bill makes a number of technical changes which will do away with certain outright abuses of the charitable deduction. These have to do mainly with cases where the value of the gift is overstated in a way difficult for the Treasury to prevent, or the donor manages to convert ordinary income into a double deduction, or the charity receives less than the donor was allowed to claim as a tax deduction.

In at least one instance, however, dealing with gifts of appreciated property in which the donor reserves a life interest, the technical fix evidently overcorrects the provision by which donors are now able to "borrow" for their own benefit the tax-exempt status of the charitable remainderman.

II. SUBSTANTIVE DISCUSSION

1. At first glance it appears reasonable to apportion deductions—particularly controllable deductions like gifts to charity—against all of the taxpayer's economic income rather than solely against his taxable income.

The case seems clear where the taxpayer has, for example, $100,000 in ordinary income and $50,000 in tax exempt interest. If he made a $30,000 cash gift there is no sound basis for claiming that all of it came from the $100,000 and none from the $50,000.

But suppose he had $100,000 in ordinary income with no untaxed income and then made a zero basis $30,000 property gift. The argument could be made with some force that no deduction whatsoever is warranted, since no part of the gift came from that year's taxable income, or from income which had ever been taxed.

The answer must be that it is not the source of a charitable gift which determines its deductibility; it is the fact of the gift itself. It has long been public policy to encourage private giving by allowing a tax subsidy to the giver. The fact that a prior windfall to the taxpayer may have been what made the gift possible was a matter of indifference. If I gave $10 to the Salvation Army, it did not matter that I had found the money in the street just minutes beforehand—it was a deductible gift and still would be under the House bill.

Carrying the counter argument to its logical conclusion, deductions for charitable gifts should not be subject to allocation at all—because the tax gatherer ought not care how the donor came by the funds or things he gave, only that he gave them. Tax avoidance through charitable giving is prevented by the 30% (or 50%) upper limit on gift deductibility; there is no requirement of public policy to go further.

The reasons for not applying AOD to charitable contributions are not present in the cases of other permissible classes of deductions. Thus, medical expenses, local taxes, casualty losses and interest are deductible not becaue the federal government wishes particularly to encourage such expenditures but because for the most part they are nondiscretionary and they are burdensome—and it is fair to require the taxpayer to apportion the burden between his taxed and his untaxed income.

The House recognized that some distinctions among deductions are relevant in applying the AOD. Employee business expenses and child care deductions were not made subject to allocation because they are normally incurred in an effort to earn taxable income. Alimony deductions are not to be allocable because, said the Ways and Means Committee, they are fully taxable to the wife.

(The validity of the alimony distinction is doubtful. Interest payments and doctors' fees are also fully taxable to the recipient, but deductions for such purposes are required to be allocated.)

2. If charitable deductions were not subject to the AOD, there would still remain the question of including the appreciation component of a gift in the taxpayer's economic income against which other deductions are to be apportioned.

The fact is that it is preposterous to classify a donation as giving rise to economic income. The vice which has offended tax economists is that present law permits a charitable deduction for property which, if sold, would have produced taxable income. As between taxpayers, an inequity arises because not all are in a position to convert untaxed, unrealized income into a deduction.

Granting for the moment that an inequity exists, the cure contained in the House bill seems altogether inappropriate. Why should a taxpayer's proper deductions for medical expenses be partially disallowed simply because he made a charitable gift of appreciated property? It is absurd to say that a portion of his medical expenses was paid from taxable income and another portion from the property he gave away.

Tax exempt interest and long term capital gains represent added spendable income. Accelerated depreciation, percentage depletion and farm losses all cause understatements of spendable income. It seems reasonable to require an AOD in such cases. But each is clearly distinguishable from a gift of appreciated property. The latter is a transaction which reduces rather than increases the taxpayer's wealth; all the others increase it, and it is wrong to ignore the distinction. Consequently, the appreciation component of a property gift should be eliminated from the list of items against which deductions must be allocated.

3. What then to do about the case of the donor of stock which has quintupled in value? The answer depends on whether there really is an inequity generated by allowing a deduction for the gift of appreciated securities.

Another man's deduction means a revenue loss which I must make up, but if this is an inequity, it is one which is inherent in our tax system. The authorization of deductions brings about an intended discrimination among taxpayers. The Constitution, the law and ethics prohibit not all discrimination, only unreasonable discrimination.

Is it reasonable then, to permit the capitalist to reduce his taxable income by giving away valuable property which he acquired at little or no cost? In short, should we allow a man any credit for a painless gift? This seems more a question for the House Chaplain and ultimately for Saint Peter than for the House Ways and Means Committee. The object of the Committee is to raise revenue and to encourage gifts to charity. The latter is done by deliberately reducing the donor's tax if he makes a gift. The Congress has not hitherto concerned itself, nor should it now, with measuring the real degree of pain felt by a donor. The object is not to inflict pain; it is to increase support for worthy causes.

Consider the case of the $10 bill found on the street, or the unexpected bequest from Aunt Bessie which leads to a sizable charitable gift. The bequest has passed through the sieve of the estate tax and acquired a current tax basis in the hands of the lucky legatee (even though no estate tax may in fact have been owed), but the legatee's real economic basis is undoubtedly zero. Yet we will allow him an income tax deduction for a gift derived from that zero basis source.

Found money, inherited money, appreciated property, all when given to charity produce a theoretical inequity compared to the case of the wage earner who can only obtain a charitable deduction by giving up money on which he paid an income tax. But the inequity is spurious, just as is the "inequity" in the circumstance that a man in the 70% tax bracket saves more in taxes by a $100 gift than does a man in the 20% bracket making the same sized gift. Neither one has to make any gift at all; each one's giving will be determined by a variety of motives and by his own assessment of other claims on his resources. Making it more costly for a rich man to give money to charitable will not make it less costly for a poor man to do so. It will only reduce the amount flowing to charity.

4. In summary:

No taxpayer should be able to escape all income tax by reason of charitable giving; hence it is reasonable to repeal the unlimited deduction.

The 30% (or 50%) deductibility limit on charitable gifts insures that donations alone cannot cause freedom from tax liability.

The LTP should ignore charitable gifts of appreciated property, since they do not generate economic income for the taxpayer.

Charitable gifts should not be subjected to allocation of deductions.

Other deductions should not be apportioned against the appreciation component of a gift, because they could not in fact have been paid from that component.

ALFRED B. FITT.

LEVEL OF SECURITIES GIVING BY INDIVIDUALS TO SELECTED COLLEGES

Institution	Years involved	Value of securities donated by individuals	Ratio of securities to total gifts from individuals (percent)
California:			
Mills	1966-69	$1,659,000	55
Santa Clara	1967-69	143,000	6
Stanford	1966-69	9,037,000	52
U.S.C.	1966-69	6,100,000	54
U.S.F.	1966-69	130,000	10
Connecticut:			
Connecticut College	1966-69	640,768	27
Hartford College	1966-69	149,491	34
New Haven College	1966-69	52,204	58
Trinity College	1966-69	2,867,109	35
University of Hartford	1966-69	1,156,944	49
Wesleyan University	1968-69	1,150,000	50
Yale University	1967-68	13,243,788	69
Massachusetts:			
Boston College	1968-69	450,000	39
Brandeis University	1968-69	12,600,000	50
Harvard University	1968-69	15,900,000	68
Holy Cross	1968-69	221,130	24
M.I.T.	1968-69	2,170,000	70
Smith College	1968-69	2,884,663	46
Westworth Institute	1968-69	502,208	92
Pennsylvania:			
Haverford	1966-69	3,545,000	71
Juniata	1968-69	243,000	53
Lehigh	1966-69	7,930,000	46
Pennsylvania	1966-69	16,600,000	53
Philadelphia College of Pharmacy	1966-69	3,700,000	80
Swarthmore	1966-69	2,061,000	43

ROBERT F. PRUNER, INDUSTRIAL LEADER AND LOCAL HISTORIAN, RETIRES

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. SAYLOR. Mr. Speaker, recently Cambria County in Pennsylvania got a

full-time local historian when our longtime friend, Robert F. Pruner, retired as secretary-treasurer of the Pennsylvania Electric Co. His duties as secretary-treasureer of Penelec had been interfering somewhat with his continuing part-time interest as a researcher and writer on local history—an interest which culminated in the editing and publishing of a brief history of Cambria County in 1954. He is also president of the Cambria County Historical Society.

Bob and his lovely wife, Mary Margaret, will now be able to do many of the things together which they enjoy so much.

Bob Pruner has spent most of his life to date helping his friends in Cambria County. He was born June 14, 1904, in Loretto and after attending the schools in the county, graduated from Ebensburgh High School in 1921. In 1925, he received a bachelor of science degree—industrial engineering—from the Pennsylvania State University.

Bob Pruner began his utility service in April 1927 when he joined Penelec at Johnstown as a traveling auditor. After serving a short period as an accountant with Penelec's parent company in New York City, he returned to Johnstown in 1930 when he was appointed general auditor. He served briefly as comptroller and in 1937 was elected secretary of the company. He assumed further responsibilities when elected to the newly combined post of secretary-treasurer in 1947. He was elected to the Penelec board of directors February 10, 1969; and, on June 30, 1969, Bob retired with over 42 years of service.

Mr. Pruner has always given much more of himself to his friends and fellowmen than was expected of him, because that is the kind of person he is. He is an original member, an honorary life member, and a past president and past secretary of the Cambria County War Memorial Authority. He is a researcher and writer on local history; and, as I mentioned a moment ago, edited and published a brief history of Cambria County in 1954. Bob is president of the Cambria County Historical Society. He is also president of the board of directors of the Mercy Hospital.

As an indication of the wide range of interests of this outstanding man, Mr. Pruner is a member of the board of directors of the Greater Johnstown Chamber of Commerce, is currently a member of its senior advisory committee, and has been chairman of the chamber's congressional action committee since 1963. In the latter capacity, Bob has become acquainted with many Members of Congress because of his frequent trips to Washington to communicate the position of his chamber and to participate actively as a citizen in the legislative process.

In addition, he is director of the First National Bank of Ebensburg; Johnstown Federal Savings & Loan Association; Royal Oak Life Insurance Co., Pittsburgh; Selected Investment Corp., Camp Hill.

He is a member of the Knights of Columbus—fourth degree—and various Catholic lay organizations and was active in the formation of the area's Nocturnal Adoration Society. He served as president of the board of Catholic Charities of Johnstown from 1949–52 and is a member of the advisory board of Mount Aloysius Junior College—Cresson, Pa. He is a member and past president of the Bachelors Club.

His contributions to the company, civic and community organizations has not only earned for him the distinction of being listed in the current edition of "Who's Who in America," but has also earned him a prominent place in the hearts of the people of Johnstown, Cambria County, and Pennsylvania.

Bob Pruner married Mary Margaret Finn, October 23, 1934. They have two children: Mrs. Gerard Boehling, Jr., the wife of a Philadelphia advertising executive, and Robert F., Jr. of Altoona, now associated with Pennsylvania Electric Co.

Mr. Speaker, I wanted to take this brief moment in the affairs of the House of Representatives to recognize and praise the contribution of this truly remarkable man. Phillip Brooks—who wrote the lovely Christmas carol, "O Little Town of Bethlehem"—once said:

> Greatness after all, in spite of its name, appears to be not so much a certain size as a certain quality in human lives.

The quality of Bob Pruner's life qualifies him for such greatness.

REAR ADM. JOHN HARLLEE, U.S. NAVY, RETIRED, FORMER CHAIRMAN, FEDERAL MARITIME COMMISSION, AND DISTINGUISHED SON OF TEXAS

HON. RALPH YARBOROUGH

OF TEXAS

IN THE SENATE OF THE UNITED STATES

Thursday, September 18, 1969

Mr. YARBOROUGH. Mr. President, on September 1, 1969, while the Senate was in recess, Rear Adm. John Harllee, U.S. Navy, retired, completed his duties as Chairman of the Federal Maritime Commission.

On September 1, 1969, the effective date of Admiral Harllee's resignation as Chairman of the Maritime Commission, the admiral had completed nearly 40 years of public service. This public record is well known to many Americans. The deep ties Admiral Harllee has in Texas may not be so well known.

Admiral Harllee is a descendant of one of the pioneer families of Texas. His mother, Mrs. Ella Fulmore Harllee was born in Salado, Tex., on the Sterling C. Robertson family homestead. The Robertson colony was one of the largest in Texas, ranking with the Austin colony. The admiral's grandfather, Mrs. Harllee's father, was Judge Zachary Taylor Fulmore, county judge of Travis County, where Austin, the State capital, is now located. A junior high school in Austin is named after Judge Fulmore.

Admiral Harllee's great uncle, George C. Childress, was the author of the Texas Declaration of Independence.

This is the background of Admiral Harllee, who won the Silver Star and the Legion of Merit with Combat V for his heroic service in World War II.

Admiral Harllee was born in Washington, D.C. His father was the late Brig. Gen. William C. Harllee, U.S. Marine Corps, retired.

John Harllee graduated from the U.S. Naval Academy in 1934. On December 7, 1941, Admiral Harllee was stationed at Pearl Harbor and participated in its defense during the Japanese sneak attack.

During World War II, Admiral Harllee commanded Torpedo Motor Boat Squadron 12, which received the Presidential Citation for 6 months of action under his command. He also served as a chief staff officer of the PT organization in the Southwest Pacific, which included 10,000 officers and men, 200 PT boats, 11 supporting ships, and seven bases.

After the war, Admiral Harllee served with the Navy's congressional liaison unit, on a special assignment for then Congressman John F. Kennedy. From 1948 to 1949, he commanded the destroyer *Dyess*, which won the annual divisional competition.

During the Korean conflict, Admiral Harllee was executive officer of the cruiser *Manchester* and was awarded the Commendation Ribbon for conduct in action. Later he commanded Destroyer Division 152, including a month's tour as commander of the surface ship on Formosa patrol. He then served as chief of staff of Destroyer Flotilla 3 and commanded the attack cargo ship *Rankin*, which while under his command won more awards than any other vessel during the period 1957–58.

In 1959, Admiral Harllee voluntarily retired from the Navy and spent the next 2 years in private employment.

In August 1961, President Kennedy appointed Admiral Harllee to the Federal Maritime Commission. Two years later he was named Chairman.

Admiral Harllee was sworn in to a second term as Chairman by President Johnson on July 20, 1965.

Just as he won many awards during his years in the Navy, Admiral Harllee received many honors for his work on the Federal Maritime Commission. He has received the Golden Quill Award from the Rudder Club of New York, the Order of Maritime Merit from the San Francisco Port Authority, the Honorary Port Pilot Award from the Port of Long Beach, Calif., and Man of the Year Award from the New York Foreign Freight Forwarders & Brokers Association. He has also been honored by the Federal Bar Association for his work in maritime law.

This brief summation of Admiral Harllee's distinquished record hits just the highlights of his service to his Nation.

All Americans, but particularly all Texans, should be proud of Admiral Harllee. I would be remiss if I did not mention one more important tie between Texas and Admiral Harllee. His wife, Jo-Beth Carden, was born in Galveston, Tex.

Admiral and Mrs. Harllee have one son, John Harllee, Jr., a 1963 graduate of Harvard University and a 1968 graduate of Georgetown.

RESOLUTION OF THE CITY COMMISSIONERS OF FARGO, N. DAK., ON THE DEATH OF SENATOR DIRKSEN

HON. CHARLES H. PERCY

OF ILLINOIS

IN THE SENATE OF THE UNITED STATES

Thursday, September 18, 1969

Mr. PERCY. Mr. President, on September 9, 1969, the Board of City Commissioners of the City of Fargo, N. Dak., adopted by unanimous vote a resolution expressing their sympathy upon the untimely passing on of our beloved colleague, Everett McKinley Dirksen, of Illinois.

I ask unanimous consent that their resolution be printed in the RECORD.

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

RESOLUTION

Whereas, It was with profound sorrow that the City of Fargo learned of the untimely demise of Senator Everett McKinley Dirksen; and

Whereas, Senator Everett McKinley Dirksen contributed much to the development of the United States of America and to the shaping of policies of our Government; and

Whereas, Senator Everett McKinley Dirksen had a unique style, manner and personality which lent a certain delightfulness and warmth to the political process so frequently missing.

Now, therefore, be it resolved, That the Board of City Commissioners of the City of Fargo does hereby extend its condolences to the family of the late Senator Everett McKinley Dirksen, the people of Illinois, and the United States Senate and does offer its appreciation for the contributions made by Senator Dirksen to the Country.

Be it further resolved, That this resolution be inscribed upon the permanent records of the proceedings of the Board and certified copies forwarded to the family of the late Senator Dirksen, the People of Illinois and the United States Senate.

HERSCHEL LASHKOWITZ,
Mayor and President, Board of City Commissioners, Fargo, N. Dak.

NEW DIRECTIONS IN LATIN AMERICA

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. ROSENTHAL. Mr. Speaker, two recent articles have pointed out serious flaws in our relations with Latin American nations. The first article, by Leo Fenster, in the June 2 issue of The Nation, demonstrates the ineffectiveness of much of U.S. foreign investment in Latin America. With machines built to be underproductive and with prices kept artificially high by protectionist policies of the local government, U.S.-sponsored industries in Mexico have made large profits on inefficient factories which, as Mr. Fenster asserts, has resulted in an actual weakening of the domestic sector of the Mexican economy. This analysis provides much needed information in determining our policy in the many Peruvian-like seizures of industrial facilities which will confront the United States in the near future.

The second article, by Georgie Anne Geyer, of the Chicago Daily News Service, is the fourth part of a five-part series on the new military leaders of Latin America. The crucial point of this installment is that U.S. military training is a cause of, rather than a deterrent to, antidemocratic sentiment among this class of future officers. A change in our curriculum in this area is essential if democratic regimes are to survive in Latin America.

The articles follow:

MEXICAN AUTO SWINDLE

(By Leo Fenster)

(Mr. Fenster, an auto worker by trade, was for twenty-six years an officer of the UAW, during which time he handled in-shop grievances and worked out agreements at the General Motors (Fisher Body) plant in Cleveland. During the last thirteen years he has made regular trips to Latin America)

When he learned that I was a retired leader of the Auto Workers union in the Cleveland area, and had for some years studied the development of the Mexican and Latin American auto industry, the bookshop owner guided me to the window and pointed to his American Motors car parked on the Avenida Insurgentes. He asked, "Why did I have to pay $5,500 for that, made in Mexico, and no air-conditioning?" It was almost twice the price of the same car in the United States.

My host in suburban Tlanepantla, a successful businessman, scornfully rocked his modest Ford Galaxie, and said: "More than $6,000—and made in Mexico."

Lost in the winding Satilité streets, I was being guided home by an Auto Mex (Chrysler) assembly worker. 'Can you tell me," he asked, "why the car you produce costs half the price of the same car we produce?"

In Atizapan, Father Ernesto joined the little group quietly discussing Mexican economics. "There must be a reason," he said, "why a car made here costs nearly twice as much. Your wages are eight times higher." But the despairing cab driver in Merida only muttered bitterly about his stripped-down Dodge: "I paid $5,500 for this heap and every time I turn the window handle it comes off in my hand."

Explanations are given: "Inevitable but restrictive government quotas," said one auto plant manager: "Lack of capital," added another. "Taxes and a limited market," an established lawyer and former government official asserted with offhand finality.

HOW IT STARTED

All true, but only part of the truth. The full story, when pieced together, unfolds the proliferating multi-national tragedy of Latin America. Elements of the narrative are present in all the larger Latin American countries, but nowhere on so comprehensive a scale as in Mexico.

The story can begin there with the Decree on the Auto Industry, issued on August 23, 1962, by the government of past President Adolfo Lopez Mateos. It was designed to thrust Mexico into an auto economy, the inevitable dividend from that being an expansive modern industrial plant. That was the theory, based on what had obviously happened in the United States. And the essence of the decree was simplicity itself. It declared that within a very few years 60 per cent of any car must be made in Mexico, this being a first step toward the time when the entire manufacture, fabrication and assembly, would be performed within the country. The stamp, "Made in Mexico," would then have real meaning.

The schedule for gradually increasing Mexican-made parts was set up, and the plan was put in motion. The foreign auto producers had previously done little more than assemble cars in Mexico, and there was conjecture as to opposition. But none was offered; the foreign producers entered into the game with spirit and capital.

The country was soon to have a ring of plants in a vast ellipse around Mexico City. Added to the existing Ford, Chrysler and General Motors assembly plants in the city itself were GM, Chrysler and American Motors plants in Toluca; a Volkswagen plant near Puebla; a Ford plant at Cuautitlan; three Renault (American Diesel or Dina) plants at Sahagun; a Fiat plant near Cuernavaca; a Datsun plant at Morelos, an International Harvester truck plant and a bankrupt Borgward plant, resurrected from Germany, at Monterey. Fifteen gleaming plants spread over vast acres of space: on a map or an industrial plan sheet, this was an imposing complex. It must mean that Mexico was in the auto business, implicitly part of the technological 20th century as it reached toward the 21st.

A MODERN PLANT

The event which focused attention on this Latin stride ahead was a meeting at Toluca in January of 1965 between Frederic Donner, then president of General Motors, and Gustavo Diaz Ordaz, President of Mexico, to dedicate the new GM plant. Donner was dutifully prophetic: "The obvious dynamic spirit and energy" of Mexico inspired great confidence that its transformation would "raise the standard of living for the people, giving Mexicans the fullest opportunities in all fields of endeavor."

President Diaz, in his characteristically dour fashion, made an hour's tour of the plant and appeared to agree. The reporter of the Mexico City daily, *Excelsior*, exulted about this "most modern plant producing engines for cars and trucks. . . ." And in a special General Motors supplement of the same paper the summit was reached by a writer who declared that "General Motors has plants in five continents and [this one] in Toluca is the most modern of all." The reporter for *El Universal* was more modest. He called it "a modern plant." And the sober General Motors self-appraisal was that its "Toluca engine plant and foundry [was] among the most modern and best equipped in Mexico. . . ."

As a guest of the management on the previous day I had made a careful tour of the plant. It was worse than archaic. Worse, because it was deliberately archaic, with the obsolescence carefully built in. The plant was beautiful, laid out with great yardage of surplus space for comfortable operation and future expansion. The machinery was new and sparkling. It was also very peculiar—it had been designed and built—*not* to produce.

After I had inspected the plant, I was invited in for a half hour of coffee and discussion with the manager. He had been a GM plant executive in the States. "This is an overwhelmingly beautiful plant," I said. "Any manager back home would give all his eyeteeth to have such fantastic amounts of space. But what I can't understand is the equipment. Overall it would appear to have less than 10 percent of our productivity potential back home."

We were both auto workers, and on this point there was no way to dissemble. "Well, you see," he said, "there is only so much steel in Mexico. The government has to dole it out in quotas. If we were to use the equipment you have back in the States we would have enough for only one hour's run or so a week."

I was to hear that answer many times. It was always sincerley given; it never rang true. But in itself the explanation did confirm the fact that the new Mexican plants were being deliberately equipped with snail-paced machinery.

A month later I toured what was then the

second newest General Motors plant in Latin America, a neat structure in a suburb of Buenos Aires. There I saw some press work. It was on a minor part, what appeared to be a section of the dash panel. (I was never to see major parts like roofs, floor pans, quarter panels, or doors being stamped out in a Latin American plant. Such parts are imported.) The minor part I saw went through a series of presses for the consecutive operations—low draw, trim, pierce, finish. Each press was manually activated. The standard, I was told, was 180 pieces an hour. And I judged that the complete operation required ten men, operators and helpers.

In the United States the same operation is performed by one automated giant press. There is one operator and he activates the press by pushing a button after he has threaded the coil. Then he stands by and watches while the press produces 1,800 finished parts an hour. This therefore makes a man-hour ratio of 100 to 1.

The U.S. press costs considerably more than the total of the Argentinian presses, but the difference could be amortized within not too many months of operation by reducing the 100-to-1 ratio to equality. It would be all coasting from then on. The salient fact is that the presses in Buenos Aires, like the machines in Toluca, were not antiquated, broken down wrecks. The machinery there was also newly built—not to produce.

LOW-PRODUCTION GOALS

A good deal of the equipment in the Latin American plants bore the name of the Foote-Burt Company, a Cleveland-based plant which builds the most sophisticated automated equipment for General Motors, Ford and Chrysler. When I got home, I sought out an employee of that company who went from city to city supervising the installation of newly built machinery, tuning it in, and certifying it ready for production when it was operating at specified levels. I asked about the operating standards of machinery constructed for American engine production. "Our machinery is built so that a motor comes off the line every twenty-five seconds," he told me. That meant 144 an hour. The maximum potential of the Toluca plant was twelve an hour. The ratio, then, was 12 to 1.

I asked him about the Foote-Burt machinery I had seen in the Latin American plants. "Oh," he answered, "that is our special low-production machinery."

I questioned him closely. "It's all newly designed," he told me, "built to specification from blueprints."

"But why is this low-production machinery built?"

"We don't ask those questions," he laughed; "we are happy enough to have work to do."

Back in Mexico the euphoria was ending; bafflement was setting in. A little more than a year and a half after the high glory of January 1965, the director general of the liberal but nationalistic weekly *Sucesos*, in an article of October 15, 1966, declared that, contrary to what had been expected, and incredibly, the so-called integration of the auto industry had proved "an overwhelmingly heavy burden on the nation." It was "certain that progress . . . [was] simply illusory. . . . Instead of solving problems, they had been aggravated to impossible extremes. . . ."

Sucesos went on to complain that "a car proudly 'Made in Mexico' costs twice as much as the same model in the country of its origin." This resulted in a cost to the nation in 1966 of $180 million. "And what is worse, it will cost more and more" each year. *Sucesos* was right. By the end of the decade the auto industry will have drained Mexico of at least $1 billion (probably more) since that glorious day in January 1965.

But the magazine's editors attributed the critical situation to "anarchy, disorder, the absence of coherence, rational planning and practical objectives. . . ." It would all appear to be the fault of gigantic misorganization. Actually, planning and organization are held very effectively in the capable hands of the world's major auto producers. They can be accused of many things, but not of inability to plan and to produce.

The *Sucesos* article also implied that Mexico had bitten off too much when it attempted to set up an integrated auto industry: apparently it ought to have been satisfied with final assembly, leaving the job of fabrication and construction to the foreign corporations on their home premises. But this would mean an impermissive outflow of capital and would consign Mexico to an eternal status of an undeveloped industrial nation.

Sucesos is not sure of the solution. It calls upon readers who may be expert on the subject to make themselves heard through the pages of the publication. It is obvious that the publication was unaware of the fact that Mexico's auto plants are deliberately equipped with low-production machinery. Nor does this seem known to anyone else with authority, inclination, opportunity or courage to speak out. In recent months I have toured the plants of Ford and Renault in Mexico. Only a small fraction of the cars is produced there, and output is unbelievably below standard levels.

MAKING THE MACHINES

I have been asked: Does the Mexican Government itself permit this situation? It is necessary to understand that neither in Mexico, nor in all Latin America, is there a machine-building plant of even minuscule consequence. And since they lack this capacity, Mexico and the rest of Latin America are completely subservient to the desires and preferences of the industrially advanced nations. Latin America cannot say what kind of equipment shall be installed; it takes what it is given.

The next question is: why on earth would the auto manufacturers want to produce one car when they can produce ten? This appears reasonable at first glance. In fact, the very logic of the question sets up a natural barrier to its ever being asked. The purpose of a modern plant is to produce as efficiently, cheaply and voluminously as possible. A large number of companies operating in the same field, as is the case in Mexico, guarantees the most intense kind of competition; from that it follows that efficiency must be sought and costs reduced. That is axiomatic, and axioms are accepted, never examined.

Another axiom of industrial development says that capital flows to those industries and areas where there is the most fortuitous combination of efficient production and a good market potential. With a total absence of a machine-building industry, a minute production of sheet steel and a severely limited personnel at all levels of training, Mexico scarcely qualified as a mecca for production by one of the most highly automated of all industries.

As for a market, Mexico today has a sales potential of about 100,000 cars and trucks a year. This is a ratio of one unit to every 450 people. In the industrialized world the ratio is 25 million units a year for 800 million of population, or about one unit to thirty-two people—an incomparable difference.

Confronted with a bootstrap industrial operation and a fractional sales potential, why did all the major auto producers of the world swoop into Mexico like one joined flock of migrating birds?

A cogent clue can be found in Alfred P. Sloan's revealing memoirs, *My Years With General Motors*. In the chapter headed "The Corporation Overseas" he tells of the high-echelon discussions that took place during the late 1920s, as GM "had to determine whether we wanted to be exporters or overseas producers." From the beginning Sloan headed the group that disdained emphasis on export, claiming instead that real profits were possible only when capital was sent abroad to build new plants. To beat off foreign opposition he declaimed against "economic nationalism abroad" and sponsored a resolution in the corporation's executive committee which recognized "the desirability of employing additional capital for increasing the corporation's profits and developing its business" by considering favorably [the] * * * principle [of] the employment of capital for manufacturing purposes in overseas manufacturing countries, either in the form of the employment of such capital on its own account or through association with foreign manufacturers." By the mid-thirties GM was launched on its profitable ventures of overseas investment. Today about one-third of its 757,000 employees are in foreign lands and its annual profits of close to $4 billion before taxes are dependent to a large extent on its overseas plants. Moreover, it now has a constant seedbed for the huge stocks of capital it always has available. Latin America is one of those seedbeds and in 1963 Sloan was already hinting broadly that extensive plans had been for plowing that section of the world.

A TINY MARKET

What GM had learned and accomplished became the road for all major auto producers the world over. General Motors, Ford, Chrysler, Volkswagen, Fiat, Renault, American Motors, Datsun, International and Borgward came to Mexico at about the same time. With the plant acreage they developed, these giants would have to produce more than 1 million units in order to operate both normally and profitably. But the demonstrable market was only a tiny 7 per cent of that. To operate normally therefore became impossible—but to operate profitably is always indispensable.

The companies came because they had money to invest and because none wanted to be frozen out of an enduringly profitable market. But could they set up their automatic plants and produce to capacity for the current microscopic market? That kind of competition would be seen as anarchy in today's industrial world.

Who doubts what happened; what discussions took place? There had to be agreement on quotas; on the rate of production; on the cost of the product. None of these elements, given the unusual circumstances, could be expected to find their appropriate levels through normal processes.

And it must be equally obvious that the world's auto producers are enjoying a profitable market, despite the artificially limited productivity. The outlandish prices provide the beautiful margin of profit. The fact that Mexico and the other Latin American countries must impose a 100 per cent duty on new or used imported cars in order to prevent a disastrous outflow of capital permits General Motors and the rest to command prices almost 100 per cent above home country prices.

"So the big auto companies got together and did a little conniving," some may say. "So what? The net result is that Mexico has the foundation of a major auto industry."

Unfortunately, that's the greatest distortion of all. Some years ago Dr. Otto Feinstein, using the economy of Venezuela as a study base, demonstrated statistically that the growth of the foreign sector of an economy in an underdeveloped country results in an actual decrease in the domestic sector.

If the estimated five-year billion-dollar loss is accepted as the burden placed on the Mexican economy by the auto industry, it must also be accepted, without tracing all the mechanics, that it is the Mexican people who are subsidizing the business. The Pemex oil industry worker who averages $4 a day is subsidizing; the rest of the workers who average considerably less than $2 a day are subsidizing; the farm worker who makes $1 a day is subsidizing; the *campesino* and

his family who live in a wretched tiny one-roomlet adobe hut was subsidizing.

Mexican domestic industrial growth is choked off because scarce capital is drained into this foreign sector. In fable the tortoise overtakes the hare; in real life no one ever matches them in a race.

Thus each tortured inch of Latin American industrial advance is actually a giant step backward when measured against the seven-league jumps of the industrialized world. And that is why the Alliance for Progress amounts at best to only a few more schools and a few more apartments—facilities the foreign sector finds useful in the development and maintenance of its essential native personnel.

BUT GAS IS CHEAP

There is another classical argument: Latin American countries do not have the capital or the know-how to develop a major industry. This falls on its face in view of the capital drain imposed by foreign development; outside capital obviously impedes the development of local industry and capital. In addition, there is actually an awkward example to the contrary: the existing Mexican petroleum industry.

In the mid-thirties President Lazaro Cardenas expropriated the Mexican oil fields from the Americans. Mexico developed that industry despite infinite frustrations, including sufficient financial encroachments by its own concessionaires and native men of business. Today a gallon of Gasolmex, fully equivalent to our regular, costs on the average 30.5c. That is 5c to 6c cheaper than our own average. But gasoline costs more than 60c a gallon in the rest of the oil-rich Latin American countries, where it sells under the label of Esso, or Mobiloil, or such.

The Cardenas expropriation proved that it is quite possible for a Latin American country to develop a major industry when left to itself to exploit its own resources. But one indispensable ingredient of an industrial base in the Western Hemisphere below the Rio Grande is a machine-building industry. Whatever else happens, Mexico and Latin America must begin that difficult job. It will serve as their industrial declaration of independence.

Beyond that there must be a disengagement from the self-serving assistance of the major producers: "What ever you are doing to help me—please stop!" What Mexico needs today to develop the auto industry is not ten foreign owners with fifteen or more plants equipped with ludicrously low-paced machinery. It needs a single national plant with the most modern automated equipment. At present wage levels it could then produce a car for $800 or less; mini's for about half the price. That would initiate a mass market, spill over to other industrial development, and open a way to substantial increases in real wages.

If the present auto-producing countries are worried about the competition of cheap labor, an interim tariff would not be that great an evil. If it limited the units of Latin American production to Latin American soil it would do no critical damage to anyone. Furthermore if there is any sincerity to the lofty protestations of the Alliance for Progress, we must unselfishly help in the uphill struggle for bona fide industrialization.

Meanwhile the auto industry in Latin America continues to be a chronic disease, stunting the growth of the body industrial. As proof: at the end of last year Brazil announced the first passenger car to be manufactured by General Motors de Brasil. The car is a four-cylinder compact, 3 inches shorter than the six-cylinder Corvair. The price is a little less than $4,000, almost twice the price of its longer, more powerful U.S. sister Corvair.

The problem gets worse. And the need for solutions more urgent.

[From the Trenton (N.J.) Evening Times]

MILITARY WANTS TO SEIZE CONTROL: U.S.-TRAINED LATINS' ANTIDEMOCRACY

(By Georgie Anne Geyer)

(New military leaders, often hostile to the United States, are taking over in Latin America. Chicago Daily News correspondent Georgia Anne Geyer has spent months investigating the causes of the changes. She explains them in a series of five articles, of which this is the fourth.)

PANAMA CITY.—One of the most persistently voiced ideas about the Latin American armies is that the training they get in the U.S. turns them into a "democratic military."

If so, many are asking today, then why are so many of these "Democratic militaries" suddenly taking over their countries and instituting military dictatorships which are increasingly anti-American?

Many American officers are puzzled and angry these days. Others openly applaud the new regimes. And many of them have explanations for the bewildering things that are happening south of the border.

"We made them reflexitively anti-Communist," said one American colonel. "We did it. And that's what's led to this."

"We taught them civic action to combat Castroism," commented an Air Force colonel. "We gave them a false sense of nation-building, and now they've taken over the nations."

POLICY AFTERMATH

Still another, a specialist on the Latin militaries, feels strongly that the recently implemented U.S. policy of denying sophisticated weaponry to the Latin officers has turned them away from technical pursuits and toward political ones.

On close examination by both American and Latin officers, the traditional—and almost sacred idea—that the Latins absorb democracy in the various American schools they attend turns out to be false.

Not only do they not absorb it, there is nothing to absorb. American training is totally technical at the School of the Americas at Fort Gulick, Panama, the Inter-American Air Force Academy in the Canal Zone, and at most of the various schools they attend in the States.

The School of the Americas is a beautiful, old white building in a grassy, manicured setting. Its only peculiarity, aside from the fact that all teaching is in Spanish, is that there are no street lights in the camp. When it was being built in 1942, a German submarine sank a ship carrying the lights and they never were replaced.

The most popular courses here are in engineering, civic action, communications, medical subjects, map reading, and counter-insurgency. In all, there are 44 courses. Approximately 23,000 Latin officers and men have gone through the school. Many of them are now in highly placed positions.

American influence certainly does come into play at these schools, but in the technical, not the geopolitical or political sense. "We teach no politics here," says the commandant, Col. James H. King.

"We teach democracy by example. But the example does have an effect—they go back very good friends of ours."

There are those who dispute that last statement, both Americans and Latins alike. "The most foolish thing in the world is to think they influence our military ideologically," a highly placed Bolivian officer said. "We don't get courses in geopolitics, only in technical things, in nuclear weapons. It is not like the French ecole de guerre or the German kriegschule. Our officers go and come back wanting superjets. It just makes them frustrated."

WHAT DID THEY LEARN?

But if the Latin armies did not get training in democracy, what have they gained from us? It turns out that primarily—and indirectly—they gained three things which have, at least in part, led to their more anti-democratic tendencies.

These are an inflexible anti-communism, the concept of civic action or "nation-building," and the traning in an advanced weaponry.

When Fidel Castro took over Cuba in 1959 and then declared himself a "Marxist-Leninist," the entire military picture in Latin America changed. Urged on by a United States terrified of Communism on its doorstep, the Latin militaries gained a new sense of themselves as defenders of the old faith.

"In all the military schools the orientation changed immediately," said Gen. Omar Torrijos, head of the national guard, which took over the Panamanian government last fall. "We began to study Cuba and social problems."

ENLIVENED MILITARY

The new emphasis on social insurgency—but not on political democracy—enlivened the Latin military. Seeing themselves—their country and, very important, their caste—threatened from outside, they became intensely "anti-communist."

But there were real Marxists, and there were democrats they saw as Marxists. In order to out-Marx these new threats, there grew, particularly in the young officers, a new and historically intensified view of themselves as social reformers and the only saviors of their countries.

American training in and emphasis on civic action—on "nation-building"—involved such things as well-digging and road-building in order to win the people's confidence in the military.

Many officers are saying now that civic action, though designed to discourage the armies from their traditional meddling in politics and to make them identify with their people, may actually have encouraged the military to take over their governments.

Certainly in some countries the heads of civic action were open about using it for political gain. "In Honduras, when the army took over," commented the American air force colonel, "They used the old civic action techniques to explain it to the people—flying over with loudspeakers, saying the army's now in charge and don't be afraid, and giving out food downtown."

At the same time, the Latin military schools were gaining enormously in sophistication and in the caliber of their curricula. Officers there began studying geopolitics, philosophy, economics and sociology. Their instructors came to include even civilians, Marxist economists and radical Catholic priests.

The officers who came back from training in the States came back with a thirst for fancy modern weaponry—hadn't they, after all, learned about this from their North American brother officers?

But at the same time there was developing in the States—and particularly in the American Congress—a deep resentment against Latin armies which used much-needed development funds for supersonic planes while their countrymen were wallowing in poverty.

Congress passed the Conde-Long Amendment to the Foreign Aid Bill, providing that none of the funds be used to provide sophisticated weapons systems to any underdeveloped country unless the American President determined they were important to American security.

The major controversy arose two years ago over Peru's desire to purchase Mirage planes from France after the U.S. refused to sell them such sophisticated and costly planes. This started the present "war" with Peru, and convinced many Peruvian military men that Washington's aim was wiping them out as a caste.

They deeply resented the "tin hat dictator" appellation they received from one East Coast newspaper. Some American military men feel

that had we simply sold them the weapons they desired, we would have kept them on our side—and under our influence.

One American colonel who specializes in Latin military affairs is particularly bitter about the way American policy has switched back and forth. "In pre-world war II, we told them, 'You can overthrow governments as long as there's a good climate for American business.' The men who now are generals remember this."

APOLLO 11, AND WHAT IT MEANS FOR MAN

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. TEAGUE of Texas. Mr. Speaker, at the time the Apollo 11 astronauts were walking on the moon, an editorial appeared in the Washington Sunday Star on July 20, 1969 discussing the implications of manned space flight and manned space exploration. This editorial does much to delineate the significance and potential of our national space program today and for the future. I commend this editorial to your reading and insert it at this point in the RECORD:

APOLLO 11, AND WHAT IT MEANS FOR MAN

We are living, in these hours, what may well be man's greatest adventure since he took his first walking steps. Some would go further. The moon landing may be viewed, not as an episode in human history, but as a major threshold in evolution. "Many people," says NASA Administrator Thomas O. Paine, "feel this is as significant as when the first amphibian came from the sea up onto the land and began to conquer a new domain for life."

No doubt, too, many people feel such talk is nonsense. It is easy to be cynical about Apollo 11, if one chooses—assuming he was not among those who stood on the Florida sands last Wednesday and watched the great rocket thunder skyward. Those who saw and felt that take-off knew a moment of emotion they can never forget.

But for the rest of us, cynicism does come easily. Neil Armstrong can be put down as a pre-packaged, instant Columbus typifying this automated age, wrapped in sterile cellophane and taking his orders from a computer. Assuming they come home safe with mission accomplished—and that is too widespread an assumption—Armstrong and his crewmates cannot, in truth, be said to have undergone that lonely exposure to unknown terrors which has characterized most historic acts of individual heroism. They are, in truth, merely the spearhead of a vast technical army committed to the moon voyage. They do not, in truth, face the imponderables that the Wright brothers faced, or Charles Lindbergh, or your average spelunker—or, for that matter, the man who swallowed the first oyster. Their actuarial risks, may, in truth, be less than those encountered by GIs patrolling daily in Vietnam.

All truth. And yet, what Armstrong, Aldrin and Collins do in the small hours (our time) tomorrow morning is bound to be recognized for all time as of epic importance. It will be marked, not for what it means to these three as individuals, but for what it means to man. And the fact that it is a triumph, not of three extraordinary persons, but of man himself only adds to the luster of Apollo 11 as a human adventure.

It can, of course, be argued that this is the case with all space flight. When Apollo 8 first began its silent circling of the moon, last Christmas eve, it seemed, as one watched the television pictures back on earth, that any subsequent moon landing must come as something of an anticlimax. The public's capacity for awe is not unlimited.

Yet, again, the present experience is indeed something else. There is an immense psychological difference between merely poking around out there—dipping a tentative toe into the void, as it were—and what is involved in tonight's adventure. When man emerges from his earth-made vehicle, plants his feet on a foreign body in space and, erect in that infinite solitude, looks back upon his home—from that moment, one senses, he will never be the same. Not Armstrong or Aldrin; we ourselves can never be quite the same again.

How shall we differ? What will be new for us after Apollo 11? How will the human condition be affected?

Archibald MacLeish came poetically close to the answer back at the time of Apollo 8: "To see the earth as it truly is, small and blue and beautiful in that eternal silence where it floats, is to see ourselves as riders on the earth together . . . brothers who know now they are truly brothers."

But there is another point that MacLeish did not pursue, possibly because the function of those Christmas astronauts was only to look, not to act. The question that rises in the mind today is not so much what man thinks of earth as what he thinks of himself. The thing that matters about Apollo 11 is not as much what man will have done as what the doing does to his concept of himself. Man's problem has always been his inability to decide just what sort of creature he is and what he should expect of himself. Any man's performance is limited, we all know, far less by his physical and mental endowments, or the lack thereof, than by his notion of his capabilities. Man, individually and as a species, can and will do pretty much what he thinks he can do.

A creature that can stand where Armstrong and Aldrin stand tonight—that can, in the future, move among the spheres and literally explore new worlds—such a creature is unlikely to give up on the hard task of perfecting himself and his life in his natural environment on earth. The God who brought him thus far from a blob of squirming protoplasm that first was life—the same God who set these spheres in motion—is unlikely moreover, to let man blow it all now.

Here, it would seem, must be the answer to the national debate as to whether we go ahead in space, or whether we tend to our knitting at home. We are bound to do both. Any problem as to the immediate application of funds, whichever way it is resolved, is minor and transitory. We are not going to turn back from pushing our horizons as far as they can be pushed. The progressive expansion of the physical and spiritual domain of man inevitably will intensify our determination and ability, in concert with other nations, to build a home world where hunger, fear and violence no longer have a place.

Apart from such questions of state policy, philosophers tell us of course that the essential condition of the human being will not be altered, no matter how far he wanders. The facts of life on earth still will govern his existence. Born to hope, he still will suffer and know defeat, along with modest joy, before he meets the ultimate defeat of death. He still will face his true tests, not in adventures among the stars, but in small, grinding, weary efforts to do right by his fellows in the course of the daily round. It was ever thus, and thus it must ever be, despite Apollo 11 and all the journeys that will follow.

The philosophers are right as usual; life on earth remains the greatest challenge of all. But to recognize this is to detract not at all from the miraculous business being undertaken today. Pope Paul put it very well on the eve of Apollo 11. He said the moon mission opens the door to "conquests of which even the imagination fails to dream now."

"Man is at the center of this undertaking," said the pontiff, "and appears to us as a giant, as divine, not in himself, but in his principle and his destiny. Honor then to man, honor to his dignity, his spirit, his life."

In the days ahead, man faces many seemingly impossible challenges, many invitations to discouragement. He can use all of the inspiration, all the boost to his self-esteem, that he should get from the rockets of Apollo 11.

URBAN DISASTER

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. MINISH. Mr. Speaker, I insert in the CONGRESSIONAL RECORD two editorials that appeared in the Newark Star-Ledger and the Newark News on September 16. The city of Newark has suffered a tremendous setback due to the action of the Housing and Urban Development Department in whittling away at its neighborhood development program. The editorials that follow perfectly express the views of the community on this action.

[From the Newark (N.J.) Star-Ledger, Sept. 16, 1969]

URBAN DISASTER

The Nixon Administration is flirting with urban disaster if it goes through with its plan to sharply curtail renewal programs for America's ailing large cities.

This grim prognosis is hardly an extravagant, over-statement of the implications that would result from implementation of urban aid cuts the President reportedly has under consideration.

There has been no official announcement from the White House of the proposed urban aid reductions, but there is a disturbing pattern of administrative policy decisions that clearly indicates the renewal programs are being severely pruned.

The federal action is being taken without any consultation with state or local governments. But Newark housing officials have been unofficially advised by the Department of Housing and Urban Development that its program would probably be cut back.

And the reduction would be drastic: If the administration's plans are implemented, the Newark redevelopment program could be scaled down from $50 million to renew 200 acres to $5 million covering 20 acres. The effect on a heavily-taxed municipality like Newark could be disastrous.

The former director of the city's redevelopment agency, Louis Danzig, warns that the proposed urban aid curtailment would virtually wipe out urban renewal in Newark and "sound the death knell for American cities."

The urban aid reduction, coming as it does in the wake of the proposed 75 per cent reduction in federal government construction programs, could only compound and aggravate problems of state and local governments that are severely strapped financially and faced with increased demands in education, welfare and other areas.

The Nixon Administration might be able to justify the construction reduction, in a limited way, as an anti-inflationary measure. But it would be hard put to use the same economic yardstick in the urban aid sector,

where monumental problems are overwhelming municipal governments.

Even conceding the severity of inflationary pressures, there are other areas of government spending that could sustain the impact of curtailment with less grievous effect than the nation's ailing cities. It is difficult to equate the expenditure of billions of dollars for an antiballistic missile system that is at best of questionable value with the urgent needs of urban communities.

The proposed urban renewal curtailment, if implemented, would represent a gross imbalance of federal priorities that is completely unwarranted and unjustified. The Nixon Administration would be guilty of a horrendous social blunder if it careens blindly down this disastrous course.

[From the Newark (N.J.) News, Sept. 16, 1969]

URBAN BRUSHOFF

When President Nixon created the Urban Affairs Council, three days after his inauguration, he committed it to develop "coherent, consistent positions as to what the national government . . . will encourage, what it will discourage" in revitalizing the nation's cities.

Perhaps the council is still at work on those positions, but meanwhile there are unfortunate signs that the administration is bent more toward discouragement than encouragement. This, at any rate, is a conclusion that Newark might well draw from its experience with an application for $50 million in federal redevelopment funds. The application affects further stages in such projects as Central Ward renewal, the meadowlands industrial development, the Gateway project at Penn Central Station, and clearance of the site for the N.J. College of Medicine and Dentistry.

The U.S. Department of Housing and Urban Development has asked cities to combine applications into single packages. That conformed to the consistency and coherence idea, and the NHA went along. But now it develops that an effect has been to set up consolidated targets for a broad-swinging ax, with a result that Newark may get only 10 per cent—or $5 million—of what it seeks. In other words, the coherent and consistent approach seems, as of now, to mean coherent and consistent spreading of funds as thinly as possible.

The turndown is not final, a HUD spokesman assures, and there may be other bureaucratic avenues through which Newark can still get its money—or at least a much greater portion than 10 per cent. As Gov. Hughes has indicated, those avenues are in Washington rather than in Trenton, for there's not much real chance of finding $50 million more in the state's treasury.

However tentative the HUD's rebuff, it suggests a disturbing, indeed dangerous, inclination in Washington to brush off cities' needs, when it is the federal responsibility to become more vigorous than ever.

VETERANS EULOGIZE DIRKSEN

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. BROYHILL of Virginia. Mr. Speaker, on Wednesday, September 10, 1969, Donald E. Johnson, Administrator of Veterans' Affairs, along with representatives of 17 veterans organizations, eulogized the late Senator Everett McKinley Dirksen at the rotunda of the Capitol.

Mr. Johnson's heartfelt remarks—spoken in behalf of all of the Nation's 27 million veterans—were as follows:

Everett McKinley Dirksen will be remembered gratefully and always by America's veterans as a patriot who greatly loved our country, and as a man who lived the creed bequeathed him and all of us by another great citizen of his beloved Illinois—Abraham Lincoln—"to care for him who shall have borne the battle and for his widow and orphan."

As a combat overseas veteran of World War I, he knew personally the holocaust and the cost of war. His concern for veterans, his compassion for the disabled, and the widowed, and the orphaned was expressed most eloquently—not alone in the remembered oratory of this gifted speaker, but also in the rewarding benefits which he helped to write into law.

A quarter of a century ago—11 years after he first entered the House of Representatives—he helped enact the GI bill—one of the most enlightened laws ever passed by any government in history.

But his accomplishments on behalf of our Nation's veterans, their dependents, and survivors were not limited to this program. Far from it, his greatest service to veterans was in the leadership which he gave to the Senate as it considered the many veteran benefit programs to come before it during the more than five terms in which he served as minority leader of the Senate.

Beyond this, of course, was his dedicated, able service on the Senate Finance Committee, which monitors legislation benefiting the millions of veterans, widows, and children receiving Veterans' Administration compensation and pension and GI insurance assistance.

The veterans organizations to which he proudly belonged know well how much this great American contributed to their growth and progress since World War I. The others, whose meetings and conventions he often addressed, will remember the inspiration and renewed strength he brought to them.

With grieving hearts, America's veterans say farewell to a loved and admired comrade.

We are sure he would understand that the only lasting and worthwhile tribute we can pay him is to carry on his great work and to share his true compassion for those who have borne the battle and for their widows and their orphans.

This we will do—Senator Everett McKinley Dirksen.

Rest in peace.

BARON VON STEUBEN: SOLDIER AND PATRIOT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. BIAGGI. Mr. Speaker, on this day, September 17, 1730, was born one of the greatest patriots and heroes of the Revolutionary War, Baron Friedrich Wilhelm von Steuben. Professional soldier, military expert, inspector general of the Continental Army, he came from Prussia to offer himself in service to the cause of freedom. He brought to Washington's staff a technical training and equipment that was unknown in either the French or the British Armies at that time. In return, he asked only that all his expenses be paid while he was serving as a volunteer with the army. Waiving all claim to rank or pay, he proposed that if his services should contribute to the eventual success of the American cause, he would then expect compensation for his sacrifices in leaving Europe and such reward as Congress might be pleased to grant him. But if the cause should fail, or his services not prove beneficial, he would make no claim whatever.

This proposal to stake his fortunes upon the success of the colonial cause made a deep impression on Congress, and he was sent to join Washington in the terrible winter camp of Valley Forge. There he quickly gained the respect and admiration of officers and men alike for his martial bearing, his practical knowledge and experience, his adaptability, and his picturesque personality. Washington made him acting inspector general and asked him to undertake the training of the army.

It was an almost overwhelming responsibility, made particularly difficult because Von Steuben spoke not a word of English. He formed a model company of 100 selected men and undertook its drill in person. The rapid progress of this company under his skilled instruction inspired the whole army. Drill became the fashion among the previously demoralized troops and within a few weeks the new gospel, imparted day by day to the model company, had spread throughout the Army. This is perhaps the most remarkable achievement in rapid military training in the history of the world.

Baron von Steuben served the colonial armies with brilliance, courage, and dedication until the war was finally over and America was a free and independent Nation. He made the new Nation his home, and spent the rest of his years as an American citizen. The great sacrifices and contributions he made, his patriotism and dedication to an adopted cause, must never be forgotten by the American people. They remind us as well of the contributions of his countrymen, of all the German Americans who have helped make our great and prosperous Nation what it is today.

THE NEXT STEP IS UP TO THE COMMUNISTS

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BUSH. Mr. Speaker, once again it is a Republican President who is turning this Nation and thereby the world into the paths of peace.

Those actions began modestly enough with the announcement—and follow-through—of a 25,000-man withdrawal of American troops from South Vietnam. That came June 8.

Then came the President's trip to the Far East, where he announced new American foreign policies that properly provided an atomic shield for our allies in case of all-out war, but equally properly left up to them the job of coping with internal uprisings and so-called wars of liberation.

Now, this week the President has taken new steps to prove that this Nation intends to travel the road to peace without sacrificing its badge of honor.

I refer, of course, to the decision to withdraw another 35,000 troops from South Vietnam and the reasons for that decision.

The withdrawal of these troops means that by mid-December there will be 60,000 fewer Americans in South Vietnam than there were in January—and we can be grateful for that.

The President's decision goes, however, far beyond a mere troop reduction. It is, in his own words, a significant step and it signifies, again in his words, that "the time for meaningful negotiations has therfore arrived." The next step is up to the Communists.

STATE GOVERNMENTS NEED PLANNING INFORMATION AFTER COMPLETION OF THE INTERSTATE HIGHWAY SYSTEM

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. PICKLE. Mr. Speaker, the Interstate Highway System is now nearly two-thirds complete. Although we will miss the 1969 completion target date, we have made remarkable progress since 1956.

Currently, it is anticipated the 1972 completion schedule will be revised upward toward 1975, but either date is not far away when State governments are concerned. It takes a minimum of 6 or 7 years from the drawing board to the roadbed and State governments are now concerned that they do not know which direction the Federal Government's highway planning will take after completion of the Interstate System.

This fact is brought to sharp focus in the accompanying article from the August issue of Texas Parade. The State participation has been magnificent; Texas is now two-thirds complete in the Interstate network. Obviously, we have a progressive highway department at the State level and they are in need of getting plans underway for "after the Interstate." Certainly, this will be a problem for highway planning in all our States and I would like to call the following article by Hon. William Alderman to the attention of all my colleagues:

STATES DESPERATELY NEED TO KNOW WHAT KIND OF FEDERAL AID PROGRAM WILL FOLLOW APPROACHING COMPLETION OF THE NATION'S INTERSTATE HIGHWAY SYSTEM

(By William B. Alderman)

As of mid-1969, Texas' 3,165-mile share of the nation's 42,500-mile Interstate Highway System was 85 per cent under the wheels of traffic. Nationally, about two-thirds of the network was completed and the revised target date of 1972 obviously will be moved up to around 1975. The original schedule called for the nonstop multilane system linking major population centers of the nation to be under rubber this year (1969).

In spite of the delays encountered since the plan was inaugurated in 1956, Texas and a number of other more progressive states are now hurting, not knowing what to plan for the future.

At the present time it takes six or seven years from the inception of a project until a road is opened to traffic. In many instances a longer lead time is desirable to coordinate the plans of cities, state and federal agencies, and the developments of private enterprise.

It is because of this required lead time that Texas Parade has shared the concern of highway leaders throughout the nation over what kind of program, if any, the federal government will offer when the present 42,500-mile system is finished. There are few who doubt that a program of great magnitude will follow. But its nature must be known soon to avoid great waste by the various states in trying to guess.

The probable extent of the next program is suggested by a recent estimate of Federal Administrator Frank Turner to the effect that within the next two decades, it will be necessary to carry out a highway program of a magnitude equal to all the highway work that has been accomplished in this country to date.

It is true that Congress is being asked to deliberate on an over-all transportation plan which concern airways, rails, waterways, urban congestion, and many other facets in addition to highways. And there is no fault to find with a broad approach to all transportation problems. Except that special federal taxes levied on vehicle users for the purpose of building highways might be used for something besides building highways.

These taxes are estimated to yield an average of around $6 billion a year if continued for 10 years beyond the statutory termination dates, most of which are set at 1972. And no revolt of the taxpayers is in sight if the funds are applied to a great new program of highway building. For many years leaders have been discussing the form a later highway program should take, and the "After '72" committee of the American Association of State Highways Officials has suggested some broad principles that should be observed.

Recently Texas Highway Commission Chairman D. C. Greer released details of a possible format that takes into account most of the ideas that have been seriously discussed by national leaders. Greer, whose influence has been great in AASHO circles for years, has put some numbers to this format in the hopes it would stimulate meaningful thought among other highway leaders and in the Congress. This is not a "take it or leave it" plan, but, on the contrary, a framework that would give those interested something specific to talk about.

The plan assumes that special Trust Fund taxes would be continued and that they would yield about $6 billion a year.

The Interstate System, really a "trade-name" for 42,500 miles of routes selected from the Federal Aid Primary System, would not be expanded. But 10 per cent of all funds would be earmarked for the sole purpose of updating the existing mileage.

Emphasis would switch to urban problems where 30 per cent of the funds would go entirely to urban routes. In addition a good portion of Primary System funds also would be spent on routes within cities. Greer sees a need for state and federal emphasis on arterial streets which are not presently designated as state or federal routes.

The Primary System, including urban sections, would come in for 40 per cent of the total. The main money earner from user revenues, this system has been losing ground over a long period of years. It should be modernized and updated on design in keeping with present and future traffic. Many sections would be of expressway design; others would be of the ordinary conventional type.

The Secondary System would get 20 per cent. Not only are ranch and farm roads included in this system, but there are also industrial, scenic, and recreational routes. These land service types are vital in development of natural resources, agriculture, and outlying industrial plants.

As for matching ratio, the plan suggests two-thirds Federal and one-third State support on all four of the systems: Interstate, Urban, Primary and Secondary. It would do away with the present system of differentials in the various federal aid programs. This two-thirds-one-third system was suggested as a figure that all states can live with. Yet it allows for more state participation than the present formula of 90 per cent federal money for Interstate projects, 50 per cent on all others.

A slight revision of the present plan is suggested in the apportionment of federal dollars among the states. Interstate funds would be distributed according to the actual needs for updating or modernizing the Interstate System in the various states. Urban funds would be allocated to the states on the basis of urban population of a given state as compared to the urban population of the total nation. No change is proposed in the time-tested formula for Primary and Secondary systems based on area, population, and mileage of roads.

"There will be disagreements as to the breakdown of the per cent of money among the various systems," Greer is quick to point out. "There will be disagreements over the matching ratios and over the basis of apportionment. All this is expected.

"We do hope that such disagreements will not tend to kill the objective of getting this program approved as early as possible and that some middle ground may be reached that will permit early action," he stresses.

Meanwhile most of the states are now in dire need of some type of guideline from the National Congress in the format of a future highway program. There are areas in some states where the current Interstate mileage is completed and the highway program is moving toward a standstill in the absence of a known concept for acquiring right-of-way, design of facility, and other necessary preliminary work. An equally unhappy alternate would be for the states to invest their own and regular federal aid funds in a manner that might not fit with the design concept of the future program of work.

Congress asked for and has been given an estimate of the nation's highway needs for the period from 1973 to 1985. Based on the data supplied by the individual states, it calls for an annual capital cost of $17.4 billion per year for the 12-year period following completion of the current Interstate system. Compared with the current annual capital accomplishments, it will require a program more than twice the magnitude of the Interstate system program to meet these needs.

There isn't much question that there will be a massive highway program when Interstate is complete, but there is a big question as to what kind.

It is information as to the latter which the States desperately need now to avoid waste and misdirected effort in planning for the future.

RESOLUTION REQUESTING THE ISSUE OF A COMMEMORATIVE STAMP IN TRIBUTE TO SENATOR EVERETT McKINLEY DIRKSEN

HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. WHITEHURST. Mr. Speaker, today I introduced a resolution requesting the House to call upon the Postmaster General to issue a commemorative stamp to be sold on January 4, 1970, on the occasion of the 74th birthday of the late Senator Everett McKinley Dirksen. Senator Dirksen was no ordinary man. He

cut a swath across public life that left its mark upon six administrations. To several of the Presidents, he was an indispensable ally, and he won the deep affection not only of his congressional colleagues, but of the American people. Senator Dirksen communicated a love of his country and devotion to service that has been matched by few men. On the occasion of his death, he was honored as only three other Senators have been honored by lying in state in the Capitol rotunda. It seems to me that issuing a stamp will enable us to accord him the kind of posthumous recognition which we reserve for those special Americans who have so unselfishly served the Republic.

THE NEW FEDERALISM

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. RHODES. Mr. Speaker, the President's New Federalism has aroused the imagination of this Nation and this has been reflected in the editorial policy of many of the Nation's great newspapers.

More than 400 newspapers representing 46 of the 50 States and the District of Columbia have commented editorially on the package that makes up the New Federalism—family assistance, revenue sharing, and manpower training.

The vast majority of these comments have been very favorable. In fact, their main concern seems to be whether the democratically controlled Congress will act quickly upon them, or whether they will be shunted aside along with a number of other constructive administration proposals.

I have a cross section of these editorials representing various parts of the country and various types of newspapers. They make the point that most people in the country think a revision in the welfare system is needed, want a real effort made toward training our unskilled and unprepared work force, and want a shift in power and responsibility back to the States and local governments.

Mr. Speaker, I hope the voice of the people—as heard in these accompanying editorials—will not be ignored by the Congress:

[From the Birmingham (Ala.) News, Aug. 17, 1969]

THE NEW FEDERALISM

Richard Nixon, as President, faces a bevy of issues as numerous, perilous and stinging as the serpents comprising Medusa's locks. And all the issues beg for presidential priority.

Contrary to the opinion of those who would assail the President for not changing the nation after seven months of office, he is facing issues, and by a process of cautious selectivity, moving to deal with them, as his last week's welfare message clearly revealed.

The President opened that message by telling Americans that one of his first priorities is that of repairing the "machinery of the government," putting it into shape for the '70s.

Certainly the technicalities of welfare reform are needed for this "repairing of the machinery." But underlying the President's message was a radical shift of philosophy, one that is urgently needed, and one that hopefully will underlie other reform measures. The President called it the "new federalism."

The founders of this nation constructed a highly flexible system. They anticipated sweeping shifts in the cultural fabric of the nation. But now the United States is a multicultured society whose states are not linked in the uniform pioneer psychology of the original 13. We are as diverse as Nebraska from New York, as Alabama from Maine. With increasing population, the '70s will see a continuation of this diversity.

President Nixon in building his welfare program around the concept of the diversity of the states, is leading a quiet but real revolution against the bureaucratic hypothesis that every state functions and feels precisely as Washington thinks it functions and feels. The problem with the old welfare system was that it never realized this.

The new federalism, as presented in the welfare message, would transfer to states and localities what now are federal powers. And with the transfer of power would come federal money in the form of fiscal relief and revenue sharing.

State and local governments will thus be able to model such programs as job training—a major aspect of the Nixon welfare package—on the basis of immediate local need, rather than be governed by the impersonal, nationally uniform systems previously used.

President Nixon hopes the new federalism will accomplish a better sharing of responsibilities between federal government and state and local units, more effective rendering of services, and a system whereby choices can be made representing the varying needs of a diverse nation.

When revenue sharing would begin in the middle of 1971, the states would receive $500 million for that half year. Five years later, the President hopes the amount going to the states would be $5 billion.

Closer to home, Alabama would receive a total of $28 million in the first full year, $16.1 million in revenue sharing, and $11.9 in welfare fiscal relief.

The new federalism, we hope, will be used as a basic philosophy in every area of federal-state relationships. It is indeed time to move to a healthy partnership of government in this nation, rather than a quarrelsome, absurdly sharp dichotomy.

[From the Bakersfield (Calif.) Californian, Aug. 14, 1969]

NIXON'S "REALISTIC" WELFARE PLAN

The Rev. Ralph Abernathy's adverse reaction to President Nixon's proposals to rebuild the nation's welfare programs and to share federal tax collections with the 50 states should raise few eyebrows. The successor to the Rev. Martin Luther King Jr. as head of the Southern Christian Leadership Conference (SCLC) last week branded the Chief Executive's welfare proposal as an insult and a political gimmick. Insisting the President had proposed "an inadequate, deceptive and repressive" welfare plan, the Rev. Abernathy denounced the Nixon-welfare program because it "calls for a system of forced work—even for mothers." His conclusion:

"Mr. Nixon's welfare plan is in reality a political gimmick designed to fool both the poor who need so much more and the rich who think they're already too generous with welfare. First, it is inadequate. The Department of Agriculture says a family of four needs at least $1,200 a year for food alone. Mr. Nixon proposes only $1,600 for the total needs of such a family. The poor must be guaranteed an income that will bring them at least to the poverty line—$3,000 for a family of four."

Arguing the Nixon-welfare program would set up "forced work," the SCLC leader added:

"Everyone knows that decent jobs with decent pay are not available now and Mr. Nixon makes no provision for finding them. Also, Mr. Nixon should know that less than one per cent of all people on welfare now are able to work. All the rest are children, mothers with infants, the aged, the disabled and the relatively small number of men without adequate training. Third, Mr. Nixon would turn the main responsibilities of a welfare program over to the states. Does he mean to say he will let the State of Mississippi, where starving children now receive $8.50 a month in welfare, control the new program?"

In a nation in which "welfare has become a way of life" for many undeserving Americans, The Bakersfield Californian believes President Nixon has made a gigantic step forward toward giving federal aid to the states without strings, in place of the present "categorical-grant" programs with purposes and guidelines specified by the federal government. The President indeed offers new approaches in welfare reform to one of the United States' most fundamental problems.

The Rev. Abernathy never mentioned that the tax-sharing plan incorporated in the Nixon-welfare program would give the states $1 billion in the first year—and would go up to $5 billion in five years; that the $4-billion welfare program would relieve the states of an estimated $736 million in welfare costs during the initial year. The Nixon-revenue-sharing plan, in our opinion, is a significant major step by the federal government to restore balance to the American federal system.

Certainly, the late President John F. Kennedy and former President Lyndon B. Johnson never proposed such a meritorious solution to the welfare program. During the Kennedy-Johnson administrations, federal funds allotted to fight the so-called "war on poverty" never reached the impoverished citizens. The bulk of such funds was spent in paying high salaries for a bureaucratic administrative staff.

Let individual states, through funds provided in President Nixon's proposed tax-sharing program, work out their own salvation. It is reasonable to believe the states can more efficiently administer and supervise welfare programs than the bureaucratic monster in Washington, D.C. That welfare programs in this republic are needed is indisputable. The widows, orphans, elderly, disabled, sick and blind must be adequately cared for. This indeed is the American way. Nonetheless, welfare programs should be scrutinized constantly to weed out the parasitic recipients. Those who damn the Nixon-welfare program, it seems, still are clinging to the "pie-in-the-sky" handouts promised—but not delivered—by the free-spending Democrats.

[From the Boulder (Colo.) Camera, Aug. 12, 1969]

A FIRST STEP TOWARD REFORMING WELFARE

According to the Good Book, "The poor we have always with us." Man has never succeeded in developing a perfect social system in which all members were self-sufficient and nobody needed aid. There have been theoretical Utopias, but none that worked, except in some communal colonies that represent a small segment of society—and even there, some members have needed aid.

The American system of economic freedom has provided the widest distribution of affluence found anywhere, and even the poor in America are better off than the middle class in many countries. Even so, the poor in this country live below an acceptable economic level.

The welfare systems that began at the

federal level during the depression of the 1930s has helped millions. But it does not reach all of the poor. Nor does it adequately provide for many who do receive aid.

In fact, the welfare system has evolved into a patchwork mechanism that doesn't do an efficient job and is too costly in relation to the services given. Democrats and Republicans alike mostly agree that a major overhaul is needed.

President Nixon last week called for such an overhaul. He proposed a "family assistance" program that would operate under what he calls a "new federalism."

The family assistance in some respects resembles the "guaranteed income" plan that has been discussed for several years. Main objection to the guaranteed income has been that it would encourage sloth, that it would destroy the incentive to work. Despite this objection, the business community in general has tended to favor it as a booster of buying power for the poor and therefore an economic benefit to business.

The Nixon proposal, however, has built into it a work incentive, by providing that family assistance recipients may materially better themselves by a combination of government aid and income from work. Also recipients would be required to be available for jobs or job training—except for mothers of children under 6 years old. Day care centers would make it possible for mothers to accept jobs.

The Nixon plan also would make families eligible if the father is living with his wife and children. One of the evils of the present Aid to Families of Dependent Children is that it excludes those with fathers in the family unit. This tends to break up families and encourages fraudulent arrangements in which the father ostensibly leaves home but sneaks in the back door. It also encourages the accumulation of so-called "illegitimate" children in order to increase payments based on the number of youngsters.

For the first time, the proposed program would subsidize the working poor. Under present welfare programs, a great many working persons are under the poverty line in income but are ineligible for aid.

Fewer than half of the people in the poverty category now receive aid—about 9 million. The Nixon program would extend aid to an estimated 22 million, the estimated number of poor in America.

The new program would provide $1,600 yearly to a family of four, plus supplements until earnings reach $3,920—provided the breadwinner is willing to work.

It is a combination of aid and opportunity that makes it possible for recipients to maintain self-respect, seek to better themselves on their own initiative, and incidentally would return many to the status of taxpayers contributing their fair share to the operation of government—an important part of participatory democracy.

The "new federalism" phase of the Nixon proposal would shift much of the administration of the program to the states, which are considered in a better position to know local conditions and the best ways to deal with them. This phase also would make it possible to streamline the federal bureaucracy for the elimination of waste and duplication and for greater efficiency and the saving of tax dollars.

This is not to suggest that welfare is going to cost less. It would mean a little more than double present welfare outlays. But it would reach more than twice as many people who need help.

Americans are traditionally humanitarian. The typical American will not stand by and see others suffer if he can do anything to help. The citizen who is proud of his country is bound to see that his pride is justified. This pride is diluted as long as a large number of fellow citizens must endure a pinched existence through no fault of their own in the midst of a land of plenty.

The Nixon plan appears to be the best outlined so far to make welfare more tenable for both the poor and the nonpoor.

[From the Wilmington (Del.) Journal, Aug. 12, 1969]

NIXON, THE WELFARE INNOVATOR

President Nixon has shown himself to be his own man when it comes to that great and troublesome challenge usually called simply "welfare." He has shocked some conservatives and confounded some liberals with his espousal of the theory that a guaranteed income at some level is a basic, workable, humane approach to poverty.

Some who see the Nixon approach as the only one capabel of breaking self-perpetuating poverty cycles, one generation after another, may object that he has not gone far enough in proposing (for example) a federal payment of $1,600 a year for a welfare family of four. That, however, is a great humane step forward for Mississippi, where the total annual benefit is less than $500 for such a family.

All states would have to add to the $1,600. A wage-earner in the family would wisely be allowed to keep his first $720 in earnings with no reduction in benefits. Fathers would be encouraged to stick with their families instead of dodging the social workers or simply disappearing.

Expensive as this welfare concept is in dollars, the alternative of prolonging the present welfare system offers the prospect of far greater cost not only in money but in human dignity. Today we have the paradox of steeply increasing numbers of welfare recipients while unemployment continues to decrease. The explanation is that some 60 per cent of those receiving aid are children. It is these children, growing into adults, who can either perpetuate the isolated world of total dependence or can be turned toward better health, education, and a productive part in American life.

No one can certify, of course, that Mr. Nixon's plans for a better antipoverty program—with expanded job training and a sharing of federal tax revenues with the states—can bring about any quick miracles of reform. But there is ample reason for Congress to set the whole poverty program on the kind of innovative tack that can carry the hopes of all good Americans for an end to the destructive divisiveness that has too long marked our mishandled poverty programs.

[From the Miami (Fla.) News, Aug. 9, 1969]

A REASONABLE APPROACH TO SOCIAL WELFARE

If President Nixon can accomplish the welfare advances which he outlined to the nation last night, the result will surely go down as an historic highlight of his administration.

Like the weather, welfare is one of those things that everyone has complained about but no one has been able to reform. Finally, we have been left with a system which, as Mr. Nixon said, burdens states and cities, breaks up homes, penalizes work, robs recipients of dignity, and grows, and grows.

Mr. Nixon has proposed revolutionary changes which, while they may not provide instant health and happiness for all the millions of needy, will at least put social assistance on a reasonable basis.

The "family assistance system," as Mr. Nixon called his supplemental income plan, is not a guaranteed annual income in the academic sense of the term, but it would ensure each needy family a basic level of financial aid, and it would not penalize a recipient for trying to remove himself from the welfare category.

Welfare applicants would have to register for jobs or job training, a requirement that could lend itself to abuse by hard-nosed job placement officials. On the other hand, applicants would not be subject to the demanding and time-consuming investigations that characterize present welfare schemes.

Also, child care centers would be available to mothers who might be self-supporting but for the fact that they must remain at home to attend their children.

Also progressive, in our view, was Mr. Nixon's proposal to shift the proven programs of the Office of Economic Opportunity to the operating departments of the government and use the OEO as a proving ground for new social concepts. And his plan to return federal income taxes to states without strings, may be the only feasible answer to repressive local property taxes.

Overall, Mr. Nixon's proposals reflect the liberal leanings of his welfare and urban affairs advisers, Robert Finch and Daniel Moynihan. But there was no doubting Mr. Nixon's sincerity as he presented them as his own, and it may be that an otherwise conservative President will be successful in accomplishing liberal reforms at a time when a liberal president might have failed.

[From the Columbus (Ga.) Aug. 12, 1969]

WELFARE THROUGH INCENTIVE: MEANINGFUL FIRST STEP

Welfare parasites and people who plain don't want to work no doubt shudder at the prospects of the welfare program outlined by President Nixon last week.

But unfortunate people who want to improve their lot in life through work incentive programs while getting the basic ingredients for living through welfare will applaud the new concept outlined by the President.

The chief executive has outlined an entirely new guideline for welfare assistance and his proposal has much merit.

The heart of the President's domestic proposal is a federal income guarantee of $1,000 a year to a family of four, plus supplements until earnings reach $3,920—provided the breadwinner is willing to work.

Mr. Nixon's new "family assistance program" and other reforms would supplant the present aid to dependent children program, subsidize the working poor for the first time and add $14 billion a year to the present $4.2 billion federal welfare bill. Welfare recipients would more than double to 22.4 million.

What we like about the Nixon program is the incentive to work.

In this day in time there can be adequate jobs for all able-bodied breadwinners in the family. In many instances there can be no excuses for perpetual welfare and the President is providing the incentive for lower income families and constant welfare recipients to improve their conditions.

Basically, the old concepts of welfare have failed. They were based primarily on theory of providing necessary assistance now without providing any incentive for welfare recipients to improve their economic lot by getting and holding jobs. So the situation revolved into the chaotic welfare conditions of today with the relief roles getting longer and welfare families making no attempt to do anything other than await the regular arrival of the government check or the food allotment.

Those who would turn the United States into a total welfare and socialist state will fight the Nixon program all the way and will throw up the smoke-screens. But realists and advocates of the free enterprise system through which a person earns his own way will work for passage of the Nixon program in Congress.

Mr. Nixon is taking the first step toward a breakaway from the welfare freeze that is clawing away at our economic system.

[From the Boise (Idaho) Statesman, Aug. 12, 1969]

A BOLD APPROACH TO WELFARE, POVERTY ILLS

President Nixon has proposed dramatic changes in the nation's approach to welfare and poverty. His reform package is strong

medicine but the shortcomings of present efforts call for drastic remedies.

His plan is certain to receive an extensive going over in Congress. But the basic concepts should win approval as a promising alternative to an unpopular system.

President Nixon described the present welfare system as a failure. It displeases both those on welfare, and taxpayers who pay the bills. In numbers assisted and costs it is growing alarmingly—with no prospect for stemming the tide.

Initially the cost of the Nixon plan would be far higher because it would give more assistance to more people. In the long run it should also help more people free themselves from dependence on government aid.

The plan involves far more than welfare reform. About $2.5 billion a year would be spent to give supplemental income to low-income families not now eligible for welfare. For a family of four with a father earning only $2,000 a year, there would be a $960 a year supplement.

This "family assistance" plan is a more ambitious anti-poverty program than the nation has yet undertaken.

While the concept is similar to the "guaranteed income" idea, Mr. Nixon said it is not the same. The difference, he said, is that under a guaranteed income there would be no work requirement.

Under his proposals, employable recipients would lose their benefits if they refuse to accept training or employment. There would be an exception for mothers with pre-school children, who would not be required to work until the children reached school age.

They would find it easier to work before that time through the creation of an extensive system of day care centers. The centers could offer health and nutrition benefits to children.

The Nixon plan would put a "floor" of $1,600 per year under the assistance to a family of four. One state pays only $39 per month and others, mostly in the South, fall below the $1,600 figure. Idaho wouldn't be affected since a family of four receives more than $1,600 now under the aid to dependent children program.

Administration of the "family assistance" program would be federalized, under the Social Security administration.

Perhaps to offset the questions that such a step will raise, the President proposed to hand the federal job training programs to the states. Presently there is too little coordination of the numerous federal programs, and these are not coordinated with state-administered efforts.

To help more people on welfare find jobs will require an expansion of job-training, as well as better coordination. This the President also proposes.

The President chose to offer a bold and far-reaching plan, rather than patchwork changes. His plan offers the benefits seen in the guaranteed income concept, while emphasizing incentives and opportunities for employment.

It would extend assistance to thousands of low-income families in which the head of the family works. The family would be able to live better and the children should have a better opportunity.

Greater assistance would be provided to people on welfare in states where payment levels are too low. The concept of a minimum level would be fairer to the people involved, and might help ease the problem of migration of poor from the South to the northern cities.

The concept of welfare dependency as a temporary situation for people able to work would be strengthened. A work requirement could be enforced only by making job training available, and helping people to find jobs.

Present welfare and poverty problems stem from a combination of many factors, some beyond the reach of changes in any system. The Nixon plan is no panacea. But it appears to be far more promising than the present unpopular and discredited system.

[From the Chicago Daily News, Aug. 12, 1969]

TURNING WELFARE AROUND

In different words and for different reasons, liberals and conservatives alike have flailed for years at the nation's welfare program. Something is clearly wrong. In a period of rising prosperity, welfare costs are increasing without limit. Inequities abound. In some states, people in desperate need are denied enough help to keep body and soul together; in others, families can live better on welfare than on the earnings of a working father.

The system has fed on itself. Fathers deserted their families—in reality or by ruse—in order to help them. Poor families migrated from rural slums to the big city slums, bettering themselves in dollars but compounding their miseries in a high-cost environment for which they were totally unprepared.

It is hardly an exaggeration to say—as President Nixon did the other night—that the welfare system designed for the Depression of the 1930s has become a monster in the late '60s. The time has come for fundamental change.

Mr. Nixon's proposals for change are drastic—even radical. And indeed his plan borrows from radicals of the left and of the right. At times in his television report to the people, he echoed the cries of the militant poor; at other times he sounded like the deepest-dyed conservative.

Yet the net of his proposals is a blend of the best ideas that have been advanced—a remarkable synthesis that could indeed "turn the corner" toward a fair and workable welfare program for the '70s.

The program is many-layered. It would establish a federal minimum of benefits for the poor without adopting either the "negative income tax" or the "guaranteed annual income" in their entirety. It avoids the pitfall of undermining incentive. On the contrary, it offers new incentives toward job training and job holding at the same time it attempts to salvage the human dignity of those who must remain totally or partially dependent upon the government.

By shifting to a "family assistance" plan it would eliminate the worst features of the Aid to Dependent Children (ADC) program, which has contributed to family breakdowns. It would get around the unfair situations where a working family may have less income than an idle one. It should, in time, break the developing cycle of dependency from one generation to the next.

Mr. Nixon would step up job training programs and provide the incentive to make them attractive. He would put the federal government deep into a program for day-care centers, so badly needed in so many areas. And he would revamp the Office of Economic Opportunity to fulfill a needed role as a laboratory for experiments in combating poverty.

This change of direction would cost more at the outset, the President admits—about $4 billion the first year, he estimates, and such projections are usually low. Yet one fact should be obvious: No change that took away something people have come to regard as a "right" would be either politically or humanly possible. Welfare isn't going to fade away. One immediate effect of the plan, in fact, would be to extend welfare benefits to many of the poor who do not now qualify.

But it is the change of direction that is important, if not vital, to this country. The errors in the present system are so grave it cannot continue on the same course without undermining our economy and contributing further to social instability. The course Mr. Nixon proposes at least offers the hope that the "monster" can be tamed.

Some details of the program are still to come. Full debate by Congress and the public is assured, and no doubt it will bring refinements in the plans. Many questions already have been raised, among them a key query as to how well and how uniformly the states will meet new responsibilities thrust upon them by Mr. Nixon's revised concept of federalism. A beginning toward tax sharing with the states—a valid and important part of his total plan—should help to standardize welfare payments, but the goal of equal treatment in North and South is still distant.

What should not be lost sight of, however, is that President Nixon has moved courageously and imaginatively—over the objection of part of his own Cabinet—to grapple with one of the most serious domestic problems of our time. For daring to face what Presidents before him have sidestepped, he deserves the highest commendation.

[From the Marlboro (Mass.) Enterprise, Aug. 11, 1969]

NIXON'S WELFARE PLAN OFFERS RAY OF HOPE

(By Joe Ferrecchia)

When Richard Nixon announced last Friday night that he will seek to scrap the country's welfare system of 35 years and replace it with a work-incentive program, he spoke none too soon as far as most thinking people are concerned.

The President's address to the nation was general in nature, thus accurate predictions as to the viability of his plan are not yet possible. But even a hint of change offers a ray of hope.

Two suspects of our welfare system have made followers of history fearful. First, the system has not cured or arrested indolence; it has served to expand it instead. Then, as has happened to now defunct great nations of the past, the malignancy of massive indolence is likely to cause the eventual demise of our free society as we have always known it.

Others before him have known the dangers inherent to an ever-growing welfare system but to his lasting credit, Richard Nixon is the first to muster the fortitude necessary to even suggest a basic change.

The road to passage of a major welfare revision will not be easy. There will be those legislators who will place self interest over national interest. The torch may be put to several of our cities in protest. But change is called for and the country should gird itself for the convulsion that may ensue.

We are a rich, young, powerful and resourceful nation. None of these attributes guarantee our continuing supremacy in the world. In fact, there are ominous signs that we are allowing internal decay to negate the superior global posture we enjoy.

A plausible parallel may be drawn between our situation and the other truly great governmental structure of history—the Empire of the Romans. Hopefully, our fate will be different.

The Roman dominion extended from Scotland to the Sudan, from Portugal to the Euphrates. For centuries, Rome was undisputed master of the world. It was a super-power in the truest sense for there were no nations left unconquered that had anything resembling enough force to pose even a minor threat to the Empire's existence.

Rome, too, was rich, young, powerful and resourceful. In its time, that paragon of government was every bit as affluent as we are today. With affluence came social problems which we sometimes think were invented in America. One of them was welfare.

In his History of Civilization, Will Durant had this to say about the low income Roman: "The little man had to borrow money at rates that insured his inability to pay; slowly he sank into poverty or bankruptcy, tenancy or slums. Finally, the peasant himself, after he had seen and looted the world as a soldier, had no taste or patience for the lonely labor and unadventurous chores of the farm; he preferred to join the turbulent proletariat of the city, watch without cost the exciting

games of the amphitheater, receive cheap corn from the government, sell his vote to the highest bidder or promiser, and lose himself in the impoverished and indiscriminate mass."

When the social problem reached monumental proportions, Rome's moral disintegration followed and once impregnable borders crumbled before barbarian plunderers. There are those who wait patiently for our internal erosion, too. Richard Nixon's plan may not solve all of our problems, but it could be a reasonable start toward reversing our suicidal tendencies as a nation.

[From the St. Paul (Minn.) Pioneer Press, Aug. 13, 1969]

TIME FOR AN OVERHAUL

President Richard Nixon has called for the first major revision of the U.S. welfare program that came into existence 34 years ago during the darkest days of the great depression. While there have been many minor revisions of the program in the past, none of them have been effective in righting the major wrong of welfare: reducing the incentive of the recipient to try to help himself.

Currently there are 9.7 million relief recipients in the U.S., or nearly 5 per cent of the total population. Of that total, about 6.5 million persons are in the welfare category of aid to families with dependent children (AFDC). It is this category which has grown at an alarming rate and which is regarded as the most controversial segment of the present welfare system.

In Minnesota, for example, there were 64,700 recipients (almost exactly 10 per cent of the national total) of AFDC welfare funds in March of this year, an increase of 10 per cent over the same month a year ago.

The Nixon proposal is designed primarily to put the work incentive back into the welfare program and at the same time equalize and raise the benefits among the individual states.

Under the present schedules of individual states, benefits vary greatly. The same AFDC family headed by an unemployed woman receiving $39 a month in Mississippi can receive $200 a month in Minnesota and as much as $263 a month in New Jersey.

Nixon proposes the elimination of AFDC and replacing it with what he terms a "family-assistance system." His approach is to help most those welfare recipients who try hardest to help themselves. The program calls for job training programs with incentive stipends for those who enroll. Able-bodied persons receiving aid must be willing to take employment if it is available or stand to lose the benefits (mothers of pre-school children and those physically or mentally incapable of holding a job would be exempted).

The new assistance concept also would recognize the nation's working poor. In many states, present AFDC laws prohibit aid to families with able-bodied fathers in the home. Thus, many with low-paying jobs actually find it a benefit to their families to desert them. Nixon's program would provide for such families without encouraging the father to leave.

Unlike the present program which deducts from a recipient's welfare payment much of the amount earned by working (and takes away the work incentive), the proposed program allows a welfare family to keep more of its earnings. A family of four, for example, Could receive a total of $3,920 in earnings and welfare payments before being removed from the program.

Obviously, the system of welfare, costly as it is, has not developed in the way it was meant to do or brought about satisfactory results. A great many persons will agree with the recent statement of Sen. John J. Williams, R-Del., that "if there is one thing the taxpayers of this country are unhappy about, it is paying their hard-earned money to support people who are able to work but will not do so."

The time for overhaul of the welfare system is long overdue, and Congress should be urged to begin consideration of Nixon's proposal at the earliest opportunity.

It does not seem to be so much to ask that recipients of welfare funds do whatever they can to help themselves. And any move in this direction certainly will be well received by the growing number of persons who are increasingly more critical of the present system.

[From the Greenville (Miss.) Delta Democrat Times, Aug. 17, 1969]

THE PRESIDENT'S BOLD VENTURE

The President's often conservative rhetoric Friday night could not disguise the truth about the reshaping of the welfare program he proposed: It would involve the radical transformatiaon of a system which, as he accurately said, is a total failure. The transformation would fundamentally alter the terms under which relief is granted to the impoverished and would be the first step toward a guaranteed income for all Americans. It would pose immense problems, involve more federal spending and still not promise easy success. But taken all in all, what the President advocated is, in broad outline at least, exactly what the situation demands.

No one seriously disputes that welfare as we know it today is a mess. The President put it well: "It breaks up homes. It often penalizes work. It robs recipients of dignity. And it grows."

Equally, however, only a few Americans seriously believe that in a country as rich as ours society should allow millions of its citizens to live in hopeless penury. What the President wants Congress to do is put an income floor under poor families, with the logical corollary that "poor" means those who make too little while working as well as those who have no income at all.

The result would be a doubling of the relief rolls initially, in large part because of the addition of the so-called working poor to the total. The increase would also come because unemployed fathers of dependent children would also be eligible for relief—along with their families—with one new requirement. That requirement would be that they would work when it becomes available or participate in job training when it is offered, with the latter carrying a $30 a month bonus as well. In the long run, however, the new program should lower relief costs by encouraging employment and family unity.

The $4 billion price tag, the family maintenance income (with a $1,600 floor for a family of four) and the scrapping of the odious man-in-the-house restrictions on aid to dependent children—all these are repugnant to conservatives. The requirement that those men on relief who are able bodied either work or train for work angers many on the left who dislike this element of compulsion. Both sides have already been heard from and they will gather steam in the long months of debate ahead.

But the fact is that President Nixon has done what no President has done since the social security system was inaugurated in the 1930s. He has decided to attack the welfare problem by tearing out the roots and planting new ones in their place.

It is an approach, incidentally, which will mean far more to Mississippi than to some of the more affluent states. We have a $39 a month maximum welfare payment, which means the new income floor will represent a fantastic increase in the poors' living standard here. It will be meaningless in New Jersey, however, for those already on welfare because the maximum there is over $200 a month.

Historians will note the irony that, in the name of conservative virtues, a Republican President embraced such a thorough-going, expensive restructuring of a government program. But as he also said, "This is a reform we cannot afford not to undertake." Admitting that poverty alone is a proper reason for government income support may win Mr. Nixon few new friends on the right; not spending even more billions than he is asking will anger some old enemies on the left. Neither should bother the President, because what he has done represents the most important innovation in domestic programming in three decades.

[From the Concord (N.H.) Monitor and New Hampshire Patriot, Aug. 12, 1969]

WELFARE PLAN DESERVES BACKING

When you mention the word "welfare" in any group, it is almost certain to spark a broad range of emotions, including compassion, anger, frustration and misunderstanding.

The Nixon Administration has proposed a bold and sweeping approach to welfare reform. It is not everything that might be done, nor are its component ideas new or revolutionary. But the package is an imaginative step in the right direction.

The nation's welfare laws, and the administration of them, long have been a national disgrace. They discriminate against persons in some circumstances, while favoring others who are less needy. The law encourages families to break up, and virtually nothing has been done to enact substantive changes in the law for decades.

The welfare laws are administered in secrecy to protect the dignity of welfare recipients. But the result has been flagrant abuses that the public never hears about except as rumors which in the absence of fact are regarded as authentic.

Thus the scope of the problem still is not widely known. Exceptional cases are regarded as typical. The poverty of some families, whose circumstances are not covered by present law, is regarded as a failure of the whole system.

It is in this framework of suspicion and misunderstanding that the President has presented a new concept of public welfare.

If approved by Congress in its proposed form, the welfare reform plan would cost an additional $4 billion in its first full year of operation. This is in addition to the present $4.2 billion earmarked for public assistance in the fiscal year 1970 budget.

The plan would guarantee a family of four persons who have no income at all a minimum of $1,600 a year. And, for the first time, a "working poor" family, headed by a male, would get federal assistance, provided the family income was below certain standards.

The President's proposal also would require the states to continue their welfare benefits in an amount equal to the difference between present state benefits and the proposed federal minimums.

But the states would get federal help in contributing to the level of welfare aid. First, the amount each state spent in a base year on public assistance programs could be reduced by as much as 50 percent and still be eligible for federal matching.

Second, the program contains a much-discussed tax sharing plan—turning tax revenue back to the states for welfare aid. Under the plan, this would amount to $1 billion in the first full year of operation, and increasing annually for five years thereafter.

The combination of welfare reform and tax-sharing would mean $4 million for New Hampshire in the first year.

Another noteworthy feature of the Nixon plan is the requirement that every able-bodied applicant for welfare assistance—man or woman—must register with the U.S. Employment Service, and accept a suitable job if one is available.

It also provides for training for those applicants for whom work is not available. And expanded child day care facilities are

provided in the proposal so that the female head of the household might seek employment.

The job registration, job training and child day care provisions will answer much of the criticism of the present law, which hinges on charges of "dependency" on the welfare check, while shunning employment.

The welfare reform package is almost certain to undergo rough sledding in a Democratic-controlled Congress, Rep. Wilbur Mills, D-Ark., chairman of the House Ways and Means (tax-writing) Committee, already has turned a jaundiced eye on federal tax-sharing proposals, for instance.

But the Nixon Administration has taken on a difficult task and handled it with courage and refreshing imagination. It deserves widespread public support.

[From the Jersey City (N.J.) Jersey Journal, Aug. 16, 1969]

NIXON'S WELFARE

The gala celebration to welcome our moon travelers back to normal American life has eclipsed some proposed changes in that American life which are quite as novel in their field as the landing at Tranquility Base was for exploration.

Within the last few days President Nixon, in an address to the nation and in a number of messages to Congress, has laid down a plan for totally changing the direction of the assault upon poverty and unemployment. Until now the course has been to set up a federal program, appropriate some dollars with each newly born problem, and then forget about it. Because the problems persist it is clear the existing corrective systems do not work and so the President offers a different plan.

In general his hope is to make normal, intelligent selfishness a device for guiding the victim of poverty toward a better life. He would establish a federal minimum welfare payment which would raise standards in substandard states and so, perhaps, anchor the drifting rural population which hitherto has gone aground somewhere in northern slums. His plan would guarantee that all states could save at least 10 per cent of their welfare bill and perhaps more. Moreover, he would end the penalizing of welfare recipients for showing initiative and getting work for themselves. And most important and basic of all, he would remove from welfare that horrible dehumanizing, demeaning restriction which requires a man to abandon his family so his children can be eligible.

By presenting humane alternatives the President lets normal, human self respect and normal, laudable self seeking do their work in helping the welfare recipient improve his own lot.

One would think the whole nation would cheer so logical and simple approach. Yet all sorts of nitpickers are at work. So, when reading critcisms of the welfare plan, it may be well to ask: "What is the source?"

Is it a bureaucrat who may be unemployed because there is less red tape to play with?

Is it a career social worker who would be out of a job if nobody was on welfare?

Is it the "leader" of some skimpy "organization" which pretends to speak for all of the people who are poor?

Is it a politician trying to make poverty votes by yelling for something more?

Is it somebody who just does not like Nixon no matter what he does?

The big thing to remember is that here is the first effort at a broad front approach to the welfare problem on a national scale. Obviously the President did not think this all up by himself. The handiwork of Daniel Moynihan, his special advisor, is clear everywhere. Many people do not like Dr. Moynihan; he has a way of being very frank in stating facts and quite unpolitical in interpreting them. But he also has a nasty way of dismaying his critics by being correct in his evaluations.

Poverty should be a non-political issue. The President in his message has set down the broad outlines of a way to attack the problems—a way much better than the unworkable ways which have been tolerated too long. Now it is up to Congress to put the new welfare approach into law. That should be done as a bipartisan, non-partisan, absolutely necessary piece of legislation.

[From the Albuquerque (N. Mex.) Tribune, Aug. 17, 1969]

TRAINING IS THE KEY

In his shakeup of the whole government welfare system, President Nixon is proposing three separate but related plans:

To revise the public assistance program, to crank up a much improved manpower training program, and to divvy up some federal money to the states and cities.

The key plank in this platform is the training program.

You can't ask a man to take a job if there is no job he can do. So he stays on relief.

The alternative is to find him a job and train him to do it.

That's what the President's plan is all about. It makes complete sense. It offers the only hope of ever cutting public assistance costs to reasonable proportions and, by the same token, the only way to get people off the welfare rolls, now up to nine million.

The government has had a flock of so-called manpower programs, and they have accomplished something, but at high cost. There are too many programs, disjointed, floundering in red tape and often outright discouraging to people who want to work.

Mr. Nixon proposes to tie all this into one package, flexible enough to deal with changing situations as they arise. The purpose is to make the so-called "hard core unemployable" employable, to find jobs for the idle, and to upgrade the "working poor"—people who are not on welfare but whose low income keeps them in poverty.

Most of the government's policies in the past have been aimed at people on welfare. Those existing on poverty incomes have been neglected. And it is just as important to the economy and to the general well-being of the country to improve their lot as it is to get people off welfare.

The President proposes to do this, over the long haul, by creating a system which will work efficiently and by providing incentives to both the jobless and the under-employed.

Having a plan, of course, doesn't solve the problem. Too often heretofore the government has dreamed up a plan, stuck to it even if it didn't work, and then simply coasted along hoping the problem somehow would go away.

Instead of requiring people to tailor themselves to government programs, Mr. Nixon proposes to tailor the programs to the individual needs of the people he seeks to help.

The President's plan is sound, and Congress and the administration ought to get on with it as fast as possible. It will take a lot of doing to get the results Mr. Nixon is shooting for. But, as he says:

"Intelligently organized, it will save tax dollars now spent on welfare, increase revenues by widening the base of the taxpaying public, and (most important) lift human beings into lives of greater dignity."

These goals are practical and necessary. And they will be reached if the intelligent organizing is provided.

[From the Troy (N.Y.) Times-Record, Aug. 12, 1969]

A GOOD PROGRAM

President Nixon's job-based program for the dispensing of welfare will eliminate a system which has not worked. The present welfare program is a disgrace to the nation. It is a colossal failure.

For one thing, it discriminates against those who want work by making it possible to get more from welfare than from a low-paying job. For another it has been an incentive for fathers to desert their families. Even if father was just around the corner, so long as he was separated from his family they could get more welfare.

Benefits under the present system are unequal. High in some states, low in others, leading to imigration from state to state by those who sought high welfare payments.

President Nixon's program is wise and carefully planned. It will cost more but correct present conditions so that eventually the burden will lift. It will set a national minimum standard or benefits.

There will be opposition, no doubt about that. The words "job-based" will be the scare words. There are those who grow frightened at any suggestion that a man should work for a living instead of depending entirely on the government.

President Nixon in his plan to scrap the old welfare system, seeks to eliminate unfairness and to create a program which is more effective as well as more efficient.

Any thinking man or woman knows that a system which makes it more profitable for a man not to work than to work is a bad system and why should this nation tolerate a bad system?

We back President Nixon thankfully and sincerely in his welfare program.

[From the Salem (Oreg.) Capital Journal, Aug. 12, 1969]

NEEDED REFORMS

President Nixon's proposals for reforming welfare and antipoverty programs couldn't end all the human misery in this nation even if Congress adopted them intact tomorrow.

But they represent the administration's recognition that the nation must not turn aside from its commitment to erase poverty.

"We must become pioneers in reshaping our society, even as we have become pioneers in space," the President said. "We must show a new willingness to take risks for progress, a new readiness to try the untried."

Thus he assigned to the Federal Office of Economic Opportunity the task of developing new approaches for fighting poverty.

At the same time he sent to Congress detailed plans for "total welfare reform—the transformation of a system frozen in failure and frustration into a system that would work and would encourage people to work."

News reports indicate his recommendations are not all that some liberals would have liked. But he went much farther than many of his pre-election critics dared hope. He has not yielded to those who would scrap the War on Poverty. Instead he has proposed that the effort be strengthened so that all Americans may have decent housing adequate food and clothing, medical care, legal aid, and good jobs.

The reforms in welfare he proposed, supported by an additional $4 billion annually, would do much to eliminate inequity in the present system. They would direct the system toward making people productive members of society by encouraging them to go beyond the handout to job training and jobs.

Oregon's welfare system has done much better in this respect than those of most states, particularly in the South. But it has by no means reached the point where welfare can be considered a stepping stone to independence.

The President's proposals represent a start in that direction. And as such, they deserve prompt, favorable action from Congress.

[From the Lancaster (Pa.) New Era, Aug. 14, 1969]

JOB TRAINING FOR MORE AMERICANS

One of the key elements in President Richard M. Nixon's domestic program is the

big increase in job training which he called for on Tuesday.

It entails a streamlined $2.3 billion annual federal program under which more than one million persons would be trained each year.

The program would be under general supervision of the U.S. Department of Labor, but would be based on sharing of power and funds with the states and communities.

Tax-paying Americans hope that at last some real orderliness will be brought into the job training program, and that large numbers of potential wage earners will be prepared for working roles in national life.

The "willingness to work" was emphasized by the President in his general message on welfare, last Friday night.

Job training ties in with helping people to get off the welfare rolls. Mr. Nixon spoke for a $30 monthly cash bonus in addition to the relief check, an incentive for taking job training. Such training would average about six months.

Many persons who are now classified as completely unskilled, and therefore greatly limited in the kinds of jobs they can hold, could be given a big boost up the economic ladder by training to meet employers' needs.

If the nation can train a million persons a year, as Mr. Nixon asks, that will bring a reduction of the unemployment gap from one direction, while education and job training in school for the young hit it from another direction.

Every time a person or a family group leaves the welfare rolls because of new independence and self-sufficiency, the nation is that much stronger.

[From the Charleston (S.C.) Post, Aug. 14, 1969]

SENSIBLE JOB TRAINING

Almost any way you look at President Nixon's broad proposals for a completely different job-training setup, they have merit.

Placing control and responsibility in the hands of state and local officials offers opportunity to tailor the training work to the needs of the various states and communities, for they vary widely. With a minimum of interference from Washington, the problems encountered in the past should be avoided in most places.

An especially meritorious feature, as we see it, calls for changing the size of the program in direct ratio to the percentage of unemployment. Incentive to enroll those on relief who are employable is a worthwhile goal, but may be difficult to attain in hoped-for numbers.

Flexibility in training programs is highly desirable, and the overlapping operations have been both overly expensive and confusing. Placing responsibility in a single office should make for efficiency.

The price tag for training is far below what has been spent in the past. The planned expenditure of $2.3 billions to train one million persons averages $2,300 each, while training costs in the past have been four to five times that figure in many instances.

The idea of computerized matching of jobs with applicants is a new feature that should provide speedy answers to any questions about the type of training to be afforded.

The attention that will be given to details when Congress gets to work on the recommendations should remove bugs and afford easy comparison with the faults of the past. The sooner the revamped program can be placed in operation, the better.

[From the Sioux Falls (S.D.) Argus-Leader, Aug. 11, 1969]

SENSIBLE APPROACH TO WELFARE PROBLEM

President Nixon's message last week on the general program of welfare was highly commendable in tone and purpose. He is obviously seeking to develop a system that would provide essential help for those in need but to do so in such a way that they will be encouraged and induced to take advantage of any and all opportunities to help themselves.

That, however, is easier to say than to do and many have wrestled with the same goal in the past. It is likely, however, that Nixon will place more pressure on the objective than have some of his predecessors. And, more important, the producers among the American people—and they're still in the majority—have become so disgusted with the abuse of welfare that they are ready to accept alternatives that promise relief.

One trouble in the past has been the inclination on the part of some well-meaning persons to eliminate red tape from welfare, to make it easy to get and to avoid any hint of stigma or blemish. They have gone so far in this way that they have even said at times that every American is entitled to welfare as a basic right.

The time has come—it is long past due—for a fundamental revision of the system. If it is not done, it will overwhelm and destroy us. Even in the face of mounting production and limited unemployment, the relief rolls have been increasing. Many persons—literally hundreds of thousands of them—are on welfare because they find it a comfortable and easy-going way of life.

What Nixon needs now is the complete cooperation of Congress and the American people in his approach to what is an extremely desirable and essential change in the whole welfare system.

[From the Houston (Tex.) Chronicle, Aug. 14, 1969]

BREAKING THE WELFARE CYCLE

There was plenty of straight talk and plain good sense in the welfare message President Nixon sent to Congress. It is a call for a basic reform of the federal welfare system. How much it will cost is not known. It may be more than Mr. Nixon estimates—$4 billion.

But the effort should be supported by the American people because it is the most hopeful chance on the political horizon for improving the existing welfare apparatus.

"The present welfare system," Mr. Nixon told Congress, "has failed us. It has fostered family breakup, has provided very little help in many states, and has even deepened dependency by all too often making it more attractive to go on welfare than to go to work."

Mr. Nixon proposes a new approach "that will make it more attractive to go to work than to go on welfare, and will establish a nationwide minimum payment to dependent families with children."

The basic income which the program envisions—to be paid by the federal government—would give those families who cannot care for themselves enough to live on, at least for the necessities. Existing welfare payments vary greatly from state to state—from a high of $263 a month down to $39 a month.

Mr. Nixon proposes that dependent families who receive welfare payments be encouraged to go to work to earn more money. He would do this by allowing, say, a family of four to earn up to $60 a month before their benefits would be reduced.

Further, he purposes to extend welfare payments available to the "working poor"—those who now are working but who in some cases are earning less than nonworkers on welfare receive.

The most glaring inequity in the present welfare system, the President maintains, is this exclusion of families who are working to pull themselves out of poverty.

His plan also would eliminate one of the most detrimental features of the existing system—the policy of forcing the father out of the house. In more than half the states, families headed by unemployed men don't qualify for public assistance, and in no state does a family headed by a father working full time receive help. But if the father leaves, as many do, the families become eligible for assistance.

Mr. Nixon's plan would require all able-bodied persons who accept welfare payments to register for work or job training and to accept that work or training when it is available. Day care centers will have to be provided to permit mothers of school-age children to accept training or work. The idea is to smash the cycle of poverty which entraps many poor families.

Benefits for the aged, the blind, and the disabled—which currently vary from $40 to $145 a month among the 50 states—also would be supported by a federal minimum of $65.

In sum, Mr. Nixon's proposal is a heartening new approach to a problem which has been growing for three decades. We are glad to see Mr. Nixon's recognition of the dismal failure of the existing system—a system which has seen welfare costs double since 1960 and the number of welfare recipients rise from 5.8 million to more than 9 million during a time of low unemployment. His new approach is both humane and practical.

[From the Roanoke (Va.) World News, Aug. 11, 1969]

NIXON WELFARE REFORM PROPOSALS SHOULD HAVE WIDE PUBLIC SUPPORT

Millions of Americans, taxpayers as well as recipients, have been saying for years that the U.S. welfare system is a conglomerate mess and something ought to be done about it.

Friday night, in a 35-minute television-radio address to the nation, President Nixon said the same thing in even stronger words.

The difference is that he was in a position to be able to do something about it and that he did with a series of proposals calculated to make congressmen forget they had been accusing him of doing nothing during his first six months in the White House.

He plans to spell it all out in a series of three special messages starting this week, the essence being the scrapping of the present system. To make it even more attractive, he linked it with a proposal to start sharing federal revenue with the States in 1971 with a stipulation that some of the money filter down to the local level.

If any one thing stood out in the address and was calculated to gain attention it was the fact that he proposed making it more attractive for people to work than to live on welfare rolls.

The President took cognizance of the nationwide complaint that tremendous numbers are finding it more profitable to accept government handouts than to earn a living by the sweat of their brow.

Mr. Nixon turned thumbs down on the idea of a guaranteed income which he felt would only encourage idleness and indolence. In so doing, he unquestionably read the public mind well. No idea has so infuriated the average salary and wage earner whose taxes have been going by the billions of dollars to support those on the welfare rolls—rolls which continue to grow in spite of the fact that these are super-prosperous times.

Instead, the President proposed a plan of "family assistance" under which those who can and will work receive supplementary monetary aid up to certain minimum figures.

Day care centers would be increased and expanded in order that mothers could work and help support their families. In line with this, the President suggests programs of training the poor in skills calculated to increase earnings and to raise their economic level. He would make the Office of Economic Opportunity (OEO) the government's incubator for testing new ideas, finding practical ones and putting them to good use.

There were numerous other angles to his

suggestions for welfare reform but these convey the main idea.

He doesn't expect that the program will be enacted this year—Congress is about to start a recess on Wednesday extending past Labor Day and it usually wants to adjourn before snow flies. However, there is no reason that committee hearings cannot begin since members of both houses have been complaining that they have nothing to do.

There is no doubt that many of the ideas will run into opposition or at least strong question because Congress is Democratic-dominated and the bulk of the unworkable mess was conceived and enacted under Democratic regimes. It will be natural to play politics.

This is where the public's will can be exercised and if there is enough pressure back home the average lawmaker will be inclined to broaden his vision.

The President unquestionably has tackled one of his most important problems with vigor and imagination.

[From the Seattle (Wash.) Times, Aug. 12, 1969]

A NEW APPROACH TO WELFARE

Poverty, Mr. Nixon said in his address on the "new federalism," is not only a state of income. It is also a state of mind and a state of health.

This broad view explains why the President's program goes beyond the narrow questions of how much should be spent on welfare and how it should be administered.

Not even Mr. Nixon's most liberal critics in Congress can complain that his program lacks scope. As Congressman Brock Adams has pointed out: "A significant portion of us in the liberal portion of the Democratic and Republican Parties have been urging this for years."

Critics of all stripes can agree that the existing welfare program, basically unchanged since its creation in the Social Security Act of 1935, is overdue for radical changes.

The costs of the program and the number of its recipients are rising startingly. In December, 1968, almost 9.7 million persons received aid under state and federal public-assistance programs—a 9.5 per cent increase over December, 1967. The total cost in 1968 was $9.8 billion—an increase of $2 billion over 1967!

These figures would be considerably less alarming if some hope of progress could be seen. But they spell failure however one measures it. In the words of the National Advisory Commission on Civil Disorders:

"The failure of the system alienates the taxpayers who support it, the social workers who administer it, and the poor who depend on it."

In his wide-ranging attempt to reverse a trend that has resulted in three-generation welfare families who know no other way of life, Mr. Nixon not only proposes revamping the welfare system itself but has linked that program with radical changes in the job and poverty programs and with the concept of sharing federal revenues with the financially hard-pressed cities and states.

Congress may reject the "new federalism" as a single package. But Capitol Hill cannot complain that the White House has taken only a patchwork approach to the problem.

The President has concluded that the existing welfare mess is beyond repair, and requires a whole new program which combines improved family assistance with increased work incentive; which seeks to make state welfare-cost burdens more equitable, while bestowing more administrative power in state and local hands.

Mr. Nixon's program initially would enlarge the welfare rolls (through payments to presently ineligible "working poor") and would be even more costly than the present program.

But eventually it should result in reduced costs and—most important—a reduction in the number of Americans existing in economic dependency.

Congress has been challenged to cease tinkering with an obsolete welfare system and make a whole new start on the problem. We hope for a response correspondingly thoughtful and bold.

[From the Washington Daily News, Aug. 14, 1969]

TRAINING IS THE KEY

In his shakeup of the whole government welfare system, President Nixon is proposing three separate but related plans: To revise the public assistance program, to crank up a much improved manpower training program, and to divvy up some federal money to the states and cities.

The key plank in this platform is the training program.

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The alternative is to find him a job and train him to do it.

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The government has had a flock of so-called manpower programs, and they have accomplished something, but at high cost. There are too many programs, disjointed, floundering in red tape and often outright discouraging to people who want to work.

Mr. Nixon proposes to tie all this into one package, flexible enough to deal with changing situations as they arise. The purpose is to make the so-called "hard core unemployable" employable, to find jobs for the idle, and to upgrade the "working poor"—people who are not on welfare but whose low income keeps them in poverty.

Most of the government's policies in the past have been aimed at people on welfare. Those existing on poverty incomes have been neglected. And it is just as important to the economy and to the general well-being of the country to improve their lot as it is to get people off welfare.

The President proposes to do this, over the long haul, by creating a system which will work efficiently and by providing incentives to both the jobless and the underemployed.

Having a plan, of course, doesn't solve the problem. Too often heretofore the government has dreamed up a plan, stuck to it even if it didn't work, and then simply coasted along hoping the problem somehow would go away.

Instead of requiring people to tailor themselves to government programs, Mr. Nixon proposes to tailor the programs to the individual needs of the people he seeks to help.

The President's plan is sound, and Congress and the Administration ought to get on with it as fast as possible. It will take a lot of doing to get the results Mr. Nixon is shooting for. But, as he says:

"Intelligently organized, it will save tax dollars now spent on welfare, increase revenues by widening the base of the tax-paying public, and (most important) lift human beings into lives of greater dignity."

These goals are practical and necessary. And they will be reached if the intelligent organizing is provided.

OPERATION HURRICANE CAMILLE

HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BARING. Mr. Speaker, the heart of Las Vegas, Clark County, Nev., part of my district, went out to the homeless and hurricane stricken people of those States devastated by the forces of Hurricane Camille. Tons of food, medical supplies, clothing, and household items were gathered by Las Vegas. The campaign was headed by George Boddie, general chairman, and president of the North Las Vegas Optimists. Overall, 10 other Optimist Clubs joined in the drive in Clark County along with other concerned organizations, private citizens, businesses, mayors, and county commissioners.

The Las Vegas convention center became the headquarters for the huge outpouring of goodness as the supplies rolled into the center in cars and trucks, all part of Las Vegas' "Operation Hurricane Camille." Widespread publicity by the Las Vegas area news media assisted in the drive and when a problem occurred regarding the delivery of the supplies to Mississippi, the U.S. Navy and National Airlines both were quick to step in and lend a helping hand.

It was Friday, September 12, 1969, that the Las Vegas shipments arrived in Mobile, Ala., to be transported to the Mississippi gulf coast by truck as the airfield at Pascagoula was damaged by Camille.

Mr. Speaker, this story of Americans helping Americans has been widespread across this country since the destruction of southern communities by Camille. Other cities and other organizations joined in assisting the stricken families.

MAJ. GEN. TERRY ALLEN

HON. RICHARD C. WHITE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. WHITE. Mr. Speaker, the career of one of the great military men of this century came to a close in my home city of El Paso last Friday, when Maj. Gen. Terry De la Mesa Allen answered the last rollcall.

Terry Allen was a legend in El Paso, as he was in military circles wherever the Army served. His military career began in the horse-cavalry days when, as a dashing young officer, he patrolled the Mexican border in the revolutionary period preceding World War I. His love of fine horses continued long after the last cavalry horse was retired from the Army. He was one of America's great polo players. He represented the U.S. Army in the Olympics in Brussels in 1920, and was well known and honored as a player for many years after that. To the end of his days, he promoted polo as a sport.

He was born to the Army life; he loved it, and his devotion included an unfaltering sense of duty and love of country. As a battalion commander in World War I, he participated in some of the most important actions of the allied drive to victory. He was wounded three times and was cited for gallantry in action.

His career in World War II began in November 1942, when he led the 1st Division into North Africa with the American invasion forces. His courage and inspired leadership provided our fighting

men with an example they could proudly emulate.

After leading the Fighting First to victory in North Africa and Sicily, General Allen returned to the United States and organized the 104th, the Timberwolf Division, as a striking force in the final drive to victory in Europe. His division was in the forefront of the drive across Germany to the final victory before Berlin. His great leadership won decorations from our own country and our allies. British Field Marshal Sir Harold Alexander called him the finest divisional commander he had seen in two wars. In the best sense of the term, he was a fighter, a patriot, a fearless leader of fearless men.

When he retired from active duty, he made El Paso his permanent home. The lovely and gracious Mrs. Allen was one of our own, the daughter of El Paso's Mayor Robinson. Their family, like all who knew them, grew up respecting the Terry Allen tradition of courage and love of country. Two years ago, in October 1967, Lt. Col. Terry Allen, Jr., was killed in action in Vietnam, in service with the 1st Division which his father had once commanded.

I know the Members of this House will want to join me in extending our sincere sympathy to Mrs. Allen—and in holding high the example of her husband and her son, at a time when courage and patriotism are qualities that demand our special respect.

THE NEED FOR OEO LEGAL SERVICES

HON. ROBERT TAFT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. TAFT. Mr. Speaker, I know that it is the hope of many of us that legislation dealing with the poverty program may come to the floor and allow the House to work its will. For that reason, I especially want to take the opportunity to express my opinion regarding the work of legal services of OEO in my community and throughout the Nation.

In fiscal year 1968, U.S. legal aid funds totalled $36 million. In fiscal year 1969, this figure went to $42 million and President Nixon's budget calls for extending it further to $58 million in fiscal year 1970.

Reports I have had from my own district indicate that the legal services of OEO, working in Cincinnati through and with the Legal Aid Society, have been most effective in helping those in poverty and in need of assistance to obtain their civil rights. The lawyers, especially, have been instrumental in assuring that the rights of poor men and black men have been recognized and protected from infringement, and much good and sound legal advice has been given on matters of all kinds, not by any means limited to this area.

However, it seems clear that the task has not been completed.

Too often the citizen without considerable resources has been unable to find legitimate means of redressing his grievances. The resulting frustration must certainly have been one of the causes that has led to the disorders that have plagued our country. I think it to be in the highest national interest that we continue an attempt to rectify such injustices.

For that reason, I believe the OEO legal services program deserves our continuing support and can make a vital contribution to provide a vehicle through which grievances and problems of underprivileged citizens may be alleviated and corrected.

IN COMMEMORATION OF CITIZENSHIP DAY, AND IN HONOR OF AN ORGANIZATION DEVOTED TO PROMOTING GOOD CITIZENSHIP

HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. MEEDS. Mr. Speaker, Citizenship Day was set aside by the Congress in 1952 to commemorate the signing of the Constitution in 1787 and to honor U.S. citizenship. On this day I believe it is fitting to give special mention to an organization celebrating its 50th anniversary this year, 50 years devoted to developing active and trained citizens by women who finally achieved their right to vote in 1920. This organization is the League of Women Voters.

The league has taken the position that:

> Every privilege carries with it responsibility, and since good citizenship is not only a privilege but a duty, its obligation is doubled.

These words, originated in the 1920's, sound a little old-fashioned, but the meaning is not. Even more important today is the citizen who cares enough to inform himself and put his information to constructive use.

With a comparatively small membership, 150,000 active this year, the league has performed yeoman service toward producing an informed electorate. It has made available reliable nonpartisan information about voting procedures and about candidates and issues, in literally millions of fliers and pamphlets. In addition to informing the public, the league has backed issues to strengthen local, State, and National Government—constitutional revisions, fair apportionment for State legislatures, more responsible and effective governmental organization at every level and in every branch of government.

In my personal experience with league members in the State of Washington and the Second Congressional District, I know when I hear from the league that there has been a thorough study of the facts on the issues, and the position taken is truly representative of league membership. Even at the national level, when a league spokesman testifies or speaks on an issue, we can be certain that her testimony is a result of study and decision by each unit of the league. The League of Women Voters is truly a democratic organization.

In my own Snohomish County, the 100-member league has an impressive record, yet I understand that it is about what to expect from an active local league unit. Let me list just a few of their accomplishments: They have organized and cosponsored candidate meetings before both primary and general elections; they provide a speaker's bureau on the ballot issues and filled 20 requests before the November election; on election day itself, they kept close tabs on polling places regarding election procedures; and when the polls were closed they compiled statistics on returns for local and national radio and TV. As an information service, they distributed 5,000 copies of a publication, "They Represent You," and introduction to local, State, and Federal officials. They were instrumental in founding VOTER—Voluntary Organization To Encourage Registration. In support of issues, Snohomish league members testified at county budget hearings on issues studied by the local league, particularly relating to juvenile courts and juvenile detention facilities. As if this were not enough, this same league has spearheaded formation of a Freeholder's Group to write a new charter for Snohomish County for presentation to the voters, with the aim of gaining home rule for the county.

Just about the only criticism I can think of is that they are strictly segregated, they will accept a man's money, but not let him vote—within their own organization, that is.

I commend them for a splendid record of service in their first 50 years, and for their well-earned reputation as an effective force to voter education, understanding, and participation in government.

THE CONCEPT OF REVENUE SHARING

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. FISH. Mr. Speaker, recently President Nixon in a nationwide broadcast proposed a revenue sharing plan in which Federal tax money would be returned to the States and municipalities to use as they saw fit with no strings attached.

I do not have to tell my colleagues that local and State taxation have reached new highs. The local communities are at a loss to find sources of revenue that are needed to provide even minimum services.

In recognition of this problem I and many of my colleagues have introduced revenue sharing bills. These proposals differ as to specifics but they are similar in their basic premise that the Federal Government, the most efficient tax collector, should share some of this revenue with the hard pressed town, cities, counties, and States.

Revenue sharing proposals enjoy wide support from the public in general as from local government officials. I would hope that there would be early hearings on these proposals.

As an example of the support for this concept of revenue sharing I commend to my colleagues' attention the following resolution of the Columbia County, N.Y., board of supervisors:

RESOLUTION MEMORIALIZING CONGRESS TO ENACT HOUSE BILL NO. H.R. 12194 TO PROVIDE FOR THE SHARING OF FEDERAL REVENUES WITH STATES AND LOCAL GOVERNMENTS

Whereas, the demands for services on local governments have increased through the Space Age and now the Lunar Age and the cost of providing such services have so increased that local governments are desperate for funds and real estate taxpayers, the prime source of funding local governments, have been subjected to almost intolerable taxes, and

Whereas, Congressman Hastings, on July 17, 1969, introduced in the House of Representatives Bill No. H. R. 12194 which provides for the sharing of federal revenues with states and local governments, and

Whereas, said Bill No. H. R. 12194 has been the result of extensive study making such distribution fair, equitable and desirable,

Now, therefore, be it resolved, that the Columbia County Board of Supervisors does hereby respectfully memorialize the Congress of the United States to enact into law said Bill No. H. R. 12194, and be it further

Resolved, that the Clerk of the Board be and he hereby is authorized and directed to forward certified copies of this resolution to Senators Javits and Goodell, and to Congressman Fish.

UNSOLICITED CREDIT CARDS

HON. ALEXANDER PIRNIE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. PIRNIE. Mr. Speaker, for some time now I have been greatly concerned about the problem created for many of our citizens as a result of the mailing of unsolicited credit cards. In this week's Washington Report to my district, I have outlined my feelings on the matter and have indicated that it is time for action to be taken here in Washington to solve this unsolicited credit card problem.

In this morning's Washington Post, syndicated Columnist Art Buchwald brings this problem into sharp focus in his own distinctive manner. I am confident that Mr. Buchwald had tongue-in-check when he sat down before the typewriter to produce this column, but his message comes out loud and clear. My Report and the Buchwald column follow:

WASHINGTON REPORT

(By Congressman PIRNIE)

There's a controversy beginning to surface in Washington, and I'm very much involved, not because I was forced into it, but rather as a result of my efforts to assist in the solution of what is a problem for a great many Americans: the unsolicited credit card.

Credit cards, or "instant cash" as they are sometimes called, can be a great convenience. They also can prove to be trouble with a capital T.

Admittedly, most individuals who have trouble with credit cards do so because they are guilty of poor judgment, they overextend themselves, and when it comes time to balance the books discover they are faced with a problem.

Obviously the Congress or a Federal agency can't legislate or regulate good judgment. That's an individual discipline beyond the scope of the law. However, poor judgment isn't the only factor that contributes to trouble with credit cards. Sometimes innocent unsuspecting people find themselves tangled in a complicated, headache-producing web of circumstances woven by another. These people are victims of a stollen or misdirected unsolicited credit card.

It's a common business practice for many firms which issue credit cards to send them through the mail to a wide-range of prospective users. Most people read the accompanying literature extolling the convenience of the cards and either decide to use or dispose of them. But many of these cards never reach their destination, they are intercepted along the way and the person who gets his hands on them goes off on a wild spending spree. Of course such action is illegal and the guilty party is performing a crime punishable by law, but that's of little consolation to the person in whose name an unsolicited card was issued who is presented with a bill for items he never purchased because the card had reached hands to which it didn't belong. Usually the next stop is a lawyer's office.

Of course an individual who finds himself in such a predicament is not obligated to pay for another person's criminal act, but all-too-often it takes time and money to prove it. This simply is not right.

Earlier in the year one of my constituents brought this situation to my attention and asked me to take appropriate action. I followed through by contacting the Federal Trade Commission with a recommendation that the scope of the problem be studied and consideration be given to the issuance of guidelines restricting the issuance of unsolicited credit cards. Other colleagues in the Congress followed a similar course as have many citizens who shared our concern about the problem.

Last week the FTC held hearings on the subject, and that's when the full impact of the controversy surfaced. No one was caught by surprise when representatives of various businesses which issue credit cards expressed strong opposition to any regulation prohibiting the unsolicited mailing of what is sometimes called "plastic money." However, when it was argued that new restrictive regulations could be bad for the economy and would result in unfair competition, the complicated nature of the problem became apparent. In addition, it was brought out that FTC does not have blanket authority in this area and therefore would not be able to issue regulations covering the unsolicited mailing of all credit cards. For example, the Federal Reserve Board is responsible for bank credit cards and another agency has authority over airline credit cards.

The news media have found this story of interest and have been chronicling developments as they occur. The evidence I have reviewed thus far leads me to conclude that the public interest requires action to restrict the issuance of unsolicited credit cards. It is unfair to force a person to assume a risk or burden which he did not seek.

While the FTC hearings have been constructive, it now appears that this agency, acting alone, will not be able to solve the problem. More and more it is becoming apparent that legislative action may be required, and if it develops that there is no alternative course to achieve the desired objective, I plan to submit a proposal for consideration by the Congress. Legislation isn't the solution to every problem but sometimes it's the only hope for a solution.

CREDIT PUSHERS VEX BREADWINNER

(By Art Buchwald)

A lot of people are being shaken up these days by receiving unsolicited plastic credit cards. In the past the consumer had the option whether to ask for credit or not. But now in the great battle for the hearts and dollars of the American customer, the banks, oil companies and hotel chains are shoving their credit cards at you whether you want them or not.

It isn't just the spectre of a wife or teenager receiving a credit card and going berserk that bothers most American breadwinners. It's the principle of the thing, and where will it all end? What is to prevent a company that sends unsolicited credit cards to your home from sending merchandise instead?

I don't believe it is too farfetched to see this happening in a few years.

You come home, and there on your front lawn is a complete, dining room set with table, 12 chairs and cabinet. Attached to leg of the table is a note:

"Greetings. We are happy to inform you that we consider you an excellent credit risk and, to show our faith in you, we are leaving this dining room set on your lawn. Our credit reports on you indicate that you favor colonial furniture, and we have chosen this particular mahogany wood which we know will go well with the rest of your furnishings. If for some reason this particular dining room set does not meet your requirements, you may return it to our warehouse within 10 days, and you will not be charged for it. If it is not returned, we will assume that we made the right choice, and we shall start billing you monthly."

Or you could wake up in the morning and find parked outside your door a new "fire-eater" with the following letter taped to the windshield:

"Congratulations,

"You are now the owner of a new 'fire-eater,' the fastest, most comfortable economical automobile on the road. Because of your high credit rating, we have taken the liberty of registering this car in your name with the State Vehicle Bureau.

"If for any reason you change your mind and decide you don't want to be one of the 'with it' people please call this number and we will have the car taken away, at no cost to you except for the towing charges.

"Also, if you do not accept this exceptional buy, you must go down to the State Vehicle Bureau and inform them of this decision. Otherwise we will start charging you interest beginning next week."

The final indignity would be to receive a registered letter from a development company which read:

"Dear Sir,

"We're happy to inform you that you are now the proud owner of a new ranch house in Paradise Acres. This extraordinary home (the deed is enclosed) has three bedrooms, two and a half baths, a playroom and completely equipped kitchen and will be ready for you to move into within two weeks.

"A check on your credit rating shows that you can easily afford this remarkable buy, and we have taken the liberty of deducting from your bank account the small down payment.

"If we don't hear from you by registered mail within the next 36 hours, we will assume that you will be joining us at Paradise Acres. On the other hand, if you return the deed, then we ask you to contact our lawyers so some equitable arrangement can be worked out for our time and inconvenience.

"Cheers."

PLAIN DEALER PRAISES PRESIDENT'S PROGRAMS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BROWN of Ohio. Mr. Speaker, more and more newspapers across the country are speaking out in favor of the President's new policies both domestic and foreign. There is a growing realization that while the President may not make policy in haste, he makes it both wisely and well.

Among the newspapers reaching this conclusion is the Cleveland Plain Dealer, Ohio's largest newspaper. I submit for inclusion in the RECORD a copy of a recent editorial from the Plain Dealer, discussing the new courses the President has charted:

NIXON CHANGES FEDERAL COURSE

President Nixon is the first president since before Franklin D. Roosevelt to start reducing the federal government's scope and obligations.

In his speech to the National Governors Conference, Mr. Nixon pointed out this new direction in which he is steering the ship of state.

For the first time since the New Deal was born in the '30s, the chief executive frankly pledges that he will de-escalate and decentralize an overgrown, centralized power.

Mr. Nixon wants to limit America's entangling commitments overseas—"helping free nations maintain their own security, but not rushing in to do for them what they can and should do for themselves."

And Mr. Nixon wants the nation to stop considering the federal government omnipotent in solving all domestic problems.

His "new federalism" aims at spreading the burdens outward, sharing them more with state, with local government and even with private citizens.

"Washington will no longer try to go it alone; Washington will no longer dictate without consulting," said the President.

Some Nixon proposals now before Congress illustrate the new channel down which Mr. Nixon wants to go.

First, Mr. Nixon is ready to take the first step toward sharing federal income tax revenues with the states. State and local taxes do not keep pace with the expansion of the economy and lag behind demands for services. A sort of rebate of federal taxes could help states, cities, counties and school districts to meet needs without seeking grants from Washington, Mr. Nixon believes.

Second, Mr. Nixon proposes that the federal government take on a central chunk of the welfare load, providing a national minimum of support but leaving most of the administration and any extras as options open to the states or local communities.

Mr. Nixon will run into some friction, on both the foreign and domestic sides of this new line of de-escalation.

Governors already are protesting that the federal government ought to increase its contribution to welfare. Many a state government will recoil when asked to chip in a bigger share of money, manpower or ideas.

Likewise, foreign countries' leaders grow apprehensive when President Nixon talks about reducing U.S. commitments. On his Asian tour in July, Mr. Nixon was asked over and over to repeat that America will not back out of its treaty commitments.

Getting other members of the North Atlantic Treaty Organization to put up more troops or money or material, so that the United Staets can shrink its overseas involvements, is not going to be easy, if it can be accomplished at all.

But Mr. Nixon has certainly served notice plainly upon heads of foreign states as well as upon governors. They will have to accommodate to this new strategy of the Nixon administration. It is a central principle not to be revoked. A do-more-yourself period has begun.

CRUMBLING FOUNDATIONS OF PROSPERITY

HON. EMILIO Q. DADDARIO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DADDARIO. Mr. Speaker, Dr. Philip H. Abelson, the very competent and articulate editor of Science, has recently authored an editorial which manages to relate the innovative science activities of this Nation directly to its economic well-being in a highly graphic manner.

The brief editorial, which appeared in the issue of September 12, 1969, should provide Members of this body with genuine food for thought. In my opinion, it will be folly to ignore Dr. Abelson's thesis.

The editorial is as follows:

CRUMBLING FOUNDATIONS OF PROSPERITY

Two decades ago, American prosperity was solidly based. We had bountiful natural resources; our industrial plants were undamaged by war; we led in mass production techniques; and our innovative scientific capabilities were outstanding.

Today the foundations of American prosperity have crumbled to an extent not generally recognized. We still possess great natural resources, but they are not adequate to maintain a high-level economy. We face the necessity of importing more and more raw materials and finding the means to pay for them. This will be increasingly difficult, for our ability to compete in international trade is diminishing. In 1964—a good year—U.S. exports exceeded imports by $7.1 billion. In contrast, during the first half of 1969 the value of exports topped that of imports by only $0.15 billion.

An even greater factor than increasing imports of raw materials has been the invasion of foreign finished products such as steel and automobiles from countries that have more than recovered from the destruction of World War II. Our advantage of leadership in mass production techniques has largely disappeared. We still lead in scientific research and in the ability to innovate, but we have lost momentum.

A large contributor to our present problems has been the steel industry. Today, in spite of advantages in raw materials, it does not compete with the steel industries of Germany and Japan. It has been complacent, and slow to adopt the basic oxygen furnace.

In contrast, our chemical industry has long been a leader in research activity. Thus it comes as an especially painful blow to learn that the U.S. chemical industry, which has contributed much to our balance of payments, is feeling the effects of severe foreign competition. This fact was documented in an article by J. G. Tewksbury in the 28 July issue of *Chemical and Engineering News*. He cited as an example one of the crucial petrochemical intermediates, ethylene. This substance enters into plastics such as polystyrene and polyethylene and also into other key chemicals. Analysis of the production and distribution of major items based on ethylene reveals a dramatic change in the U.S. position. Five years ago the United States synthesized about 95 percent of the ethylene products entering foreign trade. By last year this figure had dropped to 40 percent. The big new factors were the European Economic Community and Japan, both of which changed from net importers to heavy exporters. Additional plants are being constructed in Europe and in Japan, and it is quite likely that a further diminution of the U.S. export status will occur.

Tewksbury notes that a number of factors help account for the loss of our competitive ability. The European nations and Japan encourage exports and discourage imports more virgorously than we do. Domestic producers of petrochemicals are handicapped by the oil import program which inflates the cost of their feedstocks. Another factor is the high cost of labor. A few years ago, such disadvantages for the United States were more than counterbalanced by larger plants and advanced technology. These advantages have disappeared. Plants abroad are now of the same scale, and our technology has been disseminated.

The loss of a competitive edge in this area of the chemical industry is a very serious development. It portends similar changes in other areas of high technology.

HOUSING FOR THE RURAL POOR

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. EVINS of Tennessee. Mr. Speaker, many people associate the problems of housing solely with our metropolitan areas but as the Washington Post points out in an editorial today, more than half of all substandard housing is in rural areas.

The editorial calls for action, citing a recent report by the National Rural Housing Conference emphasizing the problem and the need for rural housing.

Because of the interest of my colleagues and the American people in this most important problem, I place the editorial in the RECORD herewith.

The editorial follows:

HOUSING FOR THE RURAL POOR

Nothing sets apart the poor family more than the house it lives in. Calling it a house is something of a sick joke in itself. Often with little or no heat, electricity, plumbing, windows, roof, cellar, the houses of the rural poor are, at best, shadowy shacks where the heat piles up in the summer, cold in the winter and troubles all the time. "Substandard housing," the civil term for the hovels of the poor, number 4.8 million, more than half the nation's total of 8.2 million. They can be found all the way from the lonely Indian reservations of the West, where one in two of the houses is subhuman, to the rural areas of nearby Prince George's County where, amid suburban density, some 3,000 families suffer inadequate housing.

The recent report of the first National Rural Housing Conference sponsored by the Rural Housing Alliance, indicates that the prospect for decent shelter for the rural poor is still a far-away dream. Stating correctly that "private enterprise cannot provide decent housing for low-income families without public subsidies," the report recommends a national housing goal for the 1970s of at least 27 million additional adequate units, with 13½ million of those for rural areas.

In a nation where the rights of the poor seem to be noticed mostly when the poor rampage, the rural poor, our quiet and pas-

sive country cousins, can easily be ignored. As precisely they have been. The 1949 Housing Act was to finance 135,000 units of low cost housing a year for six years among all the poor. Nineteen years later, the 1968 housing legislation was created to fulfill what was promised in 1949. The Farmers Home Administration, the main agency for providing credit for the homebuilding rural poor, is pitifully underfunded and understaffed.

The report of the National Rural Housing Conference will likely end up as one more voice crying from the rural wilderness. Nevertheless, most of its 50 proposals on behalf of the rural poor are sound, humane and workable. The proposals cover such areas as the creation of a rural development bank to finance housing, the creation of a nonprofit housing development corporation, adequate funding of current federal rural housing programs and more research and technology into low-income housing.

These proposals are workable only if the Administration, Congress and nation realize that we cannot buy our way out of poverty either cheaply or quickly. We have tried that and it hasn't worked.

SECRETARY LAIRD TALKS ABOUT DEFENSE NEEDS

HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DANIEL of Virginia. Mr. Speaker, those privileged to be in attendance at the American Legion National Convention in Atlanta, Ga., on Tuesday, August 26, were treated to a forceful and concise summation of the national defense picture as it is today. The speaker was the Secretary of Defense, the Honorable Melvin R. Laird.

In the belief that Secretary Laird's remarks would be of timely interest to my colleagues, I submit that they be inserted in the RECORD:

ADDRESS BY THE HONORABLE MELVIN R. LAIRD, SECRETARY OF DEFENSE, BEFORE THE NATIONAL CONVENTION OF THE AMERICAN LEGION, ATLANTA, GA., TUESDAY, AUGUST 26, 1969

As a member of Post Number 54 of The American Legion in Marshfield, Wisconsin I am deeply grateful for the honor of delivering the keynote address to my fellow Legionnaires at this Convention.

You are meeting in the Fiftieth Anniversary year of The American Legion. Founded in 1919, the Legion has become the largest Veterans' organization in the nation with 2.6 million members in more than 16,000 Posts located throughout the world. But it is neither size nor longevity that is the Legion's proudest boast. The respect which your organization commands is due more to its powerful and positive influence over the years to keep our country strong, secure and at peace, to nurture patriotism and good citizenship, and to assure that we honor the debt owed to our veterans.

Recently, two activities of The American Legion have touched me directly. I am grateful, as is President Nixon, for the vigorous and effective support which you gave to the Administration's proposal for pushing forward with the Safeguard Anti-Ballistic Missile System. And, I have had no more pleasant experience than the discussions I enjoyed a few weeks ago with the bright and earnest young people who participated in Boys Nation and Girls Nation under your sponsorship.

I want to digress for a moment to pay tribute to two of your former National Commanders who now hold positions of high responsibility in the national government—Don Johnson and Bill Galbraith.

Don Johnson, as you know, is the new Director of the Veterans Administration while Bill Galbraith, your immediate past National Commander, is now Deputy Under Secretary in the Department of Agriculture. They are both serving the nation as capably as they once served the Legion.

I want to commend you for your efforts to contact the Vietnam Veteran. Because there is widespread confusion about Vietnam, there is danger that the fine young men who fight for us there will return to civilian life feeling that the risks and sacrifices they have undergone are neither understood nor appreciated. There is danger too that they will suffer because of an anti-military mood that is becoming fashionable in some influential circles in our country. So I am particularly happy that your interest in the Vietnam veterans, who already number three million, is as strong as your interest in those of prior wars and that the energy that gave the nation the G.I. Bill after World War II is now being exerted in the cause of equity for today's veterans.

As your Keynoter this afternoon, I want to talk to you about national defense and in particular about the hard choices we face in the defense budget. We in Defense recognize that the American economy, bountiful though it is, is not a bottomless well. There are limits to what it can produce. We recognize, too, that, important as it is to provide for the security of the nation from external dangers, there are other urgent tasks before the nation for which additional resources must be allocated in both the pubic and private sectors of our economy.

That economy must continue to grow so as to make available more consumer goods and an expansion of plant and equipment. Our cities must be made more liveable. Schools must be improved. Crime must be reduced. The poor must be provided for and, in all possible cases, equipped to provide for themselves. Pollution of air and water must be curbed. Transportation must be modernized. Health facilities and personnel must be expanded.

The list is long and growing. Progress toward these goals requires capital, labor, time—and the attention and energies of all of us.

Since there are limits to our resources, we as a people have to make choices. In particular, the President and the Congress have to make basic and difficult decisions about how many of a limited number of dollars will be devoted to each of the aims of the national government and how many will be left for state and local governments and the private sector to spend as they choose.

I can assure you that the Defense Department is deeply conscious of the taxpayer's burden and of the importance of the domestic needs that lead to claims for more federal spending for non-Defense purposes. We are determined to keep Defense spending down and to reduce it wherever possible as long as we can do so without imprudently weakening our ability to meet our Defense needs.

Most of the critics of military spending, of course, do not want to weaken our defense posture. Most critics feel that the defense budget is oversized and wasteful—a judgment they make principally because Defense spends so large a part of our national government's budget. Our Defense budgets, in absolute amounts, are large. But so are our responsibilities. Defense receives about 41¢ of every dollar disbursed from Washington, and the share allocated to Defense has been shrinking. Defense expenditures in 1969 were less than 9 per cent of our Gross National Product. Next year they will be lower both in absolute amounts and as a percentage of the output of the economy.

We in Defense share the objectives of our critics—we, too, want to achieve greater efficiency; we, too, are striving for a reduced level of Defense spending.

Let me go a step further. We agree with our critics not only on objectives but also on the fact that there is room for additional substantial savings within the Defense Budget. The nub of the problem however, is this: How best can we increase the efficiency of the Defense Department and operate with the lowest feasible Defense Budget without impairing national security in the process?

If our primary objective is to reduce the level of Defense spending no matter what the consequences, then, obviously, further substantial spending cuts could be effected immediately. But that course would be irresponsible.

We cannot take imprudent risks that the American people will not have the protection they need when they need it. As Legionnaires, you know as well as any citizens in this country the vital need for maintaining a strong Defense posture. Those of you who have known the ravages of war understand better than anyone else the importance of preventing war. That has been my overriding concern and my number one priority since assuming the office of Secretary of Defense.

So what we have to do in reappraising and adjusting our Defense Budget is to insure that any adjustments we make for the purpose of saving money or eliminating waste do not at the same time cut into the muscle of our needed preparedness and capability.

Let us not be blind to the unpleasant facts of life in the world about us. We are still engaged in a war. And, although I hope that we can continue steadily to reduce the number of American troops in Vietnam, there are more than 500,000 of our men there today. I will resist any budget cuts that could add to American casualties in Vietnam.

Let us not be blind to threats to peace in Korea or in other trouble spots in the world where American military forces maintain a vigil.

Let us not be blind to other potential dangers to our country that may be magnified and intensified if we fail to maintain military strength at a realistic level.

We shall strive to make the years ahead an era of negotiation rather than confrontation with the Soviet Union. We shall try to reduce the danger of armed conflict by adequately safeguarded agreements on arms limitation.

Until such agreements are concluded, however, it would be folly to disarm unilaterally or to permit a general weakening of our military strength. And, in determining the level of military strength appropriate for the United States, we cannot ignore what is going on in the Soviet Union.

Since in the last analysis the American people will determine the size and the shape of our Defense forces, I think it important that the people know the facts required to make an informed decision. It is important that they know the Soviet Union right now is devoting greater effort than the United States to strategic offensive and defensive forces.

On a dollar basis in 1968, the Soviet Union spent approximately two dollars for every one dollar expended by the United States on strategic offensive and defensive forces.

Since 1965 when the U.S. began a substantial increase in military spending to support combat forces in Vietnam, Soviet expenditures have risen rapidly for a different purpose—the strengthening of strategic forces. In 1968, Soviet spending for strategic forces was about 30 per cent higher than it was in 1965, whereas U.S. spending for such forces has remained relatively stable.

I do not want the import of these facts to be misunderstood. Our overall military capability today, together with the effort we have programmed in our Defense planning, provides sufficient protection to the nation for the immediate future. But, if we project the trends which I have pointed out on beyond

the next few years, doubts about our future security arise.

In April, the Nixon Administration sent to the Congress a revised budget that was $3.1 billion lower than the Johnson Administration request in appropriations and $1.1 billion lower in actual spending.

That in itself was a difficult amount to squeeze out of the Defense budget—not because the whole budget consists of muscle, but because getting the fat out without weakening the muscle is a function of such things as time and organizational change whose impact cannot be fully felt in the year in which it is undertaken.

The Chairman of the House Appropriations Committee, George Mahon of Texas, has stated publicly that his Committee will cut at least $5 billion from the appropriations request now pending before Congress. He alerted me to the fact that the current fiscal year is running and that action should be taken now to cut back Defense programs.

In response to Congressional pressure, I announced last week that the Department of Defense is preparing to cut spending this year by an additional $3 billion. Even these cuts do not satisfy some critics who impatiently demand additional major reductions in the level of spending this fiscal year.

These critics are urging a very dangerous course. If we are forced by Congressional action to make such additional cuts, the end result would be counterproductive. Rather than achieving real and lasting savings, we could instead be producing greater inefficiency, higher long-term costs and greater problems than already exist in such intangibles as morale and personnel efficiency. We could, in short, reduce our Defense readiness both for the short-term and the long-term while bringing about only short-lived dollar savings.

Let me outline briefly for you precisely what the problem is. The budget proposed to the Congress in January 1969, by the Johnson Administration, called for $79 billion in Defense spending.

The budget with which the Nixon Administration started was, in the eyes of the Services and the Joint Chiefs of Staff, an austere budget, since their initial requests totalled more than $100 billion. Now let me divide this reduced amount of $79 billion into several categories, to give you a better idea of the problems we face.

First of all, about $25 billion of the $79 billion represents the special cost of supporting our combat operations in Southeast Asia. This can be reduced only as a result of national policy decisions which reduce the level of our effort such as the 25,000 troop redeployment announced by the President at Midway.

A little less than $3 billion represents payments to retired military personnel fixed by law.

Southeast Asia costs and retired pay add to nearly $28 billion—well over one-third of our spending total.

This leaves $51 billion of that Johnson budget. About $8 billion is for strategic forces—for intercontinental ballistic missiles, Polaris submarines, bombers, and defense systems which are the backbone of our nuclear deterrent. Even if we adopted the posture advocated by the severest critics of Defense programs, we would not make a major dent in the $8 billion for the current fiscal year. The recent ABM debate, for example, did not significantly involve 1970 spending.

Another $6 billion is for research and development, aside from strategic forces and special Southeast Asia items. This is the part of our effort that provides our military strength for the future. Without adequate research and development, the American military in the future will find itself outmaneuvered, outgunned and overmatched. The Soviets are certainly aware of the critical importance of research and development. I recognize that this part of our program is a tempting target for budget cutters. It's an area where cuts can be made today without an immediate and apparent degradation of our forces. But, for the long run, nothing could be more detrimental than to neglect our research and development needs.

To complete the total, there are two remaining categories of Defense spending. Our general purpose forces—aside from Southeast Asia—accounted for $22 billion of that Johnson budget total. This covers our Army and Marine divisions; our Naval forces—attack carriers, antisubmarine warfare forces, amphibious forces, and others; and Air Force tactical aircraft. Also included here are our worldwide intelligence and communications systems; airlift and sealift; and our National Guard and Reserve forces. This $22 billion, in short, covers all the muscle we have, aside from the forces in Southeast Asia and the strategic forces that provide our nuclear deterrent.

Finally, the Johnson budget included about $15 billion for administration and support. This category covers our large training establishment; medical and hospital facilities; supply systems; the maintenance and rebuilding of weapons; and the general overhead of the Department. These activities, of course, are essential to the success of all the programs of the Department.

It is in the last two categories of the budget—our general purpose forces outside Southeast Asia, and the area of administration and support—that we must look for budgetary cutbacks. These two categories came to $37 billion in spending in the Johnson budget. We are now making preparations to cut $4.1 billion from the spending level in the Johnson budget, and most of this cut will have to come from these areas.

Now, let me introduce one further thought. We have been talking about *spending*—and about one-third of what we will *spend* this year results from contracts in prior years. It is the payment now coming due on bills contracted in the past by earlier Administrations.

And this, in a nutshell, is our problem: the programs that we can regard as serious candidates for immediate spending cutbacks comprise well under half of our budget—and even for these, a third of the spending is fixed by prior-year contracts. Thus, the planned spending cutbacks we have announced amount to 15 to 20 per cent or more of the expenditures that are really subject to reduction at this time.

Last Thursday, I announced some of the actions we feel constrained to take as a result of the cuts Congress is expected to make in the Defense Department budget this year.

In order to make short-term savings, savings that would have a dollar impact in fiscal year 1970, we have to lay up more than 100 ships, reduce flying operations by 300,000 hours, close some bases, and reduce military and civilian manpower probably by more than 150,000 before the fiscal year ends ten months from now.

The actions announced last week, taken together with other cuts made earlier in the year, would reduce Defense spending by $4.1 billion in fiscal year 1970.

When I announced our preparations to make reductions of this magnitude, I said that they will inevitably result in some weakening of our worldwide military posture.

I apologize for overwhelming you with numbers, but it is impossible to discuss the budget without getting into figures. Let me summarize the conclusions to which all these statistics lead:

1. Because of the clear intention of Congress to force a heavy cut in Defense spending this year, I have announced our plans to make further reductions of up to $3 billion in addition to the $1.1 billion in spending we announced earlier in the year.

2. I am proceeding now with these plans because any delay until Congress finally acts on Defense appropriations would make it absolutely impossible to make required reductions in any orderly and efficient way. Acting now, we still are compelled to inflict hardship on many of our personnel, military and civilian, whose lives will be disrupted.

3. The effect of these cuts is to increase the risks to which the American people are exposed. Any further major cuts for the present fiscal year would involve even greater risk and further disruptions.

Time and again in our past history our nation has paid a frightful price for allowing its armed forces to dwindle to levels that proved to be too low to discourage or to counter aggression. "Too little and too late" has been the epitaph of more than one great nation in human history. I am determined that it will not be ours.

To maintain the military strength needed in the years immediately ahead, however, vigorous support of this objective by the American people will be required. I shall do my best so to manage the Department of Defense as to deserve and win that support.

You who have seen war at first hand know that national weakness is not the way to peace or to freedom. You who cherish peace and freedom know that they must be protected with a keen sword and a stout shield. Pledge with me to keep that national sword and shield ready until, in God's good time, all nations learn to live together in peace and brotherhood.

I ask your help, knowing that the American Legion will never shirk the responsibility of leadership in the struggle to keep the nation secure and at peace. For 50 years the Legion has rendered service to the nation far beyond the call of duty. In recognition of that record of service, I am pleased to award to the American Legion the Department of Defense Meritorious Award accompanied by the following citation:

CITATION

The American Legion has for fifty years performed outstanding service to the men and women of the Armed Forces and to former members of the Armed Forces. Through a well-developed program of cooperation with the Department of Defense, the Veterans Administration, and other federal agencies, the Legion has provided effective counselling and referral services which have assisted Armed Forces personnel returning to civilian life. The extensive and highly successful youth programs of The American Legion have done much to develop Americanism in our nation's youth. The dusk-to-dawn lighting of the Tomb of the Unknown Soldier at Arlington National Cemetery during the fiftieth anniversary observance is a permanent beautification of this national shrine.

Accordingly, it is with personal appreciation and great pleasure that I confer upon The American Legion the Department of Defense Meritorious Award.

NEW TROOP WITHDRAWAL

HON. WILLIAM B. WIDNALL

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. WIDNALL. Mr. Speaker, President Nixon's announcement of the withdrawal of 35,000 additional troops is a significant demonstration of America's desire for peace and an end to the long and bloody conflict in Vietnam.

Throughout the world, people are recognizing that America's earnest hope that the war be brought to an end is

being backed up by actions; accordingly, they will be awaiting a response from Hanoi to this latest peace overture.

Equally as important as our troop withdrawal, Mr. Speaker, is America's determination to stand by our allies in South Vietnam. An editorial in the Washington Evening Star of September 17 points out that the announcement of the withdrawal by Vice President Ky has important implications as to the attitude of his nation toward the withdrawal and the future course of the war.

I commend this article to the attention of my colleagues:

NEW TROOP WITHDRAWAL

The withdrawal of 35,000 additional American troops by December 15 offers convincing evidence of President Nixon's determination to reduce the level of America's participation in the Vietnam war as fast and as far as possible. The tide, which carried a total of 534,000 servicemen to Vietnam, has clearly turned. The massive American strength is ebbing.

For the present, there is no real impairment of America's ability to fight. During the prolonged period of buildup, thousands of troops were needed to pave the way for the expected arrivals; to build airports, living quarters, roads and supply facilities. It has been estimated that perhaps as many as 100,000 can be pulled out before America's fighting ability will begin seriously to diminish.

But the additional troop withdrawal, which will bring the total cut to 60,000, cannot be dismissed by Hanoi—or by the war's growing legion of domestic opponents—as tokenism. It is a clear sign of good faith—a sign that no buildup back to the top levels of last February is being considered as a possibility. It should be sufficient to produce a positive reaction from the other side, in the field and at the peace talks. Hanoi's chief negotiator, Xuan Thuy, is on record to the effect that further reductions of American troops could improve the atmosphere at Paris. Those words should now be translated into action.

It was noted that the premature disclosure of the troop cut by South Vietnamese Vice President Nguyen Cao Ky seemed to cause some annoyance in official Washington.

It is possible that the disclosure may have ruffled the diplomatic waters a bit by coming before the information was officially passed along to all of America's friends and allies. But regardless of the personal vanity or political ambition that prompted Ky to speak, the method of disclosure had much to commend it.

The vice president is generally accepted as South Vietnam's leading hawk, the official most reluctant to see American power withdraw from his country and most scornful of political compromise with the enemy.

A constant danger of American withdrawal is the possibility the South Vietnamese people, fearful of a sellout, may lose heart, and with it all faith in the ability of Saigon to stand up to the pressure from the north. But if Ky, their superhawk, announces the move and assures them that the South Vietnamese army is ready to take up the slack, who can question it?

Ky's revelation may have been premature. But it is a tactic that might be considered for future official use.

TO THE HOUSE OF THE LORD

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. HUNGATE. Mr. Speaker, I believe a recent article in Today's Farmer, the MFA magazine, will be of interest to the Members. Illustrating the article is a photograph showing how dignity and restful beauty are achieved through modern architecture in the sanctuary of the new St. Clement Catholic Church building south of Bowling Green in Pike County, Mo.

The new building, where Father Severin Lamping serves as priest, replaced a structure with a towering steeple which had served as a community landmark since 1897.

The article follows:

TO THE HOUSE OF THE LORD

(By Rev. Severin Lamping)

Text: "I will go to the house of the Lord, to God who gives joy to my youth"—Psalm of David.

God himself favored a fixed and definite place for worship. He had His Mount Sinai crowned with fearful smoke, and the Burning Bush from which he spoke to Moses, and the Pool of Bethesda where the water was stirred and the sick were healed.

Consequently, man's natural instinct suggests that there should be a special spot, a definite place for the practice of religion; in other words, a church, a meeting place of man with his God and God with man. And, therefore, a church no more stands between man and his God than a cup stands between a man and his coffee.

Would that every church in the U.S., of whatever creed, were bulging its walls with Sunday worshippers! Would that all professed Christians went to the house of the Lord regularly to hear the Word of God and to be nourished by the precious Body of His Divine Son!

This is why we should attend Sunday services—that we may grow in Christ, in His Grace, in His Truth and in His Love. After all the church was built . . . "That the beauty of His countenance be not hidden from his own, that his wounds and woe wherein He wrote His love be known to all the people He redeemed."

TEXTILE PROBLEMS

HON. BILL NICHOLS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. NICHOLS. Mr. Speaker, this is an encouraging week hopefully for the textile industry of America. This week brings to Washington, a Japanese trade delegation who are here to discuss matters related to textile imports. Of course, textilers play an important part in my own State. Many of us here in the Congress and those of us from Alabama and other large textile producing States, are insisting that the Japanese industry limit their textile imports coming into our country.

We hope this can be on a voluntary basis, however, the hour is already late and if reasonable agreements cannot be worked out with our Department of State, than I believe this Congress will want to pursue legislation already introduced in this session, to curve these increasing exports which are penalizing our American industries.

I believe this matter has been well stated by the Birmingham News and I insert their lead editorial of September 15, 1969, "Textile Problems" in the RECORD:

TEXTILE PROBLEMS

This week a Japanese trade delegation is scheduled to come to Washington to discuss the broad subject of textile imports with American government officials.

This is an increasingly prickly subject for the American textile industry upon which four million people in this country depend for all or part of their livelihood. Approximately 40,000 people in Alabama look to the textile manufacturing industry for their jobs and an annual payroll in excess of $200 million.

The issue of textile imports is no new problem. Its almost vertical rise, while U.S. imports have moved at a relatively slow pace, however, gives the domestic industry cause for genuine alarm; an alarm which eventually could have a severe depressing effect on American jobs, payrolls and investment.

Japan is the major source of imported textile products. Its hourly wage rate in the textile industry is 38 cents, compared with the $2.28 current hourly average in our domestic industry, an obvious competitive advantage in the contest for markets.

This wage difference, however, is not what disturbs the U.S. textile industry the most. Japan consistently and adamantly has rejected any proposal suggesting that it adopt voluntary export quotas, an attitude echoed by the lesser textile producing areas in Asia.

American textile officials, including those who lead the operations of a number of Alabama's largest textile enterprises and officials of the Alabama Textile Manufacturers Association, outlined their position on the import problem to Birmingham newspaper representatives last week.

The American industry is not asking the federal government to impose harsh, protectionist quotas on foreign-made textile imports. They are willing to match the production of American mills—the world's most efficient—against foreign competition under equitable conditions.

What causes distress is that almost indiscriminate imports—mostly from Japan—have far outstripped American exports, gradually eating into the domestic market and creating a large portion of this nation's presently unfavorable balance of payments.

The American industry is perfectly willing for imports to continue, but not to the extent that the rate of increase exceeds American growth, which is the case now. If the foreboding trends is permitted to continue, it will result in a slowdown in investment in more modern plants and equipment and a resultant decline in American jobs.

If the Japanese delegation is unwilling to agree to a more reasonable arrangement on textile imports, then Congress or the Nixon administration should waste no time in taking whatever action is necessary to halt selfish siphoning of American jobs and investment.

ADDRESS BY THE PRESIDENT TO THE 24TH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS, SEPTEMBER 18, 1969

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. FULTON of Pennsylvania. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

ADDRESS BY THE PRESIDENT TO THE 24TH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS, SEPTEMBER 18, 1969

Madam President, Mr. Secretary General, Distinguished Foreign Ministers and Dele-

gates—and my fellow citizens of the world community:

There is no nobler destiny, nor any greater gift one age could make to the ages that follow, than to forge the key to a lasting peace.

In this great Assembly, the desirability of peace needs no affirmation. The methods of achieving it are what so greatly challenge our courage, our intelligence and our discernment.

Surely if one lesson above all rings resoundingly among the many shattered hopes in this world, it is that good words are no substitute for hard deeds, and noble rhetoric is no guarantee of noble results.

We might describe peace as a process embodied in a structure.

For centuries, peace was the absence of war and stability was the absence of change.

But in today's world, there can be no stability without change—so that peace becomes a continuing process of creative evolution. It is no longer enough to restrain war. Peace must also embrace progress—both in satisfying man's material needs and in fulfilling his spiritual needs.

The test of the structure of peace is that it ensure for each nation the integrity of its borders, its right to develop in peace and safety, and its right to determine its own destiny without outside intervention.

As long as we live with the threat of aggression, we need physical restraints to contain it.

But the truest peace is based on self restraint—on the voluntary acceptance of those basic rules behavior that are rooted in mutual respect and demonstrated in mutual forbearance.

The more closely the world community adheres to a single standard in judging international behavior, the less likely that standard is to be violated.

ROLE OF THE UNITED STATES

I am well aware that many nations have questions about the world role of the United States in the years ahead—about the nature and extent of our future contribution to the structure of peace.

Let me address those doubts quite candidly.

In recent years, there has been some criticism here in the United States of the scope and the results of our international commitments.

This trend, however, has not been confined to the United States alone. In many countries we find a tendency to withdraw from responsibilities; to leave the world's often frustrating problems to the other fellow and hope for the best.

As for the United States, I can state here today without qualification: We have not turned away from the world.

We know that with power goes responsibility.

We are neither boastful of our power, nor apologetic about it. We recognize that it exists; and that as well as conferring certain advantages, it also imposes upon us certain obligations.

As the world changes, the pattern of those responsibilities changes.

At the end of World War II, the United States for the first time in history assumed the major responsibility for world peace.

We were left in 1945 as the one nation with sufficient strength to contain the new threats of aggression, and with sufficient wealth and industrial capacity to help the injured nations back to their feet.

For much of the world, those first difficult postwar years were a time of dependency.

The next step was toward independence, as new nations were born and old nations revived.

Now we are maturing together into a new pattern of inter-dependence.

It is against this background that we have been urging other nations to assume a greater share of responsibility for their own security, both individually and together with their neighbors. The great challenge now is to enlist the cooperation of many nations in preserving peace and enriching life. This cannot be done by American edict, or by the edict of any other nation. It must reflect the concepts and the wishes of those nations themselves.

The history of the postwar period teaches that nationalism can be dangerously disruptive—or powerfully creative.

Our aim is to encourage the creative forms of nationalism; to join as partners where our partnership is appropriate, and where it is wanted, but not to let a U.S. presence substitute for independent national effort or infringe on national dignity and pride.

It is not my belief that the way to peace is by giving up our friends or letting down our allies. On the contrary, our aim is to place America's international commitments on a sustainable, long-term basis, to encourage local and regional initiatives, to foster national independence and self-sufficiency, and by so doing to strengthen the total fabric of peace.

We do not pretend that the United States has no national interests of its own, or no special concern for its own interests.

However, our most fundamental national interest is in maintaining that structure of international stability on which peace depends, and which makes orderly progress possible.

TOWARD PEACE IN VIETNAM

Since I took office as President, no single question has occupied so much of my time and energy as the search for an end to the war in Vietnam—an end fair to the people of South Vietnam, fair to the people of North Vietnam, and fair to those others who would be affected by the outcome.

We in the United States want an end to the war, and we are ready to take every reasonable step to achieve it. But let there be no question on this one fundamental point: in good conscience we cannot, in the long-term interests of peace we will not, accept a settlement that would arbitrarily dictate the political future of South Vietnam and deny to the people of South Vietnam the basic right to determine their own future free of outside interference.

As I put it in my address to the American people last May, "What the United States wants for South Vietnam is not the important thing. What North Vietnam wants for South Vietnam is not the important thing. What is important is what the people of South Vietnam want for South Vietnam."

To secure this right—and to secure this principle—is our one limited but fundamental objective.

Both in public and at the Paris talks, we have offered a number of proposals which would bring peace and provide self-determination. We are ready to consider any other proposals that have the same objective. The missing ingredient so far has been the willingness of the other side to talk on any terms other than those that would pre-determine the result and deny the right of self-determination to the people of South Vietnam. Once that willingness exists, and once there is a genuine willingness by the other side to reach agreement, the practical solutions can readily be found.

This makes it urgent that the UN members who have long taken an active interest in peace in Vietnam now take an active hand in achieving it.

Many urged that if only we halted our bombing of the North, peace would follow. Nearly a year has passed since the bombing of the North was stopped.

Three months have passed since we began the process of troop replacement, signaling both our own genuine desire for a settlement and the increased readiness of the South Vietnamese to manage their own defense.

As I announced on Tuesday, by December 15 our troop strength in Vietnam will have been reduced by a minimum of 60,000 men.

On September 2, 1969, North Vietnam's chief negotiator in Paris said that if the United States committed itself to the principle of totally withdrawing its forces from South Vietnam, and if it withdrew a significant number of troops, Hanoi would take this into account.

I repeat here today that we are prepared to withdraw all our forces.

The replacement of 60,000 troops is a significant step.

The time has come for the other side to respond to these initiatives.

The time has come for peace.

In the name of peace, I urge all of you here—representing 126 nations—to use your best diplomatic efforts to persuade Hanoi to move seriously into the negotiations which could end this war. The steps we have taken have been responsive to views expressed in this room. We hope that views from this organization may now also be influential in Hanoi. If these efforts are successful, the war can end.

The people of Vietnam, North and South alike, have demonstrated heroism enough to last a century. They have endured an unspeakable weight of suffering. They deserve a better future. When the war ends, the United States will stand ready to help the people of Vietnam—all of them—in their tasks of renewal and reconstruction. When peace does come at last to Vietnam, it can truly come with healing in its wings.

AN ERA OF NEGOTIATION

In relations between the United States and the various Communist powers, I have said we should move from an era of confrontation to an era of negotiation.

I believe our relations with the Soviet Union can be conducted in a spirit of mutual respect, recognizing our differences and also our right to differ; recognizing our divergent interests, and also our common interests; recognizing the interests of our respective allies as well as our own.

It would be idle to pretend that there are not major problems between us, and conflicting interests. The tensions of the past 30 years have not been caused by personal misunderstanding. This is why we have indicated the need for extended negotiations on a broad front of issues.

Already, as you know, we have had extensive consultations with the Soviet Union as well as with others about the Middle East, where events of the past few days point up anew the urgency of a stable peace.

The United States continues to believe that the UN cease-fire resolutions define the minimal conditions that must prevail on the ground if settlement is to be achieved. We believe the Security Council resolution of November, 1967, charts the way to that settlement.

A peace, to be lasting, must leave no seeds of a future war. It must rest on a settlement which both sides have a vested interest in maintaining.

We seek a settlement based on respect for the sovereign right of each nation to exist within secure and recognized boundaries. We are convinced that peace cannot be achieved on the basis of substantial alterations in the map of the Middle East. We are equally convinced that peace cannot be achieved on the basis of anything less than a binding, irrevocable commitment by the parties to live together in peace.

Failing a settlement, an agreement on the limitation of the shipment of arms to the Middle East might help to stabilize the situation. We have indicated to the Soviet Union, without result, our willingness to enter such discussions.

In addition to our talks on the Middle East, we hope soon to begin talks with the Soviet Union on the limitation of strategic arms. There is no more important task before us.

The date we proposed for the opening of talks has passed for lack of response. We remain ready to enter negotiations.

Since the United States first proposed strategic arms talks three years ago, the task of devising an effective agreement has become more difficult. The Soviet Union has been vigorously expanding its strategic forces; weapons systems themselves have become more sophisticated and more destructive. But as the difficulty of the talks increases, so too does their importance.

Though the issues are complex, we are prepared to deal with them seriously, concretely and purposefully—and to make a determined effort not only to limit the build-up of strategic arms, but to reverse it.

Meanwhile, I want to affirm our support for arms control proposals which we hope the Geneva conference will place before this Assembly with regard to the seabed and to chemical and bacteriological weapons. We hope also that the Nuclear Non-Proliferation Treaty will soon enter into force.

We should be under no illusion, however, that arms control will in itself bring peace. Wars are fought by soldiers, but declared by politicians. Peace also requires progress on those stubbornly persistent political questions that still divide the world—and it requires other exchanges not only of words but of deeds, that can gradually weave a fabric of mutual trust.

We intend to conduct our negotiations with the Soviet Union soberly and seriously, neither encumbered by prejudice nor blinded by sentimentality, seeking to reach agreements rather than to make propaganda.

Whenever the leaders of Communist China choose to abandon their self-imposed isolation, we are ready to talk with them in the same frank and serious spirit.

PEACE-KEEPING AND PEACE-BUILDING

For nearly a quarter of a century, the UN has struggled with the often thankless tasks of peace-keeping.

As we look to the future, however, keeping the peace is only part of our task. We also must concentrate on building the peace.

Let us be candid. There are many differences among the great powers, as well as among others, which as realists we know cannot be resolved quickly. But we also know there are five areas in particular of great concern to us all with regard to which there should be no national differences, in which our interests are common and on which there should be unanimity. These are:

Securing the safety of international air travel.

Encouraging of voluntary service.

Fostering economic development and population control.

Protecting our threatened environment.

Exploring the frontiers of space.

I. By any standards, aircraft hijackings are morally, politically, and legally indefensible. The Tokyo Convention has now been brought into force, providing for prompt release of passengers, crew and aircraft. Along with other nations, we also are working on a new convention for the punishment of hijackers. But neither of these conventions can be fully effective without cooperation; sky piracy cannot be ended as long as the pirates receive asylum.

I urge the United Nations to give high priority to this matter. The issue transcends politics; there is no need for it to become the subject of polemics or a focus of political differences. It involves the interests of every nation, the safety of every air traveler, and the integrity of that structure of order on which a world community depends.

II. The creative, dynamic kind of peace I have spoken of, of course, requires more than such basic protections.

To build this kind of peace, we must join together in building our societies—in raising a great cathedral of the spirit, which celebrates the infinite possibilities of man himself.

Such a peace requires a fuller enlistment not only of government resources, and of private enterprise resources, but also of the dedication and skill of those thousands of people all over the world who are ready to volunteer in the cause of human advancement. Our own Peace Corps has helped in many countries. I especially welcome the consideration the UN itself is now giving to establishment of an International Volunteer Corps. We stand ready to give this exciting new venture our full and enthusiastic cooperation.

III. As the UN looks toward the beginning of its Second Development Decade, it faces a time of enormous challenge and enormous opportunity.

We can only guess at the new scientific discoveries the 70's may bring, but we can see with chilling clarity the gap that already exists between the world's developed and its developing economies—and the urgent need for international cooperation in spurring economic development.

If, in the course of the Second Development Decade, we can make both significant gains in food production and significant reductions in the rate of population growth, we shall have opened the way to a new era of splendid prosperity. If we do only one without the other, we shall be standing still. If we fail in both, great areas of the world will face human disaster.

IV. Increasingly, the task of protecting man's environment is a matter of international concern. Pollution of air and water, upsetting the balance of nature—these are not only local problems, and not only national problems, but matters that affect the basic relationship of man to his planet.

The United Nations already is planning a conference on the environment in 1972. I pledge the strong support of the United States for that effort. I hope that even before then we can launch new international initiatives toward restoring the balance of nature, and maintaining our world as a healthy and hospitable place for man.

V. Of all man's great enterprises, none lends itself more logically or more compellingly to international cooperation than the venture into space. Here, truly, mankind is as one: as fellow creatures from the planet Earth, exploring the heavens that all of us share.

The journey of Apollo 11 to the moon and back was not an end, but a beginning.

There will be new journeys of discovery. Beyond this, we are just beginning to comprehend the benefits space technology can yield here on earth. But the potential is enormous.

For example, we now are developing earth resource survey satellites, with the first experimental satellite to be launched sometime early in the decade of the 1970's.

Present indications are that these should be capable of yielding data which could assist in as widely varied tasks as the location of schools of fish, the location of mineral deposits and the health of agricultural crops.

I feel it is only right that we should share both the adventures and the benefits of space. As an example of our plans, we have determined to take these five actions with regard to earth resource satellites, as this program proceeds and fulfills its promise:

The earth resource satellite program will be dedicated to producing information not only for the United States, but also for the world community.

We will support the convening of a series of international symposia for reports on the work in progress in this field and on projections of future possibilities.

We shall cooperate in the establishment of international information centers to broaden dissemination of satellite data.

We are prepared to work with other nations and specialized agencies in developing educational and training opportunities to meet future needs for specialists, especially in the use of earth resource satellite data.

We shall consider specific international arrangements for handling the data needs of other nations and specialized agencies.

We will be putting proposals to this effect before the United Nations.

These are among the positive, concrete steps we intend to take toward internationalizing man's epic ventures into space—an adventure that belongs not to one nation, but to all mankind, and one that should be marked not by rivalry, but by the same spirit of fraternal cooperation that so long has been the hallmark of the international community of science.

A survey of history might discourage those who seek to establish peace.

But we have entered a new age, different not only in degree but in kind from any that has gone before.

For the first time ever, we have become a single world community.

For the first time ever, we have seen the staggering fury of the power of the universe unleashed, and we know that we hold that power in precarious harness.

For the first time ever, technological advance has brought within reach what once was only a poignant dream for hundreds of millions—freedom from hunger and freedom from want.

For the first time ever, we have seen changes in a single lifetime that dwarf the achievements of centuries—and that continue to accelerate.

For the first time ever, man has stepped beyond his planet—and revealed us to ourselves as "riders on the Earth together," bound inseparably on this one bright, beautiful speck in the heavens, so tiny in the universe and so incomparably welcoming as a home for man.

In this new age of historic "firsts," even the goal of a just and lasting peace is a "first" we can dare to strive for. We must achieve it. And I believe we can achieve it.

In that spirit, then, let us press toward an open world—a world of open doors, open hearts, open minds—a world open to the exchange of ideas and of people, and open to the reach of the human spirit—a world open in its search for truth, and unconcerned with the fate of old dogmas and old isms—a world open at last to the light of justice, and reason, and to the achievement of that true peace which the people of every land carry in their hearts and celebrate in their hopes.

THE NIXON POLICY OF RESTRAINT IS TAKING HOLD

HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. ROBISON. Mr. Speaker, two criticisms are heard about the new administration by those of us who take frequent trips home.

The first of those has to do with the President's failure, so far, to end the war in Vietnam—though he has clearly moved to reduce that conflict—and the second relates to the continuing pain of a rolling inflation from which nearly all of our citizens suffer.

In this latter respect, they ask why Mr. Nixon has not gotten inflation under control; and, as all of us know from our mail, more and more of our constituents who quite properly complain about inflation's inroads, are beginning to urge

wage and price controls as an immediate alternative to the kind of fiscal and monetary restraint the President has sought to apply to this, our most serious domestic problem of the moment.

In my replies to such written suggestions, and in my personal conversations with others at home of like mind, I have been counseling patience as best I can. It is no easier for anyone to be patient about the seemingly unending wave of inflation we have been enduring, than it is to be patient about the tremendously complex task of finding some honorable exit from that theater—of war—into which we so tragically stumbled in Vietnam.

But public—and congressional—patience is, I believe, indicated in both instances. Corrective action, in either area of concern, even when of the right nature, is necessarily slow of result. Thus it is that, whenever some glimmer of light begins to appear at the end of either one of these two long tunnels through which we have seemed to be crawling forever, that light ought to be noted for such encouragement as it may bring.

Today's lead editorial in the Wall Street Journal offers a modicum of such light with respect to the Nixon policies taking hold of inflation. I believe it to be an accurate analysis of our present economic situation, and I commend its reading to my colleagues. The editorial follows:

TAKING HOLD

A few bits of current or recent economic intelligence:

The July increase in private wages and salaries was the smallest in a year.

Retail sales are trailing the advances posted earlier in the year.

Factory sales are expected to level off in the fourth quarter.

In August, private nonfarm housing continued to decline.

By July, private nonfarm housing starts were down 29% from January.

The gross national product, adjusted for price changes, grew at an annual rate of only 2% in the second quarter, compared with a 7.4% rate a year earlier. And industrial output fell in August for the first time in a year.

These and other data seem to us to cast doubt on the prevalent notion that present Governmental policies of fiscal and monetary restraint have failed to take hold and hence cannot be counted on to satisfactorily curb the inflation.

True, offsetting trends can also be discerned. Notably, many prices continued to rise. But as we have said before, it takes time to correct a fierce four-year-old inflation, especially with plenty of inflationary psychology still in evidence. The correction is nonetheless under way; the First National City Bank's Letter puts it succinctly:

". . . the conditions required to make price increases stick are being eroded. The rate of increase in sales is no longer so buoyant that manufacturers and retailers can confidently look to upward price adjustments to help cover the high fixed costs that have been put in place . . .

"The important point to bear in mind is that while price inflation may continue to be excessive for a time yet, the sharp reduction in real growth that has already occurred will not permit excessive inflation to continue indefinitely."

That, at any rate, is the way it ought to work, and the way the Government is trying to make it work. The Federal Reserve Board has been holding the money supply admirably in check. And just as artificially easy money is a major source of inflation, so tight money should be a major part of the cure.

By coincidence, a research project that is still in progress supports the view that monetary policy exerts a strong (albeit slow) impact on the economy. According to Reserve Board member J. Dewey Daane, the study "suggests that monetary policy is a more powerful tool of stabilization policy than most economists, except perhaps Milton Friedman, would have guessed."

Certainly the record on fiscal policy is less impressive. The Nixon Administration is serious about cutting spending below that budgeted by the Johnson Administration, but it would still spend enormous amounts. Congress did extend the tax surcharge, which should never have been necessary if the Government had got its finances in order, but the lawmakers appear, as usual, little disposed to thrift.

Raising taxes as an anti-inflation weapon is at best a dubious procedure anyway. It cuts the people's purchasing power but adds to the Government's, and Governmental financial excesses are the chief cause of inflation.

Even so, the surcharge helped in turning mammoth deficits into small surpluses. If the Government stays on that course, if it sticks to monetary restraint, and if it could get spending down, the way should be cleared for sound noninflationary economic growth. These—and not the wage-price controls being foolishly advocated in some quarters—are the right approaches.

Whatever happens in the months ahead, it is premature now to argue that the policy of restraint is ineffective. More than premature, the statistics say the argument may not even be factual.

CLEAN WATER—NOW

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. OBEY. Mr. Speaker, there is nothing that requires the attention of this Congress more urgently than the need to protect our environment. It is inconceivable that a civilized society should make an inadequate effort to prevent the destruction of its very life. Yet, the possibility exists that inaction by the Congress and the administration, among others, could make reality out of the inconceivable.

Progress leading to the preservation of our most precious resource, water, was made when the Congress passed the Clean Water Restoration Act in 1966. But, our performance to date has failed to back the promise contained in that act.

The Clean Water Restoration Act set forth a plan of action that, if carried out, could make an important contribution toward reducing the amount of raw or inadequately treated sewage that enters our lakes and streams. Instead of carrying out the plan, however, the executive branch has failed to request and the Congress has failed to provide enough money to do the job.

The seriousness of the situation was pointed out in the September issue of Nation's Cities, the magazine of the National League of Cities. The publication devoted a front cover editorial and a comprehensive article to this most important subject. I include the full text of the editorial, the article, and accompanying charts following my remarks:

MARS, THE EARTH AND COMMITMENT

So now they want to send men to Mars. NASA director Dr. Thomas Paine says we have the technical knowledge to do the job by 1981. All we need is the will and commitment. Well, we have the technical knowledge to correct most of our urban pollution problems—*now*. All we need is the will and commitment. We feel the will and commitment to battle pollution have been evident in most of our municipal governments. But we can't say that about the federal government. Take, for example, the shameful way it has failed to meet its obligations under the 1966 Clean Waters Restoration Act. A total of $1.3 billion was *authorized* under the act from fiscal 1967 through 1969. But how much actually was *appropriated* to help states and local governments build wastewater treatment facilities? Only $567 million, or roughly 44 per cent. The remaining unappropriated 56 per cent is an outrageous funding gap. But during that same period, a total of $4.1 billion in wastewater treatment facilities somehow were built. Where, then, did the money come from? It came, of course, from local governments (and, in a few cases, from states), placed under the gun to meet new federal/state water quality standards set by the 1965 Water Quality Act. Now these water quality standard deadlines are fast approaching and many cities will be able to meet them only by overextending themselves financially, thus taking already limited funds away from other vital urban needs such as education, poverty, and housing. Will Congress continue to renege on its obligation to fully fund the 1966 act? Not if the National League of Cities and the other concerned groups joined together in the Citizens Crusade for Clean Water have anything to say about it. And not if the growing congressional support for a full $1-billion 1970 appropriation continues to gain momentum. City officials and concerned citizens throughout the nation can join this fight for full federal funding by immediately bombarding their congressmen with requests to support the $1-billion 1970 appropriation. Success in gaining increased funding is not only necessary to meet our water pollution control needs in the years ahead, but to restore local and state government confidence in the federal government's credibility. National goals for an unfouled urban environment have been enunciated by Congress many times during the past decade. But, unlike the space program, the will and commitment to achieve these goals often have not been present. Mars can wait. Our environmental pollution control needs here on Earth cannot.

ARE THE CITIES TRAPPED IN THE WATER POLLUTION CONTROL FUNDING GAP?

(By Raymond L. Bancroft)

Hopes were high back in 1966 when the Congress approved the Clean Waters Restoration Act. NATION'S CITIES called it "one of the 89th Congress' most sweeping accomplishments."

And indeed it was. The act called for a steady and steep rise in federal assistance for sewage treatment facility construction—from $150 million in fiscal 1967 to $450 million in 1968, $700 million in 1969, $1 billion in 1970, and $1.25 billion in 1971. Financially hard-pressed cities and counties were enthusiastic about the prospects of really being able—with increased federal help—to meet the water quality standards then being drafted by state water agencies under the Water Quality Act of 1965.

While the lofty money authorization levels set in the 1966 act remain intact, however, the appropriations to match them have not been made by Congress. In fact, as the table on page 8 shows, the appropriations from fiscal

year 1967 through 1970 (including $214 million asked for '70) total $781 million, only a third of the $2.3 *billion* authorized. Construction grant officials in the Federal Water Pollution Control Administration said in July that applications for non-existent funds continue to pile up. A total of 4,648 applications for construction grants are now languishing in FWPCA regional offices or in state water pollution bureaus.

The result of the lag of federal funds for waste water construction projects naturally has "put the burden back on the localities" to pay for needed projects, says Robert Canham, acting executive secretary of the Water Pollution Control Federation, a national association representing both industry and government.

"This whole situation has tended to lead to a lack of confidence by local and state officials in what federal aid levels will be," Canham adds. "The states are recognizing the problem where it counts . . . through their taxpayers with the expectation of federal assistance later."

The fact that municipalities and states are taking up the slack in waste treatment facility building left by inadequate federal assistance is borne out in a new WPCF publication, *Water Pollution Control Facts.*

"The influence of the federal grants program for the construction of wastewater treatment facilities, even at its $214-million per year level, assures the proper encouragement of construction by municipalities," the report states. "Witness the 1968 increase over 1967; it showed a 20 per cent increase for a total of $1.35 billion, despite the fact that the level of federal grants funds did not increase. Fiscal 1970 continues at the $214 million level, the same as fiscal 1969. At least this will keep up the momentum."

Canham, however, wonders what will happen to the fight against water pollution when the 1966 act's current authorization expires in fiscal 1971, particularly if increased federal appropriations aren't forthcoming.

"The whole effort is bound to suffer," he says.

In advocating that Congress appropriate the full $1 billion authorized for fiscal 1970 construction grants, the National League of Cities has pointed out the bind in which many cities will find themselves if they cannot get federal assistance.

"Local improvements must be made since the act provides for enforcement through the courts," said NLC President C. Beverly Briley, Mayor of Nashville, in a letter to President Nixon urging his support of the full appropriation.

"Local units will be compelled to proceed with major improvements and expenditures whether or not the federal government meets its obligations. The sad product will be that cities will be forced to clean up the waterways but will do so at the expense of improving housing, education, and other critical local needs which draw upon the same resource base."

Already communities in Pennsylvania, Missouri, Florida, California, and New Jersey have faced state-imposed restrictions on future residential and commercial construction because of water pollution problems.

But many observers, including the NLC, feel it is unfair for cities to be forced to comply with water quality standards while many are not able to financially meet them because Congress has failed to appropriate funds already authorized.

Mayor Briley urged the Administration to either support efforts to get full appropriations or, if this is not possible, to modify the schedule of compliance to permit cities a longer period of time in which to meet water quality standards.

The primary reason for lack of adequate federal financing of the 1966 Clean Waters Restoration Act is the same given for other domestic program appropriation lags: the Vietnam War. Under prodding from the budget cutters, the Administration has sent Congress an alternative plan for financing waste treatment plant construction. Under the plan, the Secretary of the Interior could enter into contracts up to 30 years in length with a local or state government to pay the federal share of the costs of treatment plants. This means larger bond issues would have to be floated and the locality or state would have to pick up the interest on the federal share. Federal payments to the state or local government would be made up to 30 years to cover that U.S. share. The National League of Cities and other groups representing local governments are opposed to the plan. "We think it stinks," said one NLC staffer.

As Joe G. Moore, Jr., the former commissioner of the Federal Water Pollution Control Administration, expressed it at a conference earlier this year:

"Congress . . . will again this year wrestle with the problem of how to provide additional funds for the construction of waste treatment facilities without appropriating money."

David O. Dominick, Moore's successor, expresses disappointment at the length of time it took to get the alternate financing proposal to Congress. But, he adds, "we must make the best of a tight budget situation because right now we are lagging in the fight for clean water."

Dominick's FWPCA is caught in the middle of the financing dilemma. It pushed hard for an appropriation of $600 million for construction grants in the proposed 1970 budget but the Bureau of the Budget chopped that request to $214 million, the same as that appropriated in 1969.

"It is most important that we make every effort in Washington to keep faith with the states that have already begun construction on their own," Dominick says. "We must keep faith with the municipalities which need additional financial assistance in order to meet the water quality standards to which they have agreed."

FWPCA officials in the field also feel the pinch of congressional promises in the light of funding realities. Richard A. Vanderhoof, director of FWPCA's Ohio Basin Region, notes the "clearly incompatible" nature of water quality standards and the funds available to meet them.

"We're making progress in water pollution control if everyone would stand still," Vanderhoof says. "But we must run faster. The combination of industrial growth and municipal growth almost puts us in a position of status quo, particularly with the level of funds we have available."

Although it is generally agreed that there is a whopping backlog of unmet sewage treatment needs in the U.S. (a 1967 FWPCA estimate put the total at $8 billion to provide secondary treatment for most of the urban population), the 1969 edition of FWPCA's *The Cost of Clean Water and Its Economic Impact* comes up with a much smaller backlog estimate of less than $2 billion.

"Only a fault in basic assumptions or a significant change in circumstances can account for the variation found to exist between various estimates of the cost of water pollution and control," the agency report says.

"It may be argued," the report continues, "that the concept underlying almost every cost estimate that has been made—that is, the idea of a fixed backlog—is no longer a valid assumption in light of the current status of waste treatment as reflected in the 1968 Municipal Waste Inventory.

"Water pollution is a process as well as a condition. It is dynamic in its occurrence; fluctuating in its circumstances. So water pollution control must be flexible in its approaches; and time forms an essential element in estimates of its cost.

"This document [the report], then, views the municipal costs of water pollution control within a context of dynamism. It gropes with the question of determining an *appropriate rate of investment* rather than establishing a final cost of water pollution control. In substituting the dynamic view for the static one, it recognizes the disagreeable fact that pollution control will continue to require expenditures, that pollution cannot be ended by spending any single sum. It loses something in apparent precision. It is felt, however, that the view compensates for any lack of definition by bringing us closer to a manageable statement of real conditions.

"The changed way of looking at things imposes a broader view and forces recognition of problems in relating federal programs to events in such a way that the programs will not be out of date or mis-scaled by the time they are initiated. While all the ramifications of the approach are not understood, analyses now being undertaken can be expected to yield some insights over the coming year. These may be useful in recasting legislation after the expiration of current authorization in fiscal year 1971."

The FWPCA report also points out that new treatment plant investments are fairly close to the estimated need for construction and that rates of investment for interceptors and outfalls are very close to the level of indicated requirement. "But sewer, replacement, and expansion shortcomings seem to be developing," it adds. "Since 1963 the construction of new waste treatment plants has been declining relative to the other major categories of investment that qualify for FWPCA construction grants—replacements, additions, and installation of interceptor sewers."

But the FWPCA notes that the decline in new treatment projects should not be a surprise. An "enormous number" of new plants—more than 7,500—have been built between 1952 and 1967 and the great majority of the population with sewers now receives some sort of waste treatment.

Since only four cities over 250,000 population (Honolulu, New Orleans, Memphis, and parts of New York City), remain available for *initial* waste treatment investments, the coming investment in new plants is concentrated in small towns. The FWPCA report says communities under 10,000 population now account for almost half of the dollar value of investment for new waste treatment plants, up from slightly more than a third during the 1952–55 period.

Estimates from the states in their program plans indicate that municipal waste handling investments over the 1969 through 1973 period will amount to about $6 billion, roughly equal to that spent over the past five years, the FWPCA report says. It is very likely that spending for upgrading, expansion, and replacement needs in 1969 will exceed the outlays for new plant investments. "There seem to be great expansion and replacement needs in cities of all sizes," the report notes.

Adding to this trend will be the need for advanced waste treatment to meet the stricter state water quality control standards. Tertiary or advanced waste treatment is a state goal for many Indiana communities by 1977, is contemplated for some Ohio towns, is being phased into the Chicago system, and is planned for part of Long Island. Construction costs zoom upward for advanced treatment facilities.

The need for advanced treatment, the increased emphasis on upgrading operational efficiency, and the need to raise operator wages will increase operating and maintenance costs of municipal waste treatment plants "very sharply in the immediate future," the FWPCA report notes. Already these operating and maintenance costs total $150 million to $200 million a year, a doubling in the last decade.

In summarizing its findings, the FWPCA concludes:

"It would appear, then, that there may be a substantial gap opening between the amount the nation expects to spend—as measured by state program plans and by the level of federal construction grant appropriations—and the amount that will be required to complete the connection of all sewered places to waste treatment plants and to expand, replace, and upgrade treatment where it now exists.

"The fact that the states as a group anticipate programs that will involve a level of spending very close to that of the last six years is a cause for major concern, despite the major accomplishments of the last six years.

"The findings of this report show that investment requirements imposed by new plant construction, expansion, replacement and upgrading of plants, accelerating acceptance of industrial wastes in the municipal plant, increasing levels of waste reduction being required, and the fact that a very significant portion of needed new investment occurs in precisely those places where cost experience in the past has been highest, will all result in pressing capital requirements upward significantly for many years."

1968 MUNICIPAL WASTE INVENTORY [1]

Size of place, 1960 census	Primary treatment			Secondary treatment			No treatment	
	Total plants	Communities identifiable	Population served	Total plants	Communities identifiable	Population served	Communities	Population served
Unknown	112	65	6,284,805	643	302	8,049,603	15	271,725
Under 500	261	239	587,361	1,231	1,117	1,820,942	252	79,640
500 to 1,000	355	338	249,101	1,422	1,334	1,322,214	333	228,444
1,000 to 2,500	623	550	980,302	2,160	1,945	3,422,129	491	685,556
2,500 to 5,000	368	318	1,110,813	1,329	1,103	4,325,341	215	704,898
5,000 to 10,000	279	239	2,532,269	961	781	5,763,512	143	1,649,878
10,000 to 25,000	242	211	3,453,900	771	519	8,875,655	82	1,354,855
25,000 to 50,000	106	83	3,063,100	258	166	6,588,635	25	839,075
50,000 to 100,000	48	41	3,374,220	158	74	6,192,422	14	1,071,710
100,000 to 250,000	35	18	3,419,215	97	39	6,604,168	8	1,224,070
250,000 to 500,000	17	9	3,307,525	76	10	4,200,285	2	858,905
Over 500,000	22	6	15,372,410	77	9	18,620,880	2	2,305,900
Total	2,468	2,117	43,735,021	9,183	7,399	75,785,786	1,582	11,274,656

[1] Includes 1962 rather than 1968 conditions for the States of New York, New Jersey, Pennsylvania, Iowa, and Arkansas.

Source: "The Cost of Clean Water and Its Economic Impact," vol. 1, 1969 (preliminary data). Federal Water Pollution Control Administration.

THE WATER POLLUTION CONTROL FUNDING GAP

AUTHORIZATIONS VERSUS ALLOCATIONS UNDER THE 1966 CLEAN WATERS RESTORATION ACT

[In millions]

States	1968		1969		1970		1968–70 funding gap totals [1]			
	Authorized	Allocated	Authorized	Allocated	Authorized	Allocated [1]	Total authorized	Total allocated	Total gap	Percent not funded
Total	$450.0	$203.0	$700.0	$214.0	$1,000.0	$214.0	$2,150.0	$631.0	$1,519.0	70.7
Alabama	8.4	4.1	12.9	4.1	18.3	4.1	39.6	12.3	27.3	68.9
Alaska	1.2	.9	1.5	.9	1.9	.9	4.6	2.7	1.9	41.3
Arizona	3.8	2.0	5.6	2.1	7.8	2.1	17.2	6.2	11.0	64.0
Arkansas	5.2	2.9	7.6	2.8	10.6	2.8	23.4	8.5	14.9	63.7
California	35.3	14.6	56.9	14.9	82.8	14.9	175.0	44.4	130.6	74.6
Colorado	4.7	2.4	7.1	2.4	10.0	2.4	21.8	7.2	14.6	67.0
Connecticut	6.2	2.9	9.7	2.9	13.9	2.9	29.8	8.7	21.1	70.8
Delaware	1.6	1.1	2.3	1.1	3.0	1.1	6.9	3.3	3.6	52.2
District of Columbia	2.3	1.3	3.3	1.3	4.6	1.3	10.2	3.9	6.3	61.8
Florida	11.8	5.3	18.6	5.4	26.8	5.4	57.2	16.1	41.1	71.9
Georgia	9.8	4.6	15.1	4.6	21.6	4.6	46.5	13.8	32.7	70.3
Hawaii	2.2	1.4	3.0	1.3	4.1	1.4	9.3	4.1	5.2	55.9
Idaho	2.5	[2].5	3.4	1.6	4.5	1.6	10.4	3.7	6.7	64.4
Illinois	22.9	9.6	36.7	9.8	53.4	9.8	113.0	29.2	83.8	74.2
Indiana	11.1	4.9	17.5	5.0	25.2	5.0	53.8	14.9	38.9	72.3
Iowa	6.9	3.3	10.7	3.3	15.3	3.3	32.9	9.9	23.0	69.9
Kansas	5.7	2.8	8.6	2.8	12.2	2.8	26.5	8.4	18.1	68.3
Kentucky	7.8	3.7	12.0	3.8	17.0	3.8	36.8	11.3	25.5	69.3
Louisiana	8.3	4.0	12.7	4.0	18.1	4.0	39.1	12.0	27.1	69.3
Maine	3.1	1.9	4.5	1.9	6.1	1.9	13.7	5.7	8.0	58.4
Maryland	7.5	3.5	11.8	3.6	17.0	3.6	36.3	10.7	25.6	70.5
Massachusetts	12.0	5.3	19.1	5.4	27.6	5.4	58.7	16.1	42.6	72.6
Michigan	18.0	7.7	28.7	7.8	41.6	7.8	88.3	23.3	65.0	73.6
Minnesota	8.4	3.9	13.1	3.9	18.7	3.9	40.2	11.7	28.5	70.9
Mississippi	6.2	3.4	9.2	3.4	12.8	3.4	28.2	10.2	18.0	63.8
Missouri	10.3	4.7	16.3	4.8	23.4	4.8	50.0	14.3	35.7	71.4
Montana	2.4	[2].7	3.3	1.5	4.5	1.5	10.2	3.7	6.5	63.7
Nebraska	4.0	2.2	5.9	2.1	8.2	2.1	18.1	6.4	11.7	64.6
Nevada	1.2	.9	1.7	.9	2.2	1.0	5.1	2.8	2.3	45.1
New Hampshire	2.2	1.4	3.0	1.4	4.0	1.4	9.2	4.2	5.0	54.3
New Jersey	14.0	6.1	22.4	6.2	32.4	6.2	68.8	18.5	50.3	73.1
New Mexico	3.1	[2].7	4.4	1.9	6.0	2.1	13.5	4.7	8.8	65.2
New York	37.6	15.5	60.7	15.8	88.4	15.8	186.7	47.1	139.6	74.8
North Carolina	11.1	5.2	17.4	5.2	24.9	5.1	53.4	15.5	37.9	71.0
North Dakota	2.3	[2].3	3.3	1.6	4.3	1.6	9.9	3.5	6.4	64.6
Ohio	22.1	9.4	35.5	9.6	51.5	9.6	109.1	28.6	80.5	73.8
Oklahoma	6.1	3.1	9.3	3.1	13.2	3.1	28.6	9.3	19.3	67.5
Oregon	4.7	2.4	7.1	2.4	10.1	2.4	21.9	7.2	14.7	67.1
Pennsylvania	25.7	10.8	41.3	11.0	60.0	11.0	127.0	32.8	94.2	74.2
Rhode Island	2.7	1.6	3.9	1.6	5.3	1.6	11.9	4.8	7.1	59.7
South Carolina	6.5	3.4	9.7	3.4	13.7	3.3	29.9	10.1	19.8	66.2
South Dakota	2.5	[2].3	3.5	1.7	4.6	1.8	10.6	3.8	6.8	64.2
Tennessee	9.0	4.3	13.9	4.3	19.8	4.3	42.7	12.9	29.8	69.8
Texas	22.0	9.4	35.2	9.6	51.0	9.6	108.2	28.6	79.6	73.6
Utah	2.9	[2].7	4.1	1.8	5.6	1.8	12.6	4.3	8.3	65.9
Vermont	1.8	1.4	2.4	1.3	3.0	1.3	7.2	4.0	3.2	44.4
Virginia	9.7	4.5	15.1	4.5	21.7	4.5	46.5	13.5	33.0	71.0
Washington	7.0	3.3	11.0	3.3	15.7	3.3	33.7	9.9	23.8	70.6
West Virginia	5.2	2.7	7.8	2.8	10.8	2.8	23.8	8.3	15.5	65.1
Wisconsin	9.5	4.4	15.0	4.4	21.5	4.4	46.0	13.2	32.8	71.3
Wyoming	1.5	[2].005	2.1	1.2	2.6	1.2	6.2	2.4	3.8	61.3
Guam	1.6	[2].8	1.6	1.5	1.7	1.4	4.9	3.7	1.2	24.5
Puerto Rico	6.6	3.5	9.8	3.5	13.7	3.5	30.1	10.5	19.6	65.1
Virgin Islands	1.5	1.5	1.5	1.4	1.6	1.4	4.6	4.3	.3	6.5

[1] 1970 appropriations still pending.

[2] Actual amounts used by these 8 States although they were entitled to use more. Unused amount totaling $8,300,000 from these 8 reallocated to other States.

Source: Federal Water Pollution Control Administration.

SOME ANSWERS ABOUT THE NEGLECTED VETERANS

HON. ELIGIO de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DE LA GARZA. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address by Mr. Ross Qualkinbush, entitled "Some Answers About the Neglected Veterans":

ADDRESS BY MR. QUALKINBUSH

What is the Veterans of World War One organization? It is a veteran's organization chartered by Congress July 18, 1958 of WWI Veterans: BY WWI Veterans; For WWI Veterans. It is an exclusive veterans organization whose potential membership grows lesser day by day but whose fellowship grows stronger as the years come and go. Each WWI Veteran should be a member and help plan for his future as that is where he will spend the rest of his life. The VA reported Aug. 4, 1969, 1,647,000 WWI Veterans, average age 74.7 years.

Briefly, this is a World War I Veteran. In 1918 this man was an average age of 23. He served his country in the trenches in a strange and foreign land. In 1935 he was 40. He suffered thru the depression, kept faith and preserved American Democracy. In 1943 he was 48. His labor produced the weapons of war which made his country the arsenal of freedom. He gave his sons in World War 2 and his grandsons in Korea. Today his great grandsons are fighting. Regardless of how you or I may feel about our involvement in Vietnam, every American must support our flesh and blood who are fighting and dying in the steaming jungles. Anything else is *treason*, just as the American Constitution says! My Buddy, let me warn you that if these plain words are too strong for you, it is time you learn the facts before it is too late.

The WWI Veteran is now an average age of 75 years. He is in retirement and in most cases, is suffering from a number of chronic illnesses. His income has been reduced to an existence level. He has given a lifetime of service and provided the manpower in four major wars. What is his reward? He offered his all in his country's hour of need. In his twilight of life, what does his country offer him?

Today we have some 215,000 members in the men's group and about 95,000 in the Ladies Auxiliary, which consists of Mothers, Wives, Daughters or Sisters of WWI Veterans. For the most part, members have now reached an age of betwen 72 and 80. Only a few of the men in this period receive full Social Security benefits and it is obvious that retirement funds must come from either military service, railroad or business firms. Another thing to remember is that few of these WWI Veterans received an education equal to high school or higher.

Despite the practice of thrift during their lives, these "Defenders of our Nation," in 1917–1918 find themselves in an economic squeeze in cases where retirement funds do not go up with the cost of living. For this necessary reason we are asking our Government to augment such meager income liberalizing Part 111 of the Old Veterans Code which permitted veterans (disabled or unable to work) $78.75 per month. We request that *this be liberalized to include for the most part A–L–L of the old veterans of WWI* and that the amount of pension be increased to cover the cost of living increases. All *this, and more, have been included in Bills introduced in Congress but never passed. Why?*

When the doughboys returned from their war assignments in late 1918–19, the country was in a state of depression and some of the veterans never had a chance to "get on their feet," economically speaking. The chief objective of the Veterans of WWI is to secure benefits for the many thousands of needy veterans and their dependents who are existing today on a mere subsistence level. On the other hand there are large numbers of WWI veterans who can never benefit by any pension legislation that can be adopted. It is this spirit of unselfish endeavor that has served to build the organization into the potent force of our day. Their primary interest insofar as veteran groups is concerned centers on the Veterans of WWI and they mean to take every step to advance its growth and its influence. There are few to say they will not be successful.

The Veteran of WWI has had to overcome tremendous handicaps and is still fighting for those rights, benefits and privileges which he feels are justly due him, the neglected veteran. Won't you please help?

WILL HON. WILLIAM B. CAMP, COMPTROLLER OF THE CURRENCY, VOLUNTARILY RETIRE, OR WILL HE BE FORCED TO RESIGN?

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DENT. Mr. Speaker, my distinguished colleague, Hon. ARNOLD OLSEN, a member of the House Post Office and Civil Service Committee, which committee has legislative jurisdiction over all of our Federal employees, placed in the CONGRESSIONAL RECORD of September 10, 1969, remarks, the title of which read, "Request the Retirement and Resignation of Hon. William B. Camp, Comptroller of the Currency," and which included a letter to President Richard M. Nixon, requesting the resignation and retirement of William B. Camp, Comptroller of the Currency, together with a lawsuit brought by Thomas F. Donofrio, of Toledo, Ohio, as plaintiff, against William B. Camp, as defendant.

Perhaps the most significant repercussion of this lawsuit to date, aside from leaving Mr. Camp in a very "sticky" predicament, was the editorial in the hometown paper of Mr. Donofrio, namely, the Toledo Blade, an outstanding and highly respected newspaper published in Toledo, Ohio, which had this to say about Mr. Donofrio in an editorial on its editorial page on September 12, 1969.

The editorial is entitled "The Burden of Proof" and is as follows:

THE BURDEN OF PROOF

Toledo businessman Thomas F. Donofrio's suit charging the U.S. comptroller of the currency with slander and libel is of greater than passing interest just because it takes on a high federal official. But there is more to the matter than that.

Mr. Donofrio accuses comptroller William B. Camp, whose job is to supervise national banks, with spreading word among various public and business circles that the Toledoan is a member of what is termed the Mafia or Cosa Nostra. If the comptroller did so, then it is entirely appropriate that he be called to account in a court of law.

For those tags—referring to the professional underworld—are not the kind that ought to be hung on anybody in loose talk, and they are bandied about altogether too freely these days. Alleging Mafia or Cosa Nostra connections is so clear a form of character assassination that it has become in practice as libelous per se as the courts have long recognized calling someone a Communist to be.

Mr. Donofrio asserts in his $2 million damage suit that he lost expected commissions from business deals spoiled by the statements that he accuses Mr. Camp of making about him. The kind of merger and acquisition activities that Mr. Donofrio said he engaged in is, of course, well known to many Toledoans. He and other members of his family have been enterprising operators of a variety of businesses here and elsewhere for a good many years. In the process of parlaying small stakes into wide and diverse interests, they have built a reputation for what might be deemed particularly shrewd opportunism at turning a profit.

But that alone is certainly no grounds for suspecting ties to the so-called Mafia or Cosa Nostra. And if such suspicions about Mr. Donofrio were indeed generated by Mr. Camp, we suspect he will be hard put to discharge the burden of proof that the damage suit places on him.

To my way of thinking, this is a justifiable indictment by inference, of Mr. Camp, because who would know Mr. Thomas Donofrio better, personally, or by reputation, than the publisher and personnel of his hometown newspaper?

When you appraise the whole matter, another important question arises, if Mr. Camp is correct, then why did the top officials of our Armed Forces give Mr. Donofrio a top security clearance?

If Mr. Camp is right, then the officials of the Armed Forces were wrong and, of course, it well could be vice versa.

But the top officials of the Armed Forces are not being sued; it is Mr. Camp, that is being sued, for $2,000,000, for his wrongdoing. As a Member of Congress from another State, with no ax to grind, but rather a person just believing in fair play, I construe this editorial as a tribute to Mr. Donofrio.

I feel sure that this outstanding newspaper could have easily remained silent, had not Mr. Donofrio earned the respect and confidence of his fellow citizens of Toledo, Ohio.

All of this seems to add up to the point that Mr. Camp has evidently outlived his further usefulness in the office of Comptroller of the Currency and should be retired and replaced.

It is a rather sticky mess which has fallen in the lap of President Nixon, especially since the office of Comptroller of the Currency is a very sensitive and delicate position because it controls the destiny of over 4,700 national banks throughout the United States.

My congratulations, therefore, go to the Toledo Blade fo rhaving the courage to stand up for one of its hometown citizens, and to Congressman ARNOLD OLSEN for his remarks in the RECORD.

POSTAL PROBLEMS

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. DELANEY. Mr. Speaker, in these extremely busy times, when our whole world seems to be moving at "breakneck"

speed, it is often refreshing to recall "the good old days," when life progressed at an easier pace, and people seemed to take more interest in each other.

In this regard, I would like to share with my colleagues a nostalgic article by Miss Celestine Sibley, of the Atlanta Constitution, concerning the Post Office Department some 30 years ago, when the beloved elder statesman, the Honorable James A. Farley was Postmaster General.

The article recalls an era when the local post office was not only a place to transact postal business, but also a gathering place where friends exchanged views on the issues of the day, or stopped in to say "hello" to friends. Jim Farley's popularity and affection among the people was so pervasive at that time it seemed to infect all postal employees. Miss Sibley tells us that her recollection of visiting the post office in those days was almost as though she were patronizing Jim Farley's "store." A store in which he took a very direct and personal interest.

Those days are gone now in the rush of progress and modernization. We miss them. And we will always miss not having "Genial Jim" Farley as our Postmaster.

The article follows:

[From the Atlanta Constitution, Aug. 26, 1969]

POSTAL PROBLEMS

(By Celestine Sibley)

All of us have our weaknesses about old friends. If you've cared about somebody in the past it's almost impossible to believe theyr'e slightly less than perfect. I love the post office department. The first time I remember noticing it was when President Roosevelt's friend, Jim Farley, was postmaster general and I thought he was a magnificent fellow. Never forgot a name or a face, legend said of Mr. Farley, and I had a feeling that he personally read the addresses on my letters and personally saw that they went through.

People who worked at the post office were never colorless public servants toiling at tedious jobs under the indifferent eye of political appointees to me. They were in a class with the Northwest Mounties (as portrayed by Nelson Eddy, of course). They were blood brothers to the rural mail carriers who braved sleet, snow, flood and fire to "Get the Mail Through." Even those who were back of wickets in marble buildings selling stamps and money orders and not braving anything particular always seemed superior to the average run of citizen. They were cleaner and neater and politer.

The mother of a friend of mine, widowed early, manned the registered mail window in the Mobile post office, gentle, soft-spoken, every inch an old-fashioned lady. And I always believed that the United States government specifically searched out such people for so responsible a post.

Another thing, people at the post office seemed friendlier and more obliging than you'd believe possible in a tiresome, demanding job. It has always been my feeling that they take a personal interest in your packages and if you say, "That's sunsuits for Tib and it's terribly hot in Shreveport in July," the man at parcel post would say, "Oh, I know! Don't worry, we'll see that she has them by Tuesday at the latest!" And the next time you went in he would say, "Did Tib like her sunsuits, did they fit?"

Alas, the post office is letting me down. I went in there one day last June to mail the dress Tib left behind and a darling little sunsuit I made her out of a remnant with kittens on it and a couple of things for Bird along with a lot of books a friend gave them. I wanted to engage the gentleman at the window in a spirited debate on the question of whether the book rate prevailed or if I had to pay more because of the sunsuit. He looked at me with a weary and bored eye and said nothing.

In the face of stony silence you can't keep blatting and braying like a half-wit. So I choked back all the folksy little stuff I might have told him about the books and what they were about and simply paid him the figure he mentioned. I didn't have the nerve to ask him if I was paying a book rate or parcel post, much less to get him to advise me on insuring or not insuring. (I always depend on the post office to counsel me on this crucial question.)

Would you believe the post office didn't treat that package like sacred trust? Or the next one? The first one came back the other day, roughly two months after I mailed it. The second one is still missing. I suppose somewhere postal employes are turning out bins and poking around corners looking. But I'd feel a sight more hopeful if Jim Farley were still in Washington and I could tell him that one package contained FIVE (5) sundresses that I personally stitched up for Tib myself. He'd care, I know, that they had underpants to match and that the blue one had a hair ribbon to match.

AMC'S COST UNDERRUNS

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. FISHER. Mr. Speaker, in recent months there have been an abundance of articles in the press and discussions in Congress regarding cost overruns on military procurement contracts. It is indeed refreshing to hear about the other side—cost underruns.

In a recent interview with General Chesarek, commander, Army Materiel Command, some of these underruns, which resulted in substantial savings to the Government, were cited.

Also included in this article, which appeared in the September 6, 1969, issue of the Armed Forces Journal, is a summarization of some of these underruns and I insert this summary in the RECORD.

AMC'S COST UNDERRUNS

Over the past several years AMC cites several instances in which contractors recorded substantial savings to the government. One is the Redeye Weapons System developed by General Dynamics, Pomona, California. During the period October 1963 to January 1969, the contractor recorded savings to the government of $314,208 on a $22,588,979 operational systems development contract for Redeye and a saving of $593,452 on a $21.9 million engineering services contract for the same system.

Others recording cost underruns include: Hughes Aircraft Company, Communications Division, Fullerton, Calif., with a savings of $118,512 on a $10,151,024 limited production contract for Satellite Communications Link Terminal AN/MSC-46 running from February 1966 to March 1968.

Raytheon Company, Missile Systems Division, Bedford, Mass., with an underrun of $16,146 on a $4.4 million operational systems development contract for the Self-Propelled Hawk Missile System over the period August 1965 to September 1967.

Sperry Rand Corp., UNIVAC, Salt Lake City saved the government $74,310 on a $3,992,819 operational systems development contract running from March 1966 to September 1968 for the Sergeant Guided Missile System, Artillery.

International Telephone and Telegraph Corporation, ITT Electron Tube Division, Easton, Pa., recorded an underrun of $70,712 on a $9,643,398 production contract running from May 1966 to June 1968 for the Night Vision—Image Intensifier Assembly 25mm.

COMMENDATION FOR REAR ADM. JOHN HARLLEE

HON. EDWARD A. GARMATZ

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. GARMATZ. Mr. Speaker, the recent retirement of Rear Adm. John Harllee as Chairman of the Federal Maritime Commission has marked the end of more than 37 years of outstanding and faithful service to the United States and the maritime industry.

Through the administrations of three Presidents, beginning with President Kennedy in 1963, Admiral Harllee worked diligently and effectively to protect America's interest. He has been instrumental in maintaining our Nation's prestige and influence in the world's maritime community. As a result of his ability and dedication to his duties as the Chairman he made an invaluable contribution to the American maritime industry during an extremely critical period.

A 20-year veteran of the U.S. Navy, Admiral Harllee has long been aware of the dual role of the merchant marine—as a vital arm of our national defense, and as an indispensable factor in a healthy national economy. He continuously emphasized that the American merchant marine faces fierce foreign competition, and he constantly stressed the urgent need for the United States to regain its rightful share of this Nation's import-export trade.

Admiral Harllee was an expert in his field. In addition to mastering the complex regulatory functions peculiar to his agency, he recognized and understood the myriad problems of the entire maritime industry; his knowledge embraced the entire scope of that industry's far-flung activities, from the longshoremen to the steamship operators to the foreign freight forwarders. His efforts to use his office and his knowledge to aid the American merchant marine brought him plaudits from many segments of the industry; and his forceful and dynamic personality won for him the respect of many foreign maritime officials and organizations.

Admiral Harllee is a man of many talents. I am grateful that he used them so well to serve his Nation and the maritime industry, and I wish him success in all of his future endeavors.

FACED NEW CHALLENGES

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. STUCKEY. Mr. Speaker, Laurence Virgil Day was born and reared in Douglas, Ga., where he makes his home. He attended the Douglas Elementary and Junior High, the Coffee County High School, and South Georgia College. Also, he has been accepted at Valdosta State College for the fall quarter of 1969.

In high school he was president, vice president, and community projects chairman of the Hi-Y, a Boy Scout, secretary of the Explorer Scouts, vice president of the French Club, and a member of the Beta Club. In college he was librarian and manager of the SGC Touring Choir, vice president of the Phi Theta Kappa, and president of the Methodist Youth Fellowship.

Also, while in high school, Laurence was a participant in the 1966 Governor's Honors Program, the 1967 STAR Student for Coffee County, and an honor graduate. And, in college he received the Highest Scholastic Average Award at SGC both his freshman and sophomore years and as a president's scholar his freshman year.

I include an article Laurence wrote while working as a student intern in my office this summer:

FACED NEW CHALLENGES

Earlier this year I applied for what I felt would be a singular experience in the study of human affairs and national government. This experience would consist of five weeks in Washington, D.C., working with the staff of Congressman W. S. (Bill) Stuckey, Jr. I sent in my application and waited, and towards the end of May I received word that I had been accepted.

There followed several weeks of high anticipation and carefully planned preparations. This was to be the second time I had been away from home for an extended period, and I realized that this upcoming trip would be a veritable field test of my abilities with respect to meeting new people, job requirements, and personal situations in general.

Since my arrival I have definitely had all of my expectations fulfilled or exceeded. This job has certainly caused me to be thrown into situations completely unlike anything I have previously known; and, although I may not have successfully met every one of these challenges, I have at least been exposed to them. I have had the privilege of working with a highly efficient and knowledgeable staff whose primary concern is the coordination and utilization of their Congressman's programs. Above all, I have been able to watch Congressman Stuckey in action and to learn from him many facts of a practical nature concerning the everyday running of our national government.

Also, I have been a participant in the House Intern Program; and as a member of this organization I have been able to attend many lectures and receptions here in the Washington area. For example, in one week I heard Clifford Case, W. Averill Harriman, and Daniel Moynihan speak at separate sessions. Also, I visited along with the other House Interns the Chinese Embassy for a reception, and met Ambassador and Mrs. Chow. These have certainly been both entertaining and informative, and I've gotten a good bit out of them.

And of course, since Washington, D.C., is a city of great historical significance, I have had every opportunity to play the tourist. Washington is such a vast collection of shrines, tourist attractions, and novelties to a country boy like me that I've been kept pretty busy. I've visited the Lincoln Memorial, the Washington Monument, and the Jefferson Memorial; and I also plan to visit the White House before leaving.

In addition, I've been through most of the Smithsonian Institute. I say most of the Institute because no matter how much time one spends there—he never sees it all. The many floors crowded with thousands of various and unique exhibits were truly astounding and fascinating.

The time I have spent in Washington, D.C., has indeed been a happy period in my life and I have cultivated many lasting friendships and memories. I believe the time has been well-spent, and I regret only that my time in the nation's capital is coming to an end. At any rate, I will always remember what a wonderful time I have had.

GEN. WILLIAM H. DRAPER, JR.

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BUSH. Mr. Speaker, I wish to pay tribute to a great American, William H. Draper, Jr., major general, U.S. Army, retired.

Last week on September 10, General Draper celebrated his 75th birthday. Holding to a promise he made to his wife, General Draper retired as national chairman of the Population Crisis Committee, a responsibility that he has had since establishing the PCC 5 years ago.

As chairman of the Republican Research Task Force on Earth Resources and Population, I am very much aware of the significant leadership that General Draper has executed throughout the world in assisting governments in their efforts to solve the awesome problems of rapid population growth. No other person in the past 5 years has shown more initiative in creating the awareness of the world's leaders in recognizing the economic consequences of our population explosion.

The general has had a very meaningful life. He was an infantry regiment commander in the Pacific theater during World War II. He was economic adviser to Gen. Lucius Clay during the rehabilitation of West Germany. From 1947 to 1949, General Draper was Under Secretary of the Army, and in 1952 was appointed by President Truman as U.S. representative in Europe with ambassadorial rank to coordinate the mutual security program for Europe and to represent the United States in the North Atlantic Treaty Council.

In November of 1958, President Eisenhower appointed General Draper Chairman of the President's Committee To Study the U.S. Military Assistance Program. In October 1962, President Kennedy appointed the general head of an interdepartmental survey team to study and report on the situation in Brazil.

Fortunately, we will be hearing more from Bill Draper as he is now the honorary chairman of the Population Crisis Committee, and will continue to be available for consultation on world affairs for which he is so well qualified.

REPRESENTATIVES ARE HUMAN

HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. STUCKEY. Mr. Speaker, Karen Luke is the daughter of Mr. and Mrs. O. L. Luke, Jr., of Ocilla, Ga. She graduated as star student and valedictorian of her class from Irwin County High School in 1964.

This fall Karen will be a junior at Valdosta State College, where she has been active for the past 2 years in the band and debate programs, Sigma Alpha Chi, and Alpha Delta Pi. At Honors Day last spring, she received an award for the most outstanding junior college speech student. When school opens for Orientation Week, Karen will be quite busy working as secretary of the student government association and as a resident assistant in the new residence hall program. In addition, she is helping charter a new women's honor society on campus that will complement Black Key.

Karen's main interest is working with other people, and she hopes to see more students become actively involved in campus life at VSC.

I include an article Karen wrote while working as a student intern in my office this summer.

REPRESENTATIVES ARE HUMAN

(By Karen Luke)

In June I was one of the 750 interns who flooded offices, galleries, and cafeterias in the House of Representatives on Capitol Hill. While participating in the Bi-Partisan Seminar Program, I saw many students question the political setup and become disillusioned in what they found. Therefore, these interns felt justified in criticizing and condemning those who continued to work in the political establishment. On the other hand, I watched young people become so fascinated and involved in the legislative aspects of getting a bill through Congress, in the prospects of running a political campaign, and in work designed to meet the needs of the people in their districts, that they found adequate answers for many of their original indictments against Congress.

I came to W. S. (Bill) Stuckey, Jr.'s office with two very distinct, but completely different ideas about government. I expected either to see the theoretical organization I had studied in numerous government classes, or to discover just how dirty politics really were. I found neither the ideal, nor the corrupt system I had anticipated. Working as an intern with Congressman Stuckey, I realized for the first time that Representatives were human beings who could make mistakes just as I could. I saw how much a Congressman had to learn the art of compromise, for he had to represent his constituency, consider party policy, and maintain his own personal convictions when making decisions.

I never could have imagined the wide variety of matters that came into our office each day—routine military, social security, and veterans' administration cases; legislative research and analyses; issues concerning the Eighth District; and special requests for information on numerous topics. During the first few weeks of work, I was overwhelmed by the complexity of putting the theory behind representative government into practice. Soon I began to understand how much each Member had to depend on a qualified and conscientious staff. Questions had to be answered, such as whom to call for information about the subsidy on lard to the United

Kingdom; and problems had to be solved, such as how to fix the xerox machine which was destroying the only copy of a speech Congressman Stuckey had to give in thirty minutes. The entire staff hoped the office could survive at least one more summer of interns.

What have all these experiences meant to me? I know that I will remember people and places long after I have forgotten dates, details, and discussions of this summer. Attending concerts on the Capitol steps, watching Congress in session, taking a tour of the White House, and viewing the city from the Washington Monument will always be vivid memories of my internship. Learning consisted of working with Congressman Stuckey and his staff, people from Georgia who sincerely listened to my comments and who answered my questions with valid arguments.

Many times I was discouraged by the failure of Congress to act on important legislation, such as provisions for students to obtain NDEA loans for school this fall. However, I was also inspired on many occasions by those Members seeking to bring about meaningful Congressional reform. Two of the most outstanding figures in my mind, after a summer filled with seminars and lectures, are Morris Udall and Shirley Chisholm. There are other Representatives that are just as concerned as these two, and we must have more. If our nation is to survive, our political system must function effectively to meet the needs of a changing society. If politics are dirty, we must blame ourselves; for we have not encouraged reform. We have failed to involve ourselves in issues which affect each one of us, and we have continued to elect men on the basis of a smile and a handshake, rather than on the basis of their qualifications. If we love freedom, we must make the political arena a place for our most inspiring leaders and outstanding minds. Only with this leadership can our political system hope to meet the challenges facing our nation.

PRESIDENT NIXON'S IS NOT A DO-NOTHING ADMINISTRATION

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. RHODES of Arizona. Mr. Speaker, yesterday, the papers tell us, some of the legislators of the other party joined in declaring that this is a do-nothing administration. I am saddened and distressed to hear this kind of talk at a time when this Nation faces so many crises both abroad and at home.

This is not the first time that a Republican President has dealt with a Congress that is dominated by the members of the other party. However, during the Eisenhower administration, the most recent example, the congressional leaders of the other party, Speaker Sam Rayburn and Majority Leader Lyndon Johnson, made it very plain that the interests of the Nation came before any partisan considerations. Time after time, they lent their prestige and their support to the President of all the people in passing legislation that was of importance to the country. I cannot recall that they ever accused that President of failing to meet his obligations in dealing with the Congress.

It is my fervent hope, and I know it is that of President Nixon, that this kind of mutual working together for the good of the Nation can continue.

Members and leaders of both parties are aware that the President has sent much legislation to the Hill in recent months. They are aware that important legislation, such as the surtax in the House and the ABM Safeguard vote in the Senate, have been given bipartisan support. Other legislation of equal importance is now before both Houses. I am hopeful that this legislation can be judged on its merits and on its value to all of the Nation and that the members of both parties can continue to work together and with the President to see that it is passed.

I am distressed that anyone would call this a do-nothing administration, just as I would be distressed if, at this time, anybody were to call this a do-nothing Congress.

It is too early for the score to be tallied in either case.

THE JEWISH HIGH HOLIDAYS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. CONTE. Mr. Speaker, I would like to take a moment to commemorate the most important time of the year for the Jewish people of this Nation and of the world. The Jewish high holidays began on the evening of September 12 with the celebration of Rosh Hashana. This was the beginning of the New Year—the year 5730 on the Hebrew calendar. It is followed 10 days later by Yom Kippur, the highest and most sacred of all holidays for the Jewish people.

These are memorable occasions steeped in a wonderful tradition. It is at this time of the year that the Jewish people celebrate the birthday of the world and the beginning of history. The great span of years over which the high holy days have been observed in all parts of the world and throughout history attests to the strength of the Jewish people's faith.

It is during these holidays that the Jewish people pray for the preservation of life through man's obligation to his fellow man, to his society, and to his overall environment. I think it is all too clear that the world needs such prayers during these turbulent times, and even more, that it needs the basic hope and optimism which lies at the heart of these prayers.

On Yom Kippur, the Day of Atonement, the individual asks God for his forgiveness for all the sins that he may have committed during the year. He does this through prayer and through fasting, and in this way perpetuates another wonderful tradition—the tradition of repentence. It was the Jewish people who first developed the concept that man could repent, rather than be punished, for his sins. This concept has indeed had a profound effect upon religious thinking.

I join the great Jewish people during these high holidays in their commitment to these noble ideals and in their prayers for peace and brotherhood throughout the world.

RAILROAD SAFETY

HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. REID of New York. Mr. Speaker, recent weeks and months have brought to the attention of all the Members of this body the increasing concern of the public over railroad safety and service standards.

According to the report of the Task Force on Railroad Safety, submitted to the Secretary of Transportation on June 30, 1969, there were 8,028 train accidents recorded in 1968, compared to only 4,148 in 1961. The American public is rightly concerned over the fact that railroad accidents almost doubled in that 7-year period.

While Federal regulations will not prevent train accidents, the need for additional Federal standards in all areas of railroad safety is apparent. According to the report of the task force, at the present time "Federal statutes do not cover the trucks, wheels, and axles of railroad cars nor their design, construction, or maintenance. Bridges and tunnels are not subject to Federal regulations and no Federal authority governs track and roadbed. There is no general authority to promulgate standards for employee qualifications, physical requirements and training, nor to prescribe uniform railroad operating rules."

In view of the rising accident rate on our Nation's railroads and the need for stronger Federal regulations and inspection programs, I am introducing today the Railroad Safety Act of 1969. This bill, which would implement the major recommendations of the Task Force on Railroad Safety, would authorize the Secretary of Transportation to promulgate safety standards for common carriers relating to all areas of railroad safety. In accordance with the recommendations of the task force, existing State rail safety statutes and regulations will remain in force until and unless preempted by Federal regulation. In addition to being given authority to promulgate safety standards, the Secretary of Transportation is given authority to establish an inspection program and a staff of railroad safety inspectors, to enforce the regulations established.

Th Railroad Safety Act also provides for the establishment of a Railroad Safety Advisory Commission of 15 members, including representatives of railroad labor and management, to advise the Secretary of Transportation in his preparation of railroad safety regulations. The Secretary of Transportation is given power to issue a cease-and-desist order calling for the immediate termination of any violation of the regulations promulgated under the act.

The Department of Trasportation is now drafting legislation, with the cooperation of the Task Force on Railroad Safety, to implement the task force's recommendations. I will cosponsor that legislation when it is ready for introduction, and I hope that the features of these bills will be given careful consideration by

the Commerce Committees in both Houses.

I am hopeful that significant railroad safety legislation—whether this or a similar bill—will receive consideration by the Interstate and Foreign Commerce Committee and by the full House during this session of the Congress.

My colleageus are doubtless familiar with the Interstate Commerce Commission's ruling in the Sunset Limited Adequacies case, dealing with trains operated by the Southern Pacific, that the Commission has no authority to rule on the adequacy of rail passenger service. In response to the Commission's request that it be given such authority, I cosponsored yesterday with the gentleman from Washington (Mr. ADAMS) and 40 other Members, a bill which would authorize the ICC to set adequate standards for passenger service.

As our highways become increasingly crowded, our air increasingly polluted, and our green spaces diminished as a result of the American citizenry's reliance on automobile transportation, it becomes more and more clear that the railroads could play a very important role in public transportation in this country—a role on which they have defaulted in recent years. I am hopeful that, as a result of the regulations made possible by these two bills, rail service will be upgraded to the point where travelers in this country will once again find it safe, economical, reliable, and efficient. Only when that happens will we begin to solve the problems of traffic jams on the highways and ease the air pollution caused by automobiles.

DAN RONAN

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. MICHEL. Mr. Speaker, it certainly was shocking news that came to us during the recent recess that our good and dear friend Dan Ronan had succumbed to a heart attack. When last we saw one another several days prior to the recess, he looked so hale and hearty and we greeted one another with the usual jovial hello. Dan worked hard here in a rather quiet, but effective and efficient way. He did not crave the spotlight nor was he of a flamboyant nature, but with his colleagues from Illinois particularly, he had the friendliest way about him. One could not help but engage him in conversation whether it be serious or lighthearted and we learned to love him. He seemed to be building a following for the future and it is hard to realize that he has actually been taken from us. We in Illinois have been greviously struck with the deaths in recent weeks of the late Senator Everett Dirksen, our House colleague, Barratt O'Hara, and now with the passing of Dan Ronan. We certainly are going to miss Dan, and I want to join in extending my deepest sympathy to his mother and his two sisters.

OIL DEPLETION CONTROVERSY

HON. GEORGE BUSH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BUSH. Mr. Speaker, depletion, that much misunderstood provision in the tax law, is back in the news.

Here, Mr. Speaker, is a well reasoned editorial which should carry a lot of weight. It does not come from an oil-producing State.

The St. Louis Globe-Democrat has captured and spelled out the real reason for a sane policy on the depletion allowance in our tax laws.

The editorial follows:

[From the St. Louis Globe-Democrat, July 30, 1969]

OIL DEPLETION CONTROVERSY

The House Ways and Means Committee, dedicated to mapping out a tough tax reform bill, has moved against the 27½ per cent oil depletion allowance for income taxes. The committee has decided to recommend slashing this allowance to 20 per cent.

Something of a public clamor has been drummed up against the oil depletion exemption—designed to help oil companies develop new wells. It has been a provision in the law for at least four decades.

This is a complex issue. Many feel the allowance is simply a loophole favoritism, giving huge oil corporations special tax consideration.

There is a tub-thumbing drive to persuade the public they are getting gigged by big-power interests.

The assault on the depletion allowance, however, could prove a danger to national security and the United States economy.

The oil companies have offered a plausible case for retaining the allowance. Unless a better case can be made by opponents, it seems to us the 27½ per cent depletion credit should be continued.

Whether imperative development of essential oil reserves could result without the full depletion program is very doubtful.

In conjunction with existing import quotas, to bar cheap foreign oil from our markets in heavy quantity, the depletion can aid the oil industry to keep the United States relatively self-sufficient in basic fuel supply.

Petroleum and gas now supply 75 per cent of America's required energy. Studies indicate that by 1980 the industry will have to find virtually as much oil as has been produced since the first well was drilled in 1859. This means a drastic need for developing new resources in buried oil.

The United States Geological Survey has estimated there is still plenty of oil to be discovered in the United States. But exploratory drilling has declined sharply because of a cost-price squeeze.

The nation's security, its very operation, depends on oil. Our self sufficiency in petroleum—certainly as far as possible—should not be imperiled through dependence on Arab or other foreign oil, which could be suddenly cut off. It was, in 1967, when the Middle East crisis stopped the flow of Arabian oil to the United States.

This is a basic reason for the depletion allowance, plus the fact that oil reserves are part of the industry's capital assets. Why should oil be heavily taxed on its capital, without some means of restoring that capital through new exploration. Other industry and business are not assessed income taxes on capital.

The idea that the oil industry is a profit mammoth, sucking special privilege through tax laws, is in our opinion a bugaboo. Certainly there must be profits or the industry would erode and fail.

The 21 large companies, according to a recent survey by Price Waterhouse and Co., paid a direct tax bill of $9.5 billion in 1967. This equalled 64.2 per cent of these corporations' net profits before income taxes.

The total tax load of the petroleum industry has been put at 5.43 per cent of gross revenues; all other corporations were taxed 4.62 per cent of gross revenues.

Oil does not appear rolling up vast profits and seeking unfair tax loopholes through the depletion route. Actually return on oil's net assets was a bit less than on manufacturing companies generally.

High living standards in the United States mean we consume the most energy of any other country, and correspondingly need more reserves. Otherwise the future will find us power-crippled. It should also be remembered the depletion provision applies to some 100 other mineral products, imperative to the economy.

Not for benefit of the oil industry, but in the necessity for national security, a prospering economy and self-sufficiency in a critically essential product, it seems the 27½ per cent depletion allowance should be retained by Congress.

THE TAPPING REEVE LAW SCHOOL

HON. THOMAS J. MESKILL

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. MESKILL. Mr. Speaker, for more than 60 years, members of the bar have been arguing over the location of the oldest law school in America. Depending upon where your sentiments lie, the argument boils down to whether a choice between the first formal legal education began at the Tapping Reeve Law School in Litchfield, Conn., or at the College of William and Mary in Virginia.

The September issue of the American Bar Association Journal pictures the Litchfield Law School on its cover. The cover story on Tapping Reeve's law school, located in the beautiful foothills of the Berkshires, sheds some new light on "The Best That Is in the Old."

Mr. Speaker, for the benefit of my colleagues and historians of the bar, I would like to insert this brief article on the history of the Nation's first law school in the CONGRESSIONAL RECORD. The article follows:

THE BEST THAT IS IN THE OLD

When the National Parks Service selected the Litchfield Law School at Litchfield, Connecticut, as a National Historic Site in 1965, it failed to note that this particular site was of special interest to some more contentious citizens than the average road-weary tourist, and so it erected a sign declaring that Litchfield was the nation's first law school.

For some sixty years members of the Bar had been arguing whether formal legal education in America began at Litchfield or at the College of William and Mary. The Department of the Interior had had no intention of attempting to resolve the dispute, which was just as well, since the National Parks Service had three years earlier added William and Mary's Wren Building, with its claim of being the nation's first law school, to the same National Historic Sites program. Interior made a judicious retreat, changing Litchfield's sign: "Tapping Reeve's law school, the first in the United States" to: "Tapping

Reeve's proprietary law school, the first in the United States not associated with a college or university."

Tapping Reeve took his first student, his wife's brother, Aaron Burr, into his office in 1774, two years after being admitted to practice and settling in Litchfield. Reeve was prepared to offer more than the customary office apprenticeship, with its incidental instruction and bits of advice, for after being graduated from Princeton, he had tutored there for several years. More students followed Burr, and in 1782, perhaps motivated by his conception of law as a science, Reeve began presenting to his students an organized body of formal lectures. Two years later he had fifteen students, and, unable to accommodate them in the office in his home, he erected a small frame structure (pictured on this month's cover) nearby. There he assembled his law library, and there his scholars diligently pursued their note-taking despite the fact that Reeve included neither stove nor fireplace to ward off the bitter New England winter.

By this time William and Mary, whose chair of law had been established in 1779, was also offered formal preparation for the Bar. The two schools remained the only alternative to legal apprenticeship during the period between the Revolution and the turn of the century, when the states were establishing legislatures, the common law had to be adapted to the needs of a new nation, and both the courts and the public were facing the problem of interpretation of the new Federal Constitution.

The demands on the legal profession were great, but attainment in the law was, at least in terms of formal training, a simpler and a briefer procedure in those days. An advertisement in Litchfield's first catalogue, issued in that no law school would dare to claim today:

". . . the Law is divided into forty-eight Titles, which embrace all its important branches, and of which [the lecturer] treats in systematic detail. . . . The Lectures . . . under the several divisions of the different Titles. . . . Whenever the opinions upon any point are contradictory, the authorities in support of either doctrine are cited, and the arguments, advanced by either side, are presented in a clear and concise manner, together with the lecturer's own views of the question. In fact, every ancient and modern opinion, whether over-ruled, doubted, or in any way qualified, is here systematically digested."

The entire term lasted fourteen months, including two four-week vacations. Students paid $100 for the first year and $60 for the remainder. An hour-and-a-half lecture was presented each day. Students were expected to take down the lecture in full, to spend the rest of the day examining the cited authorities, and then to transcribe their notes "in a more neat and legible hand". By the end of the term these notes generally comprised five volumes, which were to serve as basic reference works for future practice. On Saturdays an examination covering the preceding week's lectures was given, and each week's schedule also included a moot court session.

The students adopted a code of rules of conduct, regulating such matters as use of books in the library and disorderly behavior. The copy that remains in the law school is partly illegible, leaving the last resolution to the imagination: "Any . . . shall be hung."

When Tapping Reeve was appointed to the Superior Court of Connecticut in 1798, he selected a former pupil, James Gould, to help him carry on the instruction at Litchfield. Gould was particularly interested in the law of pleading, and his treatise on the subject, published in 1832, remained the authority for many years. Reeve concentrated on the law of domestic relations, publishing a treatise in 1816. Reeve and Gould divided the courses along the lines of their interests, the students passing from one house to the other with their inkstands and portfolios.

Reeve was passionate in his sentiments and particularly in his enthusiasm for the law, which he conceived of as the application of religious principle to the business affairs of life. Gould was a social favorite, handsome and elegant in his appearance, concise and lucid in his thought, forcible and eloquent in his rhetoric. It is said that the students respected Gould, but loved Reeve.

In 1820 Reeve retired, leaving Gould to carry on the school until 1833. By that time leading universities had added law to their curricula, and students found it more advantageous to be associated with a university.

During the fifty-odd years of its existence, Litchfield prepared over a thousand students for the Bar, a number that can be better appreciated in light of the fact that Harvard graduated a total of 1,066 students from 1809 to 1826. Two thirds of Litchfield's students came from outside Connecticut. They were from every state in the Union, Georgia alone contributing seventy. Two students, Aaron Burr and John C. Calhoun, became Vice Presidents of the United States. Three became Justices of the Supreme Court (Levi Woodbury, Henry Baldwin and Ward Hunt). Six became Cabinet members; fourteen, governors; sixteen, chief justices of states. One hundred and twenty-nine were elected to Congress. Some—Horace Mann, for example—pursued fields other than law. George Catlin painted life in the Far West.

The breadth of the school's influence on the legal profession is apparent. Equally evident, though more difficult to delineate, was its influence on the course of this nation's history. For instance, Tapping Reeve was an ardent Federalist, adamantly opposed to the policies of Thomas Jefferson and to the burgeoning Democratic movement. In 1804, the year John C. Calhoun, later to be known as "The Great Nullifier", came to study at Litchfield, Reeve wrote to his close friend and former pupil, Senator Uriah Tracy:

"I have seen many of our friends; and all that I have seen, and most that I have heard from, believe that we [New England] must separate, and that this is the most favorable moment. The difficulty is, How is this to be accomplished?"

Litchfield was undoubtedly a cradle of many of the legal and political attitudes that first began to mold this nation. Today, when "the trend is toward new and untried theories . . . [Litchfield reminds us that] while reaching out for the new, our young men must still tie back to the best that is in the old", Arthur F. Ells observed in an article about the law school, written when he was a judge of the Superior Court of Connecticut. That was in 1928.

CAPITOL HILL WILL NOT SEEM THE SAME

HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. SPRINGER. Mr. Speaker, how many of us since the news of Senator Dirksen's death saddened an otherwise pleasant Sunday afternoon, said to ourselves: "Capitol Hill will not seem the same without him?"

Among the hundreds of news reporters and photographers covering Congress, few national legislators have commanded as much admiration as the late Senate minority leader.

The void his passing leaves was poignantly expressed in the following column by Ed Alley in the September 18, 1969, issue of the Arlington, Va., News. Ed Alley, for many years, was himself a familiar figure on Capitol Hill as a news photographer for United Press International. His recollection of the qualities which distinguished Senator Dirksen make worthwhile reading:

COLUMN BY ED ALLEY

Capitol Hill won't seem the same without Everett Dirksen. The death of the Senate minority leader, who was one of our greatest—if not the greatest—of all Americans leaves a void that just cannot be replaced. Dirksen had many qualities—all of them good. He was a warm, compassionate man, never too busy to take one aside for a cheery note. I would like to borrow the words of Majority Leader Mike Mansfield in expressing my views on the passing of Senator Dirksen. Said Senator Mansfield, "his loss was a great tragedy and deep personal loss. He was a good leader, a real pro in the best sense of the word."

I took Senator Dirksen's death hard. Carolyn and I were watching the ball game when word came of his passing. I admit I cried openly and I am not one easily for tears. I had a feeling for the late Senator that I cannot find words for. He was something special to me. Our loss will be God's gain. We're sure He has a special niche for the departed Senator.

I worked closely with Senator Dirksen for years. I admired him greatly. He also amused me. I enjoyed being in his presence. In addition to his great ability, his humor just cannot be put into words. He could take the simplest thing and make it sound funny. That, friends, is an art. Few have it. He always made light of illness—as long as it was his own. He hated to have anyone he knew ill.

When I was forced into retirement, Dirksen wrote me a fond, kind letter. He told me that anyone could have "knocked him over with a feather" that I had been sent home for good. He followed it with an autographed picture, both of which I treasure. I also have his record album, autographed, that I told you about a few weeks ago. I, have many fond memories of him—memories that I, too, will take with me when it is my turn.

Humble me agrees with Senator George D. Aiken, the kind gentleman statesman from Vermont, who said, "I am very sorry indeed he has been called on." We all face that same turn in time but in the passing of Dirksen went familiar trademarks so well known to us who covered him. Gone now are the rumbling delivery, the flowery phrases, the carefully mussed forelock, the jutting jaw, the drooping folds of flesh that gave him the mien of a bloodhound.

As Steve Gerstel, an old-UPI co-worker friend of mine, wrote, "just as the Dirksen voice ran the full scale from gentle tones of cajolery to stentorian booms, so could the Dirksen temperament change in a wink, that of a gentle man walking among flowers and finding them good to that of a hardbitten politician in a shouting match with a reporter or a political foe."

We saw in Dirksen an immensely successful man, unmatchable as an orator, and a man adaptable to the changing times. There were those, true, who saw him as a ham actor affecting basso-profundo pronouncements, flip-floppy on the issues—or a wheeler-dealer, to borrow a few more words of Steve Gerstel's.

I guess you might call Ev Dirksen a wheeler-dealer, after a sort. He got things done. He stepped on a few toes along the way but he made few enemies. He was good for the Nation and he enjoyed being a good American. It was a way of life to him. He loved his country.

There will be a long time before the mem-

ory of Ev Dirksen dies with him. We'll all miss him. We know, however, that he has found solace where he's gone. We can only hope he's among the marigolds he loved so well. We're sure he is.

But let's pass along. Life is like that. I just had to tell you how I felt about a friend. I hope you'll understand.

TREATMENT OF AMERICAN PRISONERS BY THE NORTH VIETNAMESE

SPEECH OF

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. KUYKENDALL. Mr. Speaker, I do not think there is one of us here today who does not know personally a wife or child, mother or father, living in a sort of suspended animation—waiting for the day when they will know, one way or the other, the fate of their loved one in Vietnam.

These are the "limbo" victims of the Vietnam war. The kin of a dead soldier, at least, has the comfort of time to heal the broken heart—but they are denied even that small balm.

Perhaps I know this feeling better than some others. Since July 28, 1944, my family has never known what happened to my brother over Ploesti, Rumania. He was listed as missing in action and still is. More than a decade later we were able to convince my mother that he was not coming back.

At this moment, four American women are in Paris, trying to find the answer to a very simple question—whether they are wives or widows.

More than a century ago, the authors of the Geneva Convention formulated a set of rules regarding the treatment of prisoners captured during war or by a hostile nation. Under these rules, lists of prisoners must be provided and the whereabouts of each man made known; sick and wounded men are to be released to the care of their own armies if they so request; prisoner-of-war camps are to be visited regularly by a neutral team of inspectors to insure that they meet minimum standards.

North Vietnam has answered charges of violating this treaty with silence, interrupted occasionally by propaganda films depicting the kind treatment of the American prisoners.

There are over 1,300 American prisoners of war in North Vietnam today. Only 368 names of these prisoners have been made known, and most of this information was obtained from sources other than the North Vietnamese. There are 900 still missing in action, their fate still unknown.

The North Vietnamese claim these men are war criminals, and that the Hanoi government is under no obligation to follow any rules in their treatment. They claim this is not an official war. But the Geneva standards apply to hostile nations as well as warring nations. U.S. military forces have no prisoners. Under the terms of the convention, the men they capture are placed in South Vietnamese camps, and the United States sees to it that these camps are inspected and that prisoners get decent treatment.

How can the North Vietnamese rationalize and accuse our troops of "crimes against humanity" while such a contrast in the treatment of prisoners exists?

There is a difference between reasonable compromise and blackmail, and I hope that our eagerness to end this Asian nightmare does not cause us to overlook our duty to our sons who are prisoners in North Vietnam.

TREATMENT OF AMERICAN PRISONERS BY THE NORTH VIETNAMESE

HON. RICHARD L. ROUDEBUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 17, 1969

Mr. ROUDEBUSH. Mr. Speaker, my good friend and colleague, Congressman WILLIAM L. DICKINSON, of Alabama, has introduced a resolution concerning the treatment of American war prisoners by the Communists in Vietnam which I wish to wholeheartedly support and endorse.

The resolution is designed to show that the Congress is acutely aware of this terrible situation involving missing and captured Americans, and to arouse world opinion and universal support to secure compliance by North Vietnam with the Geneva Convention.

There are 1,355 brave American servicemen either in enemy hands or are listed as missing in action. The Department of Defense has reason to believe that 401 of these men are prisoners of war—the other 954 are carried as missing because no information is available about them. Some of these brave men have been missing or captured for over 5 years—longer than any of our servicemen were held captive during World War II. Only nine have been released by the Communists during this 5-year period.

I think it is time we talked about this tragic situation, and this week we have had hundreds of the wives and families of these American fighting men in Washington to dramatize and inform the public about their horrible plight.

Appalling reports about the inhumane treatment inflicted upon these men have been outlined. We have heard of the lack of adequate medical care, food, quarters, and contact with the outside world afforded these men.

I hope that the resolution introduced this week, and the many words of support spoken by myself and other colleagues, will inspire our Government to push harder and insist that our American servicemen captured by the enemy be treated in accordance with recognized international agreements.

And, we certainly should not be satisfied until every last one of these men is returned to his home.

COWGER VOTES FOR CONSTITUTIONAL CHANGE

HON. WILLIAM O. COWGER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. COWGER. Mr. Speaker, after a week of debate, the Congress has approved an acceptable change in the Constitution of the United States which would abolish the electoral college and provide for a nationwide popular vote for the Office of President and Vice President. In the election of 1968 a constitutional crisis was narrowly averted over the selection of the Chief Executive. The will of a substantial majority of the voting public could well have been thwarted because of the inadequacies of the electoral college method of selecting the President and Vice President. The electoral college system provides for "a winner-take-all" method of casting the electoral votes from each State. It is true that this system has furnished the Nation with a President every 4 years since the Nation was founded. However, on 15 occasions a President was elected who earned less than a majority of the popular votes. On three occasions this system elected a President who earned fewer popular votes than his nearest opponent. The three popular vote losers were President John Quincy Adams, in 1824, Rutherford B. Hayes, in 1876, and William B. Harrison, in 1888. Two of our Presidents were selected by the House of Representatives, Thomas Jefferson, in 1800, and John Quincy Adams, in 1824. Vice President Richard M. Johnson, in 1836, was chosen by the Senate, and in 1876 Rutherfotrd B. Hayes was selected as President as a result of a vote of a special electoral commission appointed by the Congress. In the 46 presidential elections both the Democratic and Republican electors have on some occasions defected and voted against the nominees of their party in the electoral college.

Mr. Speaker, the 1968 election between Richard Nixon and Hubert Humphrey was a perfect example of the inadequacies that do exist in the electoral college system. With the shift of a few votes in key States, we could have once again selected a President who had lost the majority of popular votes. In 15 previous elections a change of 1 percent in the popular vote would have made the loser President of the United States. In seven elections a shift in 1 percent of the popular vote in certain key precincts in the big States would have thrown the election into the House of Representatives. This "winner-take-all" system grants inordinate political power to some States. Eleven of the States in this Nation jointly have enough electoral votes under the present system to elect a President, even though the plurality in each State might be small.

Mr. Speaker, I have, during these long hours of debate, continued to support House Joint Resolution 681, which is the proposal that was recommended by 80 percent of the members of the Committee on the Judiciary. The question, as I saw

it, was to provide every citizen of this country the right to cast an absolutely equally weighted vote. The presidential choice belongs to the people of America, and to the people of America alone. As a member of the Republican policy committee, I spoke in favor of the direct election system. I voted against every amendment that would have substituted the district system or proportional distribution of electoral votes within the States. I also supported the mechanism in the bill that provides for a runoff if at least 40 percent of the votes are not gained by one of the candidates. In 1860, Abraham Lincoln received 39.79 percent of the popular vote. However, his name did not appear on the ballot in 10 States. Since that time at least one of the candidates in each election obtained more than the 40 percent called for in this legislation. In my opinion, only the national plebiscite plan guarantees to every citizen, regardless of residence, an equal voice in the selection of the President of the United States.

Mr. Speaker, we have heard much debate about "vote power." Some have argued that their constituents would gain or lose their present political power in the selection of a President. Under the amendment to the Constitution that we have adopted, 15 of our larger States would gain voting power. There would be no change in one of the States, and 34 would be subject to a decrease in political power. My own State of Kentucky, which is not one of the larger States, has enjoyed since 1787 a disproportionate vote in the selection of a President. I can find no justification why someone should have more voting power because of where he lives. It has also been argued that this change will favor the big-city voter. Of course it will not, it will only give him the same voice in the presidential selection as the suburban, or rural voter. With almost 75 percent of Americans living in urban areas, they should no longer be penalized by a constitutional system that favors the rural areas.

Mr. Speaker, in my opinion, the action just taken by the Congress of the United States is the most important constitutional change made in my lifetime. I sincerely hope that the Senate will confirm our judgment and send this constitutional amendment to the States for ratification. I am convinced that a vast majority of Americans want this change and will demand action from their State legislatures. Again, I wish to say that I am proud to be a Member of the 91st Congress that has, in its wisdom, voted this electoral reform of our Constitution.

BUSING OF SCHOOLCHILDREN

HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. HOGAN. Mr. Speaker, yesterday I called the House's attention to the fact that the Department of Health, Education, and Welfare is not abiding by the Nixon administration's policy regarding the busing of schoolchildren to artificially achieve racial balance. I mentioned that I had called upon the White House to communicate its policy to HEW officials so that they will conform to the policy which Vice President AGNEW referred to at the Southern Governor's Conference in Williamsburg, Va.

This morning's Washington Post, on page A–2, reports that the White House confirmed that Vice President AGNEW was expressing administration policy when he opposed busing.

I was astounded, however, to read in this same article, the comment:

An HEW spokesman said yesterday that there would be "no change in past policy."

In other words, in spite of the official position of the Nixon administration, faceless bureaucrats are able to flout the President's wishes and the wishes of the American people. The American voters elected Richard M. Nixon because they supported his policies as he enunciated them during the campaign. They did not elect these faceless bureaucrats.

I strongly urge that the President insist that all officials serving in his administration conform to the positions and policies of that administration.

CREDIT PUSHERS VEX BREADWINNER

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. BINGHAM. Mr. Speaker, once again, Art Buchwald has captured the essence of a serious problem in a humorous frame. His verbal caricature of the possible evils of the practice engaged in by many businesses of sending out unsolicited credit cards struck me as particularly interesting and amusing. Since I had an unpleasant experience with an unsolicited credit card some months ago and discovered that many thousands of Americans have had equally annoying experiences with them, I have offered legislation to prohibit the practice, and have taken every opportunity to press for such a prohibition. Most recently, I presented testimony before the Federal Trade Commission which is currently considering an administrative ruling which would prohibit most businesses from sending out unsolicited credit cards. I urged the Commission to include banks in any such prohibition, particularly since banks are one of the major issuers of unsolicited credit cards and the Federal Reserve Board and the Federal Deposit Insurance Corporation have indicated that they have neither the authority nor the desire to regulate this aspect of bank activity.

Mr. Buchwald's column from the September 18, 1969, Washington Post and my recent testimony on unsolicited credit cards before the FTC follow:

CREDIT PUSHERS VEX BREADWINNER

A lot of people are being shaken up these days by receiving unsolicited plastic credit cards. In the past the consumer had the option whether to ask for credit or not. But now in the great battle for the hearts and dollars of the American customer, the banks, oil companies and hotel chains are shoving their credit cards at you whether you want them or not.

It isn't just the spectre of a wife or teenager receiving a credit card and going berserk that bothers most American breadwinners. It's the principle of the thing, and where will it all end? What is to prevent a company that sends unsolicited credit cards to your home from sending merchandise instead?

I don't believe it is too farfetched to see this happening in a few years.

You come home, and there on your front lawn is a complete dining room set with table, 12 chairs and cabinet. Attached to leg of the table is a note:

"Greetings. We are happy to inform you that we consider you an excellent credit risk and, to show our faith in you, we are leaving this dining room set on your lawn. Our credit reports on you indicate that you favor colonial furniture, and we have chosen this particular mahogany wood which we know will go well with the rest of your furnishings. If for some reason this particular dining room set does not meet your requirements, you may return it to our warehouse within 10 days, and you will not be charged for it. If it is not returned, we will assume that we made the right choice, and we shall start billing you monthly."

Or you could wake up in the morning and find parked outside your door a new "fire-eater" with the following letter taped to the windshield:

"Congratulations,

"You are now the owner of a new 'fire-eater,' the fastest, most comfortable economical automobile on the road. Because of your high credit rating, we have taken the liberty of registering this car in your name with the State Vehicle Bureau.

"If for any reason you change your mind and decide you don't want to be one of the 'with it' people, please call this number and we will have the car taken away, at no cost to you except for the towing charges.

"Also, if you do not accept this exceptional buy, you must go down to the State Vehicle Bureau and inform them of this decision. Otherwise we will start charging you interest beginning next week."

The final indignity would be to receive a registered letter from a development company which read:

"Dear Sir,

"We're happy to inform you that you are now the proud owner of a new ranch house in Paradise Acres. This extraordinary home (the deed is enclosed) has three bedrooms, two and half baths, a playroom and completely equipped kitchen and will be ready for you to move into within two weeks.

"A check on your credit rating shows that you can easily afford this remarkable buy, and we have taken the liberty of deducting from your bank account the small down payment.

"If we don't hear from you by registered mail within the next 36 hours, we will assume that you will be joining us at Paradise Acres. On the other hand, if you return the deed, then we ask you to contact our lawyers so some equitable arrangement can be worked out for our time and inconvenience.

"Cheers."

TESTIMONY OF CONGRESSMAN JONATHAN BINGHAM, FEDERAL TRADE COMMISSION HEARING ON PROPOSED RULING TO BAN UNSOLICITED CREDIT CARDS, SEPTEMBER 10, 1969

Mr. Chairman. I appreciate the opportunity to appear this morning to express my wholehearted support for the regulation proposed by the Federal Trade Commission to prohibit the sending out of credit cards unless such cards are specifically and ex-

pressly requested by the person to whom they are sent. I want to congratulate you and the FTC for taking this initiative to protect the American consumer from the annoying, troublesome, and potentially threatening practice of sending out entirely unsolicited credit cards that an ever-increasing number of businesses have engaged in over the past several years.

My own interest in this problem grew out of an unpleasant experience I had in which I received an unsolicited credit card from a Boston bank. After efforts on my part to refuse the card, I received a bill on it for a purchase my wife had made and had already paid for by check. While I was trying to clear this situation up, I continued to be billed by an unresponsive computer—with interest added to each billing.

Suspecting that many citizens around the country have had similar experiences, I took my case to the floor of the House. That didn't solve my problem, but it did elicit a response from hundreds of people who sent me reports of their own annoyance with this practice. They urged me to continue my efforts to put a stop to it.

I have introduced two pieces of legislation dealing with unsolicited credit cards. H.R. 8920 would prohibit federally insured banks from issuing unsolicited credit cards. I have also introduced legislation, H.R. 6945, which would authorize and direct the Federal Reserve Board to prescribe regulations for the issuance of credit cards by banks. While I believe nothing less than a full prohibition against unsolicited credit cards is needed to solve this problem adequately, wide Congressional support for such a move has not yet emerged. Authorizing the Federal Reserve Board to regulate bank credit card practices could provide a helpful first step toward curtailing unsolicited cards. Hearings were held on legislation identical to H.R. 8920 in 1967, but unfortunately no other legislative action on the unsolicited credit card problem has been taken since then.

One of the major arguments of the business community against efforts to prohibt unsolicited credit cards has been the argument that to end the practice now would put businesses who have already sent out unsolicited credit cards at a competitive advantage, and the rest of the business community at a competitive disadvantage. I see little merit in that argument. I do not believe it makes sense to allow an objectionable practice to continue simply because it has been allowed in the past or because others have taken advantage of it. By the same token, this practice has been going on for several years now, and I would argue that any firm that desired to take advantage of it has had ample opportunity to do so.

On the other hand, if there is to be a prohibition on unsolicited credit cards now, as I feel there should be, it should be applied uniformly throughout the commercial community. To exclude one sector, such as the banks, will certainly create an unfair situation for businesses who compete with banks in extending consumer credit.

My major disappointment with the proposed FTC ruling under consideration here, therefore, is that it would not apply to banks. At last count (end of 1968), some 975 U.S. banks offered credit cards, many of them distributing those cards without solicitation. It is impossible to say precisely what percentage of the total unsolicited credit card problem banks, as opposed to other kinds of businesses, are responsible for. But it can be said with certainty that banks are a major source of unsolicited cards.

It seems to me that there are basically two alternative means of restricting unsolicited credit cards issued by banks. The first would be for the Federal Reserve Board and its sister agency, the Federal Deposit Insurance Corporation, to impose restrictions under their broad powers to regulate banking practices. I have urged William McChesney Martin to take such action, but was informed that the Board regards the annoyance of the consumer to be insufficient to justify restrictions. The primary concern of these agencies is the impact of credit card practices on the stability and safety of the bank, not upon the interests of the consumer. The risk to banks, according to Mr. Martin, of sending unsolicited cards is being kept within reasonable limits." Furthermore, the Federal Reserve Board questions its own authority to regulate bank mailing of unsolicited credit cards. Yet it has opposed legislation, which I have introduced and which Senator Proxmire has introduced on the Senate side, to give the Federal Reserve Board specific authority in this area. Similarly, the Federal Deposit Insurance Corporation has opposed legislation that would give it such authority over its member banks.

A second alternative would be for the Federal Trade Commission to attempt to include banks within the currently proposed ruling. I realize, of course, that banks, common carriers, and air carriers are explicitly excluded from FTC jurisdiction. There is, however, some precedent for FTC regulation of banks. The Supreme Court ruled in United States versus Philadelphia National Bank, for example, that the Federal Trade Commission may administer certain provisions of the Clayton Act with regard to banks despite the exclusion of banks from the jurisdiction of the FTC.

I feel that careful consideration should be given by the Federal Trade Commission as to whether, under this or a similar precedent, it can claim regulatory power over banks in this area and thereby extend the ruling now under consideration to cover banks.

A third alternative is new Federal legislation. As I have already mentioned, I have introduced legislation that would prohibit all Federally insured banks from distributing unsolicited credit cards, and I will continue to press for its passage.

Both the Federal Reserve System and the Federal Deposit Insurance Corporation continue to seem unwilling to take on the responsibility of regulating banks on the basis of consumer needs, except insofar as the financial soundness of banks is in the consumers' interest. Therefore, I am led to conclude that—should the Federal Trade Commission fail to include banks within the scope of the regulation it is currently proposing, or should such an inclusion be struck down by the courts—legislation modifying the exemption of banks from FTC jurisdiction and directing the FTC to include banks in its prohibition on unsolicited credit cards might become necessary. I will certainly be willing to introduce such additional legislation should it become clear that it would offer a more effective way of curbing unsolicited credit cards than existing legislative proposals. Such a move would undoubtedly be opposed by the Federal Reserve Board and FDIC, but in view of the fact that these agencies have refused to accept responsibility in this area themselves, it seems to me appropriate that it be accorded to the FTC. Chairman Martin, in fact, has suggested as much in a letter on the unsolicited credit card problem to the Chairman of the Senate Banking and Currency Committee, Senator Sparkman, in which he (Martin) said: "In view of the recent increase in legislative measures designed principally for the protection of consumers and the likely continuance of this trend, the Board suggests that the administrative responsibility for such legislation be vested in an agency whose responsibilities traditionally have required that it be more intimately involved with consumer matters . . ."

Aside from the matter of bank inclusion, I have just one suggestion to make regarding the interpretation of the proposed FTC ruling. Some businesses have adopted the practice of notifying prospective credit card holders that a credit card will be sent to them unless they request the bank in writing *not* to send it. I believe that this variation on the unsolicited credit card game is no more acceptable than sending out credit cards totally without solicitation since it places an undue and unfair burden on the consumer. Similar methods were outlawed long ago in the field of magazine subscription sales. They should also be prohibited under the language of the currently proposed FTC ruling. Only a system which informs the consumer that a credit card for his use is available, but will not be sent to him unless he requests to receive it, should be acceptable.

MR. WELLS IN WASHINGTON

HON. GARNER E. SHRIVER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. SHRIVER. Mr. Speaker, the appointment by President Nixon of Robert Wells, of Garden City, Kans., to the Federal Communications Commission is a tribute not only to Kansas but to Kansas broadcasters. Bob Wells is a radio man whose experience and philosophy will enable him to make a strong contribution to the important work of the FCC. President Nixon has made an excellent choice, and we from Kansas are proud and pleased.

Under the leave to extend my remarks in the RECORD, I include the following editorial from the Hutchinson, Kans., News which discusses the qualifications of Bob Wells for this high position:

MR. WELLS IN WASHINGTON

Washington report has it that Bob Wells of Garden City will become a member of the Federal Communications Commission.

This news, which belongs in the "usually reliable" category, reveals good judgment on the administration's part.

It also blows a refreshing wind across Kansas, which is not accustomed to having one of its own appointed to high places in anybody's administration, and particularly during a Republican one. President Nixon hardly needs to curry Kansas' favor to get the Kansas vote.

Wells is a radio man. In his career, he has had only a few momentary aberrations to take him away from a mike, a rate card, and a turn-table. After these short-lived excursions, he has quickly returned to the studio.

But his other assets will make him more useful to the FCC, and to the public, than his expertise. He combines the ingenuity of a country lawyer with the bargaining shrewdness of a Kansas horse-trader. He scorns the frills and affectations and double-talk of both the big corporate minds and the university intellectuals by which broadcasting is dominated. His philosophy—a word he probably never uses—would put him on the conservative side, but it is the sort of conservatism that recognizes we can't solve problems by doing nothing.

Wells might become a hair-shirt to the high-minded thinkers and legal maneuverers who have characterized the FCC. That would be good, for the industry and for a long-suffering public.

It's quite a leap, from a 1,000-watter on the high plains to the turbulent pressures of Washington, tobacco commercials, and the moguls of broadcasting. But a Western Kansan is accustomed to taking long strides.

THE CASE FOR THE SACB

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 18, 1969

Mr. ASHBROOK. Mr. Speaker, in the past there has been much confusion and little light on the function and achievements of the Subversive Activities Control Board. Claims have been made in the press and in Congress that the SACB is a do-nothing agency and, therefore, should be abolished. As those of us who are close to the situation have pointed out in the past, the Justice Department is responsible for referring cases to the Board, and one must look to the Justice Department for any explanation of inactivity on the part of the SACB.

Not too much information about the Board for public consumption has been available in the past if one excludes material from congressional sources. Its past history, achievements, and reason for being are generally unknown to the general public. For this reason, the September 20 edition of Human Events, the alert newsweekly here in Washington, has truly provided a service by publishing an extensive treatment of the Board and has made available reprints to facilitate wider distribution.

The author of the article, "The Case for the SACB," is Francis J. McNamara, whose background well qualifies him to explore this complex issue. An Army intelligence officer in World War II, Mr. McNamara joined the House Committee on Un-American Activities in 1958 and from 1962 to February 1969 served as its staff director. As director, he was intimately connected with legislation concerning the SACB which was signed into law in early 1968. An expert on internal subversion, he has lectured for the Defense Department on this subject.

"The Case for the SACB" from the September 20 issue of Human Events is probably the best analysis of the SACB to date, and for this reason I include it in the RECORD at this point:

THE CASE FOR THE SACB

(NOTE.—Uninformed attacks on the Subversive Activities Control Board have grown more shrill. What is the true story of the board and its function?)

(By Francis J. McNamara)

The Subversive Activities Control Board is the only agency in the United States government created for the sole purpose of curbing Communist party activities. Yet this agency has been more sharply and widely attacked during the past few years than any other federal body. If given the opportunity, a sizable minority in both the House and Senate—including some conservative anti-Communists—would vote to abolish the SACB tomorrow.

Obviously, something is wrong. Is the board at fault—or its critics?

Actually, there are two culprits in this case and the SACB is not one of them. The principal culprits are some former high-ranking officials in the executive branch who are completely responsible for the conditions that have prompted the criticism heaped on the board—and who will be named later in this article.

Next, there are the critics themselves in Congress and in the communications media, who have been tearing the board apart. If these people knew what they were talking about—if they had checked the facts thoroughly and reported them fairly—their fire would have been directed not at the SACB, but at the officials who have opened it wide to attack.

Large-scale attacks on the board began in the summer of 1967 when President Johnson named the husband of one of his former secretaries to the board. They were revived earlier this year when Otto Otepka was appointed by President Nixon. There were three basic charges in the attacks:

Board members are paid a high salary ($36,000 per year; $26,000 in 1967) but do little or nothing (the SACB did not hold a hearing from mid-1965 to September 1968). Abolishing the board would save the taxpayers $300,000 per year.

Not a single Communist organization or party member has registered, as they are supposed to, in compliance with a board order. The SACB has therefore been completely ineffective.

The act creating the board was a hasty product of anti-Communist hysteria and "McCarthyism." In addition, it is a threat to 1st Amendment rights of free speech and association and should therefore, be repealed.

President Nixon will soon nominate a new member of the SACB to replace Leonard Sells, whose term expired on August 9. The confirmation proceedings which follow will undoubtedly spark another round of attacks on the board similar to those made in the past. The following facts are presented so that the validity and fairness of the claims made against the board may be assessed objectively.

WHAT IS THE BOARD?

The SACB is a five-member, independent, quasi-judicial agency created by the Subversive Activities Control Act of 1950. Its function is to hold hearings at the request of the attorney general, to determine whether a particular group is a Communist-action, Communist-front, or Communist-infiltrated organization as defined in the act, and also whether individuals are members of the Communist party (which the board has found to be a Communist-action organization).

Originally, an organization or individual found to be Communist by the board was supposed to register with the attorney general. Amendments passed in late 1967 which became law when signed by President Johnson on Jan. 2, 1968, provide instead that the SACB would itself maintain the roster of groups and individuals it had determined were Communist.

SUBVERSIVE ACTIVITIES CONTROL ACT

The Subversive Activities Control Act passed over President Truman's veto on Sept. 23, 1950, is probably the most carefully considered security law enacted in the history of this country. Its origins go back to March 1947, when a legislative subcommittee of the House Committee on Un-American Activities, chaired by then Rep. Richard M. Nixon, began hearings on bills to curb or outlaw the Communist party. A few days after the hearings were completed in July 1947, Sen. Karl Mundt, then a member of HCUA, introduced a Communist control bill after consulting with Rep. Nixon. It was based on the legal opinions, expert testimony and facts produced in these hearings.

The Mundt-Nixon bill, as it later became known, eventually evolved into the Subversive Activities Control Act of 1950—but only after four years of related House and Senate committee hearings during which over 200 individuals and organizations testified or submitted statements filling almost 3,000 pages, and after Senate and House debate which filled hundreds of pages of the *Congressional Record*.

No objective critic would ever claim that a law which had been so long and thoroughly weighed and debated was a product of hysteria.

The most liberal Supreme Court in the history of the United States has rebutted the free speech and association attacks on the act. In June 1961, with only Justice Black dissenting, it held that "it would be a distortion of the 1st Amendment" to claim that it prohibited the registering of Communists. Justice Douglas wrote that the registration requirements were "in line with the most exacting adjudications touching 1st Amendment activities."

The Subversive Activities Control Act is based on the principle that exposure is the most effective weapon against communism. Practically all of the many authorities who testified in the hearings agreed that secrecy, concealment and deceit were the principal sources of Communist strength and success. The act was therefore designed to strip the mask of concealment from the party—to disclose its real nature and aims, the identity of its members and of the groups it controlled and had infiltrated, as well as its propaganda outlets and devices.

SACB hearings and reports were the medium through which this revelation was to be accomplished.

The late Benjamin J. Davis, national secretary of the Communist party, described the act as "a pro-Fascist law." Some liberals have pinned similarly derogatory labels on it.

Actually it is a very mild law even though, as will be shown, it has had a strong adverse effect on the Communist party. It permits the party, without punishment, to carry on its normal day-to-day activities—provided they do not violate other laws—with complete freedom. The party can organize, hold meetings, recruit new members, publish newspapers and magazines, buy radio and TV time for advertising, set up fronts, infiltrate other organizations, disseminate propaganda, solicit funds—just as long as it does not conceal the identity of its officials and members, the groups it controls, the propaganda it disseminates, etc.

The act places on the Communist party no more than an obligation to operate the way any legitimate political party does—openly and without conspiratorial deceit and concealment. It is merely a political "truth-in-packaging" statute of the type that normally wins overwhelming liberal support when applied to a consumer item.

THE BOARD'S ACTUAL WORK RECORD

At the end of last year, the SACB had disposed of 74 petitions from various attorneys general that it hold hearings and issue appropriate reports and orders. One petition concerned a Communist-action organization, the Communist party, 23 involved Communist fronts; three related to infiltrated organizations and 47 concerned individual party members.

Testimony received in board hearings related to these petitions filled over 103,000 pages. In addition to holding hearings in response to petitions and issuing reports and registration orders, the board had prepared hundreds of briefs, motions and other legal instruments related to these cases.

Board hearings involving organizations are usually lengthy and involved. The Communist party hearings lasted 14 months. The government presented 22 witnesses in the hearings, the Communist party three. Over 500 exhibits were introduced in the record which ran to over 14,000 pages.

On April 20, 1953, the board published a 218-page report finding the party a Communist-action organization and ordering it to register as such. Appeals by the party resulted in court decisions requiring additional hearings. By the time the case was finally closed by the Supreme Court decision of June 5, 1961, upholding the constitutionality of the act's registration provisions as applied

to the Communist party, the hearing record totalled 16,824 pages and included 726 exhibits.

The great majority of Communist front hearings have involved thousands of pages of testimony. The hearing record in the American Committee for Protection of Foreign Born case was just short of 8,500 pages; the National Council of American-Soviet Friendship case ran to 6,965 pages; the Civil Rights Congress, 7,211; Washington Pension Union, 6,055; and the International Union of Mine, Mill and Smelter Workers (an infiltrated organization) almost 13,000.

In the last-named case, the board held 110 days of hearings during which 144 witnesses testified. Over 1,000 exhibits were entered in the record. On May 4, 1962, the board filed a 108-page report finding MMSW a Communist-infiltrated organization. The record in this case is the most thorough expose of Communist trade union infiltration and control tactics ever made in this country.

Individual membership case hearings are much shorter, averaging several hundred pages, although one ran to 622 pages and another only to 113.

Following each hearing, one board member reviews the record and the proposed findings submitted by the attorney general and the "accused" organization or individual, and then writes a recommended decision. This is studied and reviewed by the other board members and revised and edited until, when agreed upon by all, it is published as the board's official report.[1]

Until the summer of 1965, the SACB was an actively functioning agency which did its work with little fanfare or publicity. No one complained that its members were not earning their salaries. By and large the only criticisms of the board came from the Communist party and its fellow travelers. It was doing too much work for their comfort.

HAS SACB HURT THE CP?

The following facts are matters of public record which indicate the impact the SACB has had on the Communist party and its operations.

Ever since the SACB was created in 1950, the Communist party, in its formal programs, convention resolutions, etc., has given top priority to eliminating the board by repealing the law which created it. At no time during this period has the party been without a front, or several of them, with the sole or major purpose of eliminating the board.

The Communists have expended a tremendous amount of time, effort and money—which could have been utilized for other forms of subversion—in an agitation and propaganda campaign against the SACB which, at times, has been international in scope.

The party has spent many thousands of dollars in legal fees defending itself, its fronts and its members in board proceedings and in court challenges to the board's constitutionality and actions.

The party did not hold a convention for nine years after the SACB was created—and then none for another seven years after that.

In almost one-third of the organization cases referred to the SACB (8 of 25), the Communist party dissolved the group either before hearings could be held or before a registration order could be issued after their completion. All told, the party has dissolved 15 of the 25 groups which have been the subject of SACB hearings.

The board and law creating it have been such a vital focus of party activity during the past 20 years that FBI Director J. Edgar Hoover has made frequent reference to it in briefing the Congress annually on the high points of party activity.

As early as 1952 he testified that the act has "assisted materially in bringing about an effective restriction of Communist activities." In 1966 he stated that foreign Communist parties were contributing to the party's "massive propaganda assault" on the act which was then worldwide in scope (an interesting comment on the fact that the non-Communist" assault on the board in this country began the following year).

Testimony of FBI undercover operatives in the CP before HCUA reveals:

CP leader Ben Davis went to Buffalo, N.Y., shortly after the 1961 Supreme Court decision upholding the act in an unsuccessful effort to heal a split which developed in the party there largely as a result of the ruling. He informed the members that because of the decision the party might not hold a convention for five years and perhaps "never" again.

The decision upholding the constitutionality of the SACB also led to talk of liquidating the party and "made their [the Communists'] work very difficult." It forced the party to go deeper underground, led to a cut in the top leadership to three open officials, a reduction in the size of clubs, changes in their names and instructions to members to say they had resigned from the party.

Passage of the act in 1950 had a generally similar effect on the party, forcing it to pull in its horns, tighten security, reduce the size of clubs and eliminate part of its administrative structure.

The Board's impact on Communist youth activities, which the party considers highly important, pinpoints its effectiveness. The Labor Youth League was the party's national youth organization in 1953 when the board was petitioned to find it a front. After holding hearings in 1954 during which over 5,500 pages of testimony were received, the SACB published a 54-page report finding the LYL a Communist front. In 1957 the LYL was dissolved. Its successor, Advance, suffered the same fate 10 years later when a 1963 petition led to hearings in 1964 that brought about that group's demise.

The board was petitioned in 1966 to find the DuBois Clubs of America a Communist front. Though suits and other matters have so far prevented the SACB from holding hearings, DuBois Club membership is now down to less than 100. This is partly due to the greater appeal that more openly radical, less disciplined groups such as Students for a Democratic Society have for today's revolutionary youth. At the same time, the evidence of Communist party control of the Clubs contained in the attorney general's petition, coupled with the fact that board hearings on them might start at any time, has obviously put a serious crimp in the Clubs' organizing and recruiting efforts.

In summary, the CP has been without an effective, nationwide youth front for the past 15 years primarily because of the SACB.

The SACB has not destroyed the Communist party. No rational person would expect that it would have done so, or ever will. In reporting the Subversive Activities Control Act in 1950, HCUA said it "wishes to emphasize that this legislation alone is not a complete answer to the Communist problem in the United States." The above facts, however, are clear evidence that the board has been effective and has achieved what it was supposed to do: throw roadblocks into the path of Communist subversion through the hearing and report process.

J. Walter Yeagley, head of the Internal Security Division of the Department of Justice for the past 10 years, told a Senate committee in 1967:

". . . the exposure involved in these board proceedings . . . [has] been highly detrimental to the party . . . the leaders of the Communist party themselves have been of the opinion over the years that the functions of this board have been highly detrimental to their organization. . . .

"I know that the party has been tremendously worried about this law."

J. Edgar Hoover told Congress in 1966 that Communist party leaders were boasting that if they could defeat the law which created the SACB they could recruit 50,000 members in one year.

WHY RECENT SACB INACTIVITY?

When the SACB has been so active in past years and has clearly damaged the party's operations, why has it done so little lately? This is the question that puzzles most people.

The answer is found in the Subversive Activities Control Act. It gives the attorney general of the United States virtually 100 per cent control of SACB activities. The board cannot initiate cases itself. The attorney general is the only person with authority to petition it to hold hearings. Unless he gives it work, it can do no more than twiddle its thumbs.

J. Howard McGrath, attorney general in 1950 when the act was passed, immediately set up a section in the Department of Justice to enforce the law. On Nov. 20, 1950, shortly after the SACB was appointed, he petitioned it to find the CP a Communist-action group.

This was the key to implementation of all other provisions of the act. No group could be found a front or infiltrated group and no individual an action group member until the party itself had been determined to be a Communist-action organization by the board.

James P. McGranery, McGrath's successor, could not submit any petitions to the board, because it was working on the Communist party case throughout the period he was attorney general.

Herbert Brownell Jr. was attorney general when the board published its CP report and order on April 20, 1953. Four days later he filed 12 front cases with the board and followed them up with nine additional front cases and two infiltrated group cases before retiring to private law practice in 1957. No other attorney general has given the SACB as much work as Brownell did.

His successor, William P. Rogers, now secretary of state, did not file a single petition with the board during his more than three years as attorney general (November 1957–January 1961). In January 1958, shortly after Rogers took office, the court of appeals sent the Communist party case back to the board for consideration of certain new issues. This precluded board action on any other cases until February 1959, when the SACB's work on the Communist party case was completed by the issuance of a modified report. By mid-April 1959, however, the board had completed action on all except two of the cases referred to it by Atty. Gen. Brownell and was in a position to act on additional petitions.

Robert F. Kennedy was attorney general in 1961 when the Supreme Court ruled that the CP registration requirements were constitutional. Some time later he began filing individual membership cases with the SACB and submitted a total of 44 while in office.

Kennedy referred only one front case to the board, that of Advance in January 1963. A few months later, in May, the court of appeals for the District of Columbia circuit ruled that evidence that a group's directors were party members was not sufficient reason for the SACB to find it a front; it also had to be shown that the front's directors were active in the management of the CP, or that they were acting as party representatives in directing the group's activities.

This decision placed a heavier evidentiary burden on the government in obtaining a front finding from the SACB, and may explain why Kennedy submitted no more front cases to the board. At the very least, it would have required a re-examination by the Department of Justice of the evidence it had relating to any front case it was thinking of submitting to the board to determine

[1] *When the board's workload is not heavy and a majority of its members are present for hearings in a given case, a recommended decision is not written.*

whether it was sufficient to meet this new requirement.

Kennedy filed more petitions with the SACB than any other attorney general—45 in all. Because all but one were membership cases, however, they did not equal the workload Brownell had given the board.[2]

THE BOARD'S TROUBLES BEGIN

The board's current problems began with Nicholas deB. Katzenbach, who became acting attorney general in October 1964, attorney general in February 1965 and served until named under secretary of state in October 1966.

Not long before Katzenbach became attorney general, J. Edgar Hoover had informed Congress that the FBI had approximately 150 known or suspected Communist fronts and infiltrated groups under investigation. But Katzenbach, during his two years in office, filed only one front case with the board—that of the DuBois Clubs in March 1966. A suit by the Clubs led to a court ruling that the board could not go ahead with hearings until the issue raised had been decided by the Supreme Court. The Supreme Court did not act on the case until Jan. 22, 1968, so the board could do nothing on this case while Katzenbach was in office.

Katzenbach filed no infiltrated cases with the board. Neither did he file any membership cases to follow up Kennedy's 44, although the way was wide open for him to do so until Nov. 15, 1965, when the Supreme Court held that invocation of the 5th Amendment by a party member barred a board order that he register.

By mid-1965 the SACB had completed hearings on all the membership cases referred to it by Atty. Gen. Kennedy. Frustrated, it sat in Washington doing nothing, waiting for Katzenbach to file petitions while criticism began to mount—and Communists began to step up their activity. Rubbing salt in the board's wounds, Katzenbach publicly attacked the law which had created it in an April 1966 interview published in the "Daily Princetonian."

Glossing over the fact that he had given the board practically nothing to do, he said the law had accomplished little and could justifiably be repealed. He also expressed his view that President Truman had been right in vetoing it 16 years earlier and that the Supreme Court might still declare it unconstitutional.

Although his record was technically better than Katzenbach's, Ramsey Clark, his successor who served as attorney general until 1969, probably did more than any other attorney general to injure the SACB's image. He accomplished this by the simple device of refusing to send cases to it and thus forcing idleness on it as criticism of the board grew and reached its peak.

Clark's attitude toward the board and the Subversive Activities Control Act was illustrated by legislative developments in 1967. Then-HCUA Chairman Willis, with the support of 51 other members of the House, had introduced a bill to strengthen both the act and the SACB. Willis twice wrote to Clark requesting his views on the bill and also asking him to testify in the hearings on it or send another representative from the Department of Justice to do so.

Clark, despite the two requests, never sent Willis an opinion on the bill and declined to testify in the hearings or to send anyone in his place. Eventually, late in the year, after the hearings had been held, HUCA had reported the bill and House debate on it was approaching, Willis, after a personal appeal, received a note from Clark—but it said only that if the bill were enacted, he would enforce it. Sen. Dirksen, who had introduced a bill similar to Willis', got virtually the same letter in response to his request for Clark's views.[3]

Sen. William Proxmire (D-Wis.), author of a 1967 bill to abolish the SACB, was apparently convinced that Atty. Gen. Clark was on his side. Proxmire's bill was not adopted, but with the help of Majority Leader Mike Mansfield, he succeeded in amending the Dirksen bill (intended to strengthen the SACB) so that the SACB would be automatically killed if Clark did not submit cases to it and the board did not hold a hearing by Dec. 31, 1968. On Oct. 23, 1967, during the Senate debate on the Dirksen bill and his amendment, Proxmire smugly told his Senate colleagues:

"I am confident that the board will receive its death sentence today from the Senate by adoption of the Mansfield-Proxmire amendment to S2171. I am likewise confident . . . that the attorney general will not commute that death sentence, but rather enforce it."

Clark's role in undercutting the SACB is verified by the testimony of Justice Department and SACB officials.

Assistant Atty. Gen. Yeagley testified before the Senate Appropriations Committee in August 1967, while Clark was attorney general, that "there are approximately 100 organizations in which the Communists have been found operating." This was a clear indication that the Department of Justice had information about the existence of Communist fronts and infiltrated organizations. Yet Clark did not send a single front case to the board while attorney general.

His failure on this score must be judged in the light of two developments: (1) Katzenbach's sending the DuBois Clubs case to the SACB in March 1966 proved that the May 1963 decision of the court of appeals relating to front cases was not an insurmountable obstacle to the submission of such cases to the board; (2) the Willis bill amendments, which became law on Jan. 2, 1968, relieved Clark of the heavier evidentiary burden created by that decision by providing that party membership on the part of a group's directors (combined with certain other evidence of Communist control) was sufficient grounds for a front finding by the SACB.

In addition to sending no new front cases to the board, Clark prevented it from proceeding with the DuBois Club hearings.

On Jan. 22, 1968, the Supreme Court rejected the DuBois Clubs' suit to block SACB hearings. The board promptly ordered that hearings begin on Feb. 5, 1968. The Clubs moved for a delay until February 27. Clark did not oppose this, so the board could not proceed.

Then Clark asked that the hearings be further delayed until March 27, alleging, two years after the petition had been filed, that he was not ready to proceed. The DuBois Clubs, of course, gladly went along with this request, so the board was again stymied.

Finally, on March 19, just a few days before SACB thought it would be able to begin hearings, Clark moved that they be postponed indefinitely—until the Supreme Court decided a pending case concerning electronic surveillance. Clark said he was concerned that the court's decision in this case might mean that government evidence against the DuBois Clubs was tainted because, somewhere along the line, electronic surveillance or wiretapping had been used to obtain it.

Because the Supreme Court did not decide this case until March 1969, Clark did not permit the board to proceed with DuBois hearings while he was in office.

Yeagley also stated before HCUA last May that in the summer of 1967, when it appeared that Congress would adopt legislation to strengthen the SACB, the Internal Security Division of the Department of Justice, which he heads, started a "concentrated program" of reviewing information about Communist fronts, infiltrated groups and party members and also stepped up its liaison with the FBI. This continued throughout the fall of 1967 and "We made a report to the attorney general and furnished him some written material and memoranda involving some cases [for the SACB]."

When asked, Yeagley understandably begged off, telling the committee what recommendations he had made to Atty. Gen. Clark:

". . . when I make recommendations to the attorney general, I feel he is the one who should release such information. . . .

"I don't think I should say what my position was before he takes a stand himself."

In response to another question, Yeagley pointed out:

"I have no authority to file petitions independently; no, I have authority to advise and consult with him [the attorney general]."

Testimony of SACB Chairman John Mahan before the Senate Appropriations Committee in June 1968 is equally revealing:

"We were unable to obtain from the attorney general in time to prepare our [budget] estimate any information . . . of the number of cases he might institute in the board under the new legislation.

"And we still have not received that information from him. . . ." Sen. McClellan: "He has not initiated a single action and he has given you no indication that he ever will?"

Mahan: "That is correct."

Mahan, when asked, told the Senate committee he had gone to see Clark on "many occasions" to discuss work for the SACB:

"He has advised me that it is up to him to prosecute the case. It is not up to me to request from him a case. I can't do that. All I can ask him for is how many cases he will give us so that I can prepare a budget."

Sen. McClellan: "What does he tell you when you inquire about it?"

Mahan: "Nothing."

Mahan also revealed that Clark had told him some two months earlier that about 600 cases had been reviewed for possible referral to the SACB, but that Clark did not indicate what he would do with them, saying there was a problem relating to electronic surveillance.

Mahan told the Senate Committee:

"I feel we can try these cases without that danger. If we can't, we should have a test case. . . ."

The 1967 Willis bill opened the door wide for the submission of petitions concerning indvidual party members as well as fronts. By doing away with self-registration and providing that the SACB would merely keep a roster of the groups and individuals about which it had made findings, it eliminated all problems created by court 5th Amendment decisions.

Despite this, in addition to submitting no front or infiltrated cases to the SACB and blocking it from proceeding with the DuBois Clubs case, Clark, during his first 15 months in office—the peak period of criticism of the board because it was doing nothing—did not submit a single membership case to it.

Eventually, on July 1, 1968, he submitted seven individual membership cases. It was known in White House and Justice Department circles, however, that Clark did this

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[2] *Despite this record, Atty. Gen. Kennedy became a critic of the act and the SACB as a senator. During the 1967 Senate debate on a bill introduced by Sen. Everett Dirksen to strengthen the board, Sen. Kennedy attacked the board as "this moribund agency" and spoke of "the irrelevance of the SACB to the fight against communism." He also stated of the act: "This law has not helped us to advance in the last 17 years in connection with subversive activities."*

[3] *The House passed Willis' bill and the Senate Dirksen's. Following a conference, a compromise measure embodying practically all of the provisions of the Willis bill, was passed by both houses. It became law when signed by President Johnson on Jan. 2, 1968.*

only under extreme pressure—to prevent a public attack by another Johnson Administration official for his failure to enforce the law, as was his duty, by submitting cases to the board.

The performance of Atty. Gen. Clark and of all attorneys general in administering the Subversive Control Act should be assessed in light of the following facts:

The law, as passed by Congress in 1950, states that whenever the attorney general "shall have reason to believe" that a group is a Communist-action, Communist-front or infiltrated organization and it is not registered "he shall file with the board a . . . petition" to bring about its registration. The statute does not give the attorney general the freedom to determine whether he desires to file petitions. It places a clear-cut obligation on him to file them.

The Congress found in the amendments to the act which became law in 1968 that "Disclosure of Communist organizations and of the members of Communist-action organizations as provided in this act is essential to the protection of the national welfare."

It should be emphasized that Clark and Katzenbach are not the only ones responsible for the unjust criticism the SACB has received in the last few years, even though they are guilty of creating the conditions that have provoked so many attacks on the board.

The Subversive Activities Control Act is a rather lengthy and complicated law. The average citizen is not familiar with all its provisions and ramifications. He naturally looks to the Congress and the news media for accurate information about it and the board, believing he will get the truth accurately and objectively stated.

Far too often this has not been the case. Time after time certain editors, columnists, reporters, commentators—and some senators and congressmen—have made highly misleading statements about the board, creating the false impression that it is made up of bureaucratic timeservers who have been doing little because they are lazy, unconcerned and interested only in a nice soft job at the taxpayers' expense.

This is a far cry from the truth. The board members are as dedicated as any government officials. To say that they are also frustrated, bitter and disillusioned because of the situation they have found themselves in through no fault of their own is to state the case mildly. It has been particularly galling to them because they have been fully cognizant of why, they have been idle and under constant attack—even if the communications media have not been telling the public the real story.

A recent incident illustrates one aspect of media responsibility for widespread citizen misunderstanding of the facts about the board. On July 1, the day after Otto Otepka was sworn in as a member of the SACB by Chairman John Mahan, the board held a hearing on one of the individual membership cases pending before it. Admittedly, SACB hearings, particularly membership cases, are not among the most exciting events in Washington. Despite this, in view of the extensive and largely unfavorable publicity the media had given the board during the Otepka confirmation hearings, one would assume that at least one major newspaper or wire service would be interested in attending, if only to report that the SACB had held a hearing.

But there were only two "news" men in the board hearing room—one represented the Communist party's official newspaper, *The Daily World,* the other an underground Washington newspaper. The board had held a hearing, but the only persons who learned of it were the readers of the weirdo and Communist press.

THE NEW ATTORNEY GENERAL

On March 12, 1969, less than two months after taking office, Atty. Gen. John Mitchell sent five individual membership cases to the SACB. In doing so, he set a minor record. No other attorney general has sent cases to the board so soon after taking office.

After only seven months of the new Administration it is much too early to pass judgment on Mitchell's performance. It should be pointed out, however, that there is some disappointment on Capitol Hill and among board members that he has not submitted more petitions to the board.

Five membership cases have not meant much work for the SACB, it has been anything but rushed during the past seven months and by the end of this month, it will again be in the position of having nothing to do.

Despite this situation it is believed that the SACB has much better days ahead. This belief is based on the following facts:

Atty. Gen. Mitchell's orientation is much different than that of Katzenbach and Clark. He has never been regarded as one who would be lax in enforcing laws having to do with domestic subversion.

President Nixon has demonstrated a much greater interest in domestic communism than any other recent President.

In addition to being one of the two originators of the Subversive Activities Control Act, the President has shown continuing belief in its usefulness.

In his 1962 book, *Six Crises,* the President took issue with those who were claiming that communism was not an internal problem and specifically with Atty. Gen. Robert Kennedy, who had stated on March 24 of that year that the Communist party represented "no danger in the United States." Nixon, rebutting Kennedy, wrote that to ignore 10,000 U.S. Communists would be as "foolhardy" as to underestimate the Communist guerrillas in South Viet Nam "because they are only a few thousand."

The President then proceeded to outline an eight-point "minimum program" for dealing with communism in this country. The fourth point read:

"Vigorous and strict enforcement of the Subversive Activities Control Act . . . so that they [all Communists] may be labeled properly for what they are."

In passing the Willis bill by a large vote, the Congress clearly indicated its intent that the Subversive Activities Control Act be enforced and the SACB be given the chance to operate effectively.

There is no question but that there is much work for the SACB to do today. Communist party strength has increased considerably in the last few years. Its membership is now up to about 14,000; party leaders boast of the support of an additional 100,000 "state-of-mind" members; and an undisclosed but presumably significant number of party agents are working in approximately 100 different organizations.

Given these statistics, the President's attitude and the strengthening of the law and the board by the Willis amendments, it becomes clear that with efficient FBI operation, Atty. Gen. Mitchell should be able to submit enough front, infiltrated and individual membership cases to the board to keep it continuously occupied.

CHALLENGE—AND OPPORTUNITY—FOR NIXON

Though there is much for the SACB to do under the Subversive Activities Control Act as it is now written, the Nixon Administration has a very real opportunity to greatly improve the effectiveness of the law and to facilitate the attorney general's submitting important new cases to the board.

When the law was passed in 1950, the world Communist movement was unified under Moscow's leadership. The Communist Party, U.S.A., controlled by the Kremlin, was the only Communist organization in the country that posed a significant internal security threat. Its major competitor in subversion, the independent-of-Moscow, Trotskyist Socialist Worker party (SWP), was relatively insignificant.

For this reason the Congress justifiably drafted the law so that it applied only to Moscow-connected Communist organizations. Conditions have changed radically since 1950, however. As a result of the Moscow-Peking split, the rise of Castro and other developments, a variety of new Communist groups has been formed and the SWP has increased its activity and membership.

All the new Communist groups, like the SWP, are much smaller than the CP, "left" of it, and independent of the Soviet Union. All, in certain respects, are also enemies of the Communist party and of one another. Despite their differences with Moscow and with each other, however, they all share the same goal: destroying the present government and imposing communism on the United States. They therefore consistently cooperate with one another in the very type of subversive activity the SACB was designated to curb. Alone, none of these groups poses a serious danger to the national security, but working with the CP and with one another as they do, they have greatly increased the Communist internal security threat.

The increased danger these new communist groups pose to the country is compounded by the rise of the so-called "New Left" and the black militant groups—Students for a Democratic Society (SDS), Student Nonviolent Coordinating Committee (SNCC) (now called the Student National Coordinating Committee), Southern Student Organizing Committee (SSOC), Revolutionary Action Movement (RAM), the Black Panthers and Republic of New Africa (RNA), to name a few of those that are better known.

Not one of these groups is free of Communist taint and influence. All have cooperated with domestic Communist organizations and/or have ties with foreign Communist powers, organizations and individuals. Yet none is a front or infiltrated organization as defined in the act and all are thus immune from SACB proceedings and all other provisions of the act.

The Subversive Activities Control Act, in the light of these new developments, is not fully effective as an internal security law. It should be amended to give the SACB authority to hold hearings and issue reports on all organizations with Communist ties whose combined activities threaten the internal security of the country.

FBI Director Hoover has described these new Communist, "New Left" and black militant groups as "clearly subversive forces." In April of this year he also made a statement to the House Appropriations Committee which indicated that, if the law were amended to include these organizations, the Department of Justice would be in a position to proceed against them before the SACB. He told the committee.

". . . in spite of the fact that we have been confronted with a growing number of individuals, organizations, and problems in the security field . . . we have been able to follow closely and report on their diverse activities and thus keep the appropriate authorities advised.

"Through informants we have been able to penetrate the organizations at high levels, both locally and nationally."

Since the SACB was created in 1950, no Administration has requested the Congress to enact legislation that would improve its effectiveness. Now would be an ideal time for President Nixon, who played a major role in creating the board, to take this step—by having his attorney general draft a bill for him to send to Congress that would bring all domestic groups contributing to the Communist threat within the scope of the board's authority.

In the interest of national security, all Americans have a need—and a right—to know the true nature, allegiance and aims of the Communist party and the groups it con-

trols and their activities. They also have a need and a right, however, to know the same about all other groups with Communist associations that are fomenting campus and urban rioting, the killing of police, the destruction of draft centers and other defense-related facilities by fire-bombings and explosives, the sabotage of U.S. policy and defense efforts in Viet Nam and other crucial areas, and which are working in various other ways to bring down the elected government of the United States.

COURT UPHOLDS BOARD ON FREE SPEECH ISSUE

On June 5, 1961, in a 5-to-4 decision [Communist Party vs. Subversive Activies Control Board (367 U.S. 1)] the Supreme Court upheld the constitutionality of the registration provisions of the Subversive Activities Control Act as applied to the Communist party.

Justice Frankfurter, writing for the majority—himself and Justices Clark, Harlan, Whittaker and Stewart—rejected the Communist party's claim that the act violated the 1st Amendment and the Bill of Attainder provision of the Constitution and held that the 5th Amendment was not relevant to the facts of the case as they then stood.

The dissenting Justices—Warren, Black, Douglas and Brennan—wrote separate opinions, each claiming the act was unconstitutional on 5th Amendment grounds. Despite the "free speech" reputation of these men, only Justice Black also held that the act violated the 1st Amendment.

The following are excerpts from the majority and minority opinions on the 1st Amendment issue:

Justice Frankfurter: "Where the mask of anonymity which an organization's members wear serves the double purpose of protecting them from popular prejudice and of enabling them to cover over a foreign-directed conspiracy, infiltrate into other groups, and enlist the support of persons who would not, if the truth were revealed, lend their support, it would be a distortion of the 1st Amendment to hold that it prohibits Congress from removing the mask."

Justice Douglas, for the minority (excepting Justice Black): "If lobbyists can be required to register, if political parties can be required to make disclosure of the sources of their funds, if the owners of newspapers and periodicals must disclose their affiliates, so may a group operating under the control of a foreign power.

"The Bill of Rights was designed to give fullest play to the exchange and dissemination of ideas that touch the politics, culture and other aspects of our life. When an organization is used by a foreign power to make advances here, questions of security are raised beyond the ken of disputation and debate between the people resident here. Espionage, business activities, formation of cells for subversion, as well as the exercise of the 1st Amendment rights, are then used to pry open our society and make intrusion of a foreign power easy. These machinations of a foreign power add additional elements to free speech just as marching up and down adds something to picketing that goes beyond free speech.

"These are the reasons why, in my view, the bare requirements that the Communist party register and disclose the names of its officers and directors is in line with the most exacting adjudications touching 1st Amendment activities."

DISCLOSURE PRINCIPLE—THE PRESIDENT'S COMMITTEE ON CIVIL RIGHTS, 1947 REPORT

The principle of disclosure is, we believe, the appropriate way to deal with those who would subvert our democracy by revolution or by encouraging disunity and destroying the civil rights of some groups. . . .

The ultimate responsibility for countering totalitarians of all kinds rests, as always, with the mass of good, democratic Americans, their organizations and their leaders. The federal government . . . ought to provide a source of reference where private citizens and groups may find accurate information about the activities, sponsorship and background of those who are active in the market place of public opinion.

SENATE—*Friday, September 19, 1969*

The Senate met at 10 o'clock a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

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

O Thou whose glory fills this universe and the universes beyond, make us ever mindful also that Thou art the Creator of man and that Thou didst invest him with dignity and freedom when time began. Help us now to comport ourselves as children of Thy creation, to cherish our freedom, and to use it for the welfare of this Nation and the improvement of all mankind. Draw together into a firm spiritual alliance all who seek the peace and joy of the kingdom Thou hast promised to all who love and serve Thee. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, September 18, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Leonard, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PEACE CORPS ACT AMENDMENTS OF 1969

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 409, H.R. 11039.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 11039) to amend further the Peace Corps Act (75 Stat. 612), as amended.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments, on page 1, line 6, after the word "and", where it appears the second time, strike out "$101,100,000" and insert "$92,800,000"; in line 7, after the word "and", strike out "(2) by adding at the end thereof the following new sentence: 'None of the funds authorized to carry out the purposes of this Act shall be used to carry out the Volunteers to America Program conducted under the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), or any similar program involving the service or training of foreign nationals in the United States.'" and insert "(2) by inserting immediately after 'this Act' the following: 'and the Volunteers to America Program conducted under the Mutual Educational and Cultural Exchange Act of 1961 (2 U.S.C. 2451)'."; on page 2, line 7, after "Section 5", insert "(h)"; in line 9, after the word "amended", strike out "as follows:"; at the beginning of line 10, strike out "(a) In subsection (h), immediately after '(31 U.S.C. 492a),', add 'the Act of October 21, 1968 (5 U.S.C. 5584) for purposes of erroneous payments of allowances provided under the Peace Corps Act,'." and insert "by inserting after '(31 U.S.C. 492a),' the following: 'section 5584 of title 5, United States Code (and readjustment allowances paid under this Act shall be considered as pay for purposes of such section),'."; and, after line 16, insert a new section, as follows:

SEC. 3. Section 301 of the Peace Corps Act, as amended, which relates to the encouragement of voluntary service programs, is amended as follows:

(1) Subsection (a) is amended—

(A) by inserting immediately after "of this Act" the designation "(1)";

(B) by striking out the comma and the word "and" following "trained manpower" and inserting in lieu thereof a semicolon and the designation "(2)"; and

(C) by striking out the period at the end thereof and substituting a semicolon and the following: "and (3) to encourage the development of, and participation in, any international program which seeks to provide volunteers to serve in less developed countries or areas, training, or other assistance in order