Whaley, Robert E., xxx-xx-xxxx
Whirl, Robert G., xxx-xx-xxxx
White, Julius C., xxx-xx-xxxx
White, Robert A., xxx-xx-xxxx
Writeker, Jerry N., xxx-xx-xxxx
Whitfield, Steven K., xxx-xx-xxxx
Whitlock, Darrell D., xxx-xx-xxxx
Whittington, Robert, xxx-xx-xxxx
Willhoite, Howard, xxx-xx-xxxx
Williams, Edwin A., xxx-xx-xxxx
Williams, Robert P., xxx-xx-xxxx
Williams, Roy D., II, xxx-xx-xxxx
Williams, Wayne L., xxx-xx-xxxx
Williams Welborn, xxx-xx-xxxx
Williamson, Rex P., xxx-xx-xxxx
Wilmeth, James L., xxx-xx-xxxx
Wilson, Albertis C., xxx-xx-xxxx
Wilson, Clyde A., Jr., xxx-xx-xxxx
Wilson, Jack T., xxx-xx-xxxx
Wilson, John L., xxx-xx-xxxx
Wilson, Patrick T., xxx-xx-xxxx
Winch, Jack J., Jr., xxx-xx-xxxx
Wirtz, David W., xxx-xx-xxxx
Wisneski, Larry E., xxx-xx-xxxx
Witczak, Chester W., xxx-xx-xxxx
Wolfe, James B., xxx-xx-xxxx
Wolfe, Walter M., Jr., xxx-xx-xxxx
Wood, Mary L., xxx-xx-xxxx
Woulfe, Robert J., xxx-xx-xxxx
Wresche, Dee V., xxx-xx-xxxx
Wright, Donald A., xxx-xx-xxxx
Yenrick, Philip C., xxx-xx-xxxx
York, John M., xxx-xx-xxxx
Yox, John E., xxx-xx-xxxx
Zamm, Karen E., xxx-xx-xxxx
Zana, Donald D., xxx-xx-xxxx

HOUSE OF REPRESENTATIVES—*Tuesday, September 30, 1969*

The House met at 12 o'clock noon.

Rev. Joe Vickers, Goodlettsville Cumberland Presbyterian Church, Goodlettsville, Tenn., offered the following prayer:

O God, who by Thy providence didst lead our forefathers to this good land wherein we found liberty and freedom to worship Thee: We are not unmindful of the heritage which is ours, not deserving but by Thy providence, and bought with diligence and sacrifice. We beseech Thee to provide this House with dignity, inspiration, knowledge, wisdom, and foresight, to lead us for the good of all mankind. We beseech Thee to save us from misuse of freedom without restraint.

We also beseech Thee to ever guide our Nation in the way of Thy truth and peace. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 10420. An act to permit certain real property in the State of Maryland to be used for highway purposes.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1484. An act to abolish the commission authorized to consider a site and plans for building a national memorial stadium in the District of Columbia;

S. 2701. An act to establish a Commission on Population Growth and the American Future; and

S.J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes.

THE REVEREND JOE VICKERS

(Mr. FULTON of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FULTON of Tennessee. Mr. Speaker, it is with a great deal of pleasure and pride that, through the kind invitation of our Chaplain, Reverend Latch, I have had the opportunity to ask the Reverend Joe Vickers to open this meeting of the House of Representatives with a prayer.

Reverend Vickers is pastor of the Goodlettsville Cumberland Presbyterian Church of Goodlettsville, Tenn. He is a man of profound religious conviction and compassionate human understanding.

On this occasion I would like to welcome him, his charming wife, and lovely daughter to the U.S. House of Representatives.

A SIGN OF MOURNING

(Mr. KOCH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KOCH. Mr. Speaker, today I am wearing a sign of mourning. The black ribbon in my lapel is a visible expression of my grief and outrage that every week more than 150 American men are being killed in Vietnam.

To many of us the Vietnam war has not brought personal suffering or sacrifice. To some the war must seem not only distant but unreal. I would hope, however, that the wearing of black, which is a traditional expression of grief of most religious faiths, will serve as a reminder that none of us can ignore the continuing loss of life and that we do share the personal tragedy that so many American families are required to bear.

The American people have been asked to be patient over Vietnam for too many years. Now our policy no longer seeks a futile military victory but the gradual withdrawal of American troops over several more years pending a negotiated settlement. Should we pursue this policy of gradual withdrawal we only accept more unnecessary deaths. In fact, any arbitrary timetable is intolerable. We are dealing with the lives of our best young men and there is no excuse for this unjustifiable delay.

Therefore I think this ribbon can also be worn as a sign of commitment to do all one can to change our Government's tragic policy and thus end the unnecessary killing.

I hope that all those Americans, who are distressed as I am, will choose to wear a black ribbon until the administration, by deed, not word, is committed to the immediate and total withdrawal of American troops from Vietnam.

VIOLENCE IN INDIA

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, only yesterday I commented on the heritage of Mahatma Gandhi and upon his contributions to India and to the world. Now my attention is directed to the violence and rioting which has flared across India; the worse since independence. It must be said that this makes a mockery of the plans to celebrate the centennial of the birth of Gandhi, father of the nation and leading advocate of nonviolence.

The whole world has been shocked by these disorders which were directed principally against Moslems. The Baltimore Sun has stated that the death toll is around 2,000 and several thousand others have been injured. The New York Times says that over 10,000 have been rendered homeless. The Washington Post, in a dispatch from New Delhi, said Hindus dragged Moslems from their homes and shops and poured gasoline over them and set them afire. This report goes on to say that the casualties were 80 percent Moslem because the Hindu police failed to act until the violence had run its course.

America is by necessity deeply disturbed by these reports of violence and cruelty. It will be difficult to understand if the Indian Government fails to take action against those responsible and to introduce more effective measures for the protection of life and property of the minorities living in their country. What has been done is inconceivable in a country which holds the teachings of Gandhi in reverence.

THE LATE PRESIDENT ADOLFO LOPEZ MATEOS OF MEXICO

(Mr. NIX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIX. Mr. Speaker, in the alternate years that the Mexico-United States Interparliamentary Group meets in Mexico our Mexican hosts have always arranged for the delegation to pay a visit with the President of Mexico. These are not the usual calls that protocol requires. They arise from a sincere desire on the part of the President to meet and chat with members of the U.S. delegation. As co-chairman of the U.S. delegation for a number of years, I have looked forward to these meetings with the President of Mexico either in his residence or in his office.

News has come from Mexico that for-

mer President Adolfo Lopez Mateos has died. I well recall, as do many of my colleagues, this quiet, gracious gentleman who received us on several occasions during his Presidency from 1958 to 1964. He was a career public servant who had held numerous Government posts, including that of Minister of Labor, before he was chosen to be President of Mexico.

President Lopez Mateos was a sensitive man, erudite yet earthy, who understood the problems of his native land. He was dedicated to peace, not alone for his beloved Mexico, but for the world. In pursuit of that noble endeavor he traveled widely and explored contentious issues in the hope of contributing in some small measure to their resolution.

I know I express the sympathy of my colleagues who had the privilege of knowing President Lopez Mateos. To his family I extend my heartfelt sympathy. With the people of Mexico I join in sorrow at the passing of a national leader and an international figure.

OKLAHOMA SERVICES HELD FOR PIONEER FRED R. CLEMENT

(Mr. EDMONDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDMONDSON. Mr. Speaker, services are being held today in Haskell, Okla., for one of the finest men I have ever known, Fred R. Clement.

A native of Texas, Fred Clement was a boy when he came to Oklahoma in 1905, before statehood.

He moved to Haskell, a town he loved and served well, in 1920, where he and his beloved wife Miriam made a home for a wonderful family.

Fred Clement served his country well. He wore his country's uniform in World War I, and throughout his life he honored the flag and helped lead his community's observances on Memorial Day, and other patriotic occasions.

He was postmaster of Haskell from 1936 to 1944 and a rural mail carrier for 20 years thereafter, and in both offices was a trusted public servant.

Fred Clement was a friend who could be counted on when needed. He gave thousands of hours of his life to the service and assistance of his friends and neighbors, and never looked back or counted the cost when his strong hand was needed.

He was an outdoorsman who loved the still waters and the green meadows and the cooling shade trees of Oklahoma. They were almost like a church for Fred Clement, who found great pleasure in sharing the joys of nature with his friends.

They will be gathering today in Haskell, hundreds of those friends, to honor the memory of this good man who has now joined his beloved wife, in a place where I am sure the waters are quiet and peaceful and the shade of the trees is cool. For his loving daughter Barbara, and sons Bill and Jack, and the grandchildren who loved him so much, may there be pride in the fine heritage they have received, and comfort in their sorrow.

THE FOOD STAMP PROGRAM

(Mr. POAGE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POAGE. Mr. Speaker, the Committee on Agriculture has received a food stamp bill—S. 2547—from the other body. Our committee has earlier this year held a week of hearings on the food stamp program as a part of the comprehensive farm bill.

I have personally introduced a bill which removes the limitations of both duration and funding authorization from the food stamp program. Whether my specific ideas or other plans are approved, it is our intention to give the food stamp program a complete review along with farm production programs.

In the meantime, there is no disposition on the part of our committee to ignore the immediate needs of the food stamp program. I have discussed the matter with both majority and minority members, and I can advise the House that the Committee on Agriculture expects to hold hearings on the Senate bill within the next couple of weeks.

We hope that it will be possible to consider and act on the emergency features of financing the food stamp program for the current fiscal year without any effort to take the pending comprehensive stamp program out of the general farm bill.

INTERNATIONAL TRADE PROBLEMS

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I just want to announce to our Members here present that this afternoon after the business is over I am taking an hour to talk about the international trade problems. At this time I have prepared and am introducing today an omnibus bill dealing with international trade. I welcome any Members of Congress who want to cosponsor it with me.

DISMISSAL OF CHARGES AGAINST GREEN BERETS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANNUNZIO. Mr. Speaker, it is with a great sense of pride and gratification that I learned of the decision of the Secretary of the Army, Mr. Stanley R. Resor, to dismiss the charges against the eight members of the Green Beret.

I am proud in being a Member of this august body that provided the forum that brought to light the details in this case. I am gratified in the knowledge that this body numbers amongst its Members great Americans such as my colleague, the distinguished Congressman from New Jersey, the Honorable PETER W. RODINO, JR., whose devotion and dedication to the cause of freedom and justice for all Americans has again prevailed in this matter.

I again congratulate Congressman RODINO for taking the initiative in airing the facts in the Green Beret case and for affording the opportunity to the Members of Congress to hear all of the facts relating to the case.

By his diligence and untiring efforts in behalf of the Green Berets, Congressman RODINO prevented what may have been a gross miscarriage of justice. The people of America will appreciate the knowledge that the Members of this Congress are constantly guarding their freedom and civil liberties.

PRESIDENT NIXON ENDORSES DIRECT ELECTION OF PRESIDENT

(Mr. FISH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FISH. Mr. Speaker, the endorsement by President Nixon of the proposed amendment providing for direct popular election of the President is a shot in the arm for the measure that passed the House so overwhelmingly. By so doing, the President also keeps faith with his pledge to support the type of amendment that the Congress proposed.

The will of the American people was expressed in the action taken by the House of Representatives and the President's endorsement should help greatly in achieving a two-thirds majority in the U.S. Senate.

The need for reform is vital. The President recognizes that this is the overriding issue. As a member of the House Committee on the Judiciary which heard all sides and recommended the direct method, I applaud the President's action.

CRISIS IN THE AMERICAN HOMEBUILDING INDUSTRY

(Mr. WYMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WYMAN. Mr. Speaker, the American homebuilding industry is in serious trouble. Home buyers cannot obtain money with which to buy homes, especially buyers of smaller homes in the $10,000 to $20,000 range. The difficulty is with the mortgage credit flow and legislative, as well as executive, action is needed to provide needed funds.

Credit is essential to housing. Housing is a first priority for the Nation as a domestic issue. Homeownership makes for good citizenship. Housing starts are sharply down and financial sources find other investments more lucrative. Both commercial banks and mutual savings banks have been investing a larger portion of their assets in investments other than mortgages. It is likewise for life insurance companies.

Something needs to be done and done now to pick up the decline in housing starts and to protect this sorely pressed essential industry. It is distressing news that at the present time the United States is building less housing units per population unit than most other industrialized nations.

The Federal Home Loan Bank Board is reported to be helping with substantial contributions to the Savings and Loan Associations amounting to billions this year. The Federal Reserve Board should act to encourage the long-term credit market, and Congress itself should authorize additional funds to supply the monetary market deficiencies.

There is no sense killing an industry in the struggle against inflation. If the homebuilding industry is undermined to the point of dispersal of its employees and liquidation of its capital it not only will cost more in the long run but it will fail to meet one of the great current domestic challenges which is continuing availability of homes and housing to our people.

PERMISSION FOR SUBCOMMITTEE NO. 4, COMMITTEE ON THE JUDICIARY, TO SIT DURING GENERAL DEBATE TOMORROW

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that Subcommittee No. 4 of the Committee on the Judiciary may sit tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

REQEST FOR PERMISSION FOR SUBCOMMITTEE NO. 3, COMMITTEE ON THE JUDICIARY, TO SIT OCTOBER 2 DURING GENERAL DEBATE

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that Subcommittee No. 3 of the Committee on the Judiciary may sit during general debate on October 2.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

Mr. HALL. Mr. Speaker, reserving the right to object, do I understand that the gentleman is asking for permission for a subcommittee to sit during the consideration of business on the floor of the House in advance of the program being scheduled?

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. This deals with October 2.

Mr. HALL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR SUBCOMMITTEE ON ACCOUNTS, COMMITTEE ON HOUSE ADMINISTRATION, TO SIT TODAY DURING GENERAL DEBATE

Mr. HAYS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Accounts of the House Committee on Administration may sit this afternoon during general debate. This has been cleared with the other side.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ELECTORAL COLLEGE REFORM

(Mr. McCULLOCH asked and was given permission to address the House for 1 minute.)

Mr. McCULLOCH. Mr. Speaker, on September 18, 1969, the House voted 339 to 70 to adopt House Joint Resolution 681. That resolution proposed a constitutional amendment to abolish the electoral college and to allow the people of this Nation to elect their President and Vice President directly.

This morning, President Nixon endorsed our action and called upon the other body to follow our lead. I agree with the President that today's choice is direct election or nothing. I agree that for those who want reform, "contrary views are a luxury."

I am pleased with and grateful for the President's support and look forward to his continuing aid, which he indicated earlier this year, in securing the ratification of the 26th amendment to our Constitution.

PERSONAL EXPLANATION

Mr. SCHADEBERG. Mr. Speaker, I was absent yesterday from the House when it was voting on H.R. 4314, and H.R. 13369. Had I been present I would have voted "yea" in both cases.

CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 190]

Bell, Calif.	Edwards, Calif.	Lipscomb
Bolling	Fascell	McClory
Brasco	Feighan	McClure
Broomfield	Findley	McMillan
Brown, Calif.	Flood	MacGregor
Cahill	Ford,	Mann
Celler	William D.	Mills
Clark	Garmatz	Morton
Clay	Gettys	O'Konski
Colmer	Gibbons	Pike
Coughlin	Gray	Powell
Cowger	Hansen, Wash.	Rees
Daddario	Hawkins	Reid, N.Y.
Daniels, N.J.	Hébert	Rooney, Pa.
Davis, Ga.	Holifield	Scheuer
Dawson	Howard	Stokes
Diggs	Kirwan	Teague, Tex.
Dorn	Kluczynski	Thompson, N.J.
Downing	Langen	Whalley

The SPEAKER. On this rollcall 374 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

FORMER SECRETARY OF STATE DEAN ACHESON'S REMARKS IN SUPPORT OF THE PRESIDENT OF THE UNITED STATES TO BRING THE WAR IN VIETNAM TO AN HONORABLE SETTLEMENT

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time to call special attention to the remarks of former Secretary of State Dean Acheson, a distinguished Democrat, who addressed the Women's Democratic Club yesterday. He said:

> I see in America a growing capacity for criticism and a declining capacity for unity.

He emphasized that all of us should recognize that the President of the United States is the President of all of us and that we should help him, not obstruct him, as he seeks to bring the war in Vietnam to an honorable settlement. An honorable settlement, not a surrender, is what the people want.

These are the words of Dean Acheson:

> I think that once people are convinced, as I am convinced, that the President wants to bring this thing to a close as much as anybody in the country does, and that he is doing his very best to that end, they will support him and not criticize every step as not being enough.

Those are the words of a true patriot. He places country above party. I would hope that others would recognize, as Dean Acheson does, that the surest and quickest way to achieve an honorable settlement of the war in Vietnam is to unite behind our President.

Those who seek to advance their own political fortunes, be he Democrat or be he Republican, at the expense of our country's prestige and security may well be doing a disservice not only to our country but to themselves and to the political party with which they are affiliated.

PRESIDENT NIXON SUPPORTS DIRECT ELECTION OF PRESIDENT

(Mr. RAILSBACK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAILSBACK. Mr. Speaker, I want to take this opportunity to commend President Nixon for coming out in a strong and forceful statement in support of the direct popular election proposal which passed the House only a short time ago. I think that his support increases the prospects of final enactment and passage by the other body, as well as ratification by the necessary three-fourths of the States.

Mr. Speaker, I think that the President by stating his support for this proposal will significantly enhance the support that will be given to this very necessary proposal by all of the people in the United States.

Mr. Speaker, I want to also commend our minority leader for the job that he did, as well as the Democratic leadership, for the strong support that they have given to the direct popular election proposal. It is my sincere hope that it will be enacted into law.

PERSONAL EXPLANATION

(Mr. WYLIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYLIE. Mr. Speaker, yesterday it was my privilege to attend a ceremony

at the White House at which President Nixon presented to Mr. Frank Byers, Jr., of Columbus, Ohio, the President's Gold Cup, symbolic of winning the President's Regatta which was raced on the Potomac on June 7 and 8, 1969. This cup is 40 years old and is regarded by enthusiasts as the highest award of excellence which can be presented to boat racers.

Because I was at the White House attending this impressive ceremony, I was not present when my name was called for rollcall No. 188. My colleague, the gentleman from Ohio, Congressman SAMUEL L. DEVINE, in whose district Frank Byers, Jr., actually resides, was able to answer his name and arrive for the ceremony on time. In this case, being near the end of the alphabet was not an advantage. I would like the RECORD to show that, if I had been present, I would have voted in favor of H.R. 13369, a bill to extend for 2 additional years the authority to set interest rates on mortgages to veterans.

SECOND LISTING OF OPERATING FEDERAL ASSISTANCE PROGRAMS COMPILED DURING THE ROTH STUDY

Mr. DENT. Mr. Speaker, I ask unanimous consent tc take from the Speaker's desk the concurrent resolution (H. Con. Res. 309), second listing of operating Federal assistance programs compiled during the Roth study, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Page 1, line 7, strike out "ten" and insert "seven".

Page 1, line 8, after "Administration," insert "three thousand copies shall be for the use of the Senate Committee on Rules and Administration,".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF A REVISED EDITION OF "THE CAPITOL"

Mr. DENT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 193) authorizing the printing as a House document of a revised edition of "The Capitol," and providing for additional copies, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "four hundred and sixty-nine" and insert "five hundred and seventy-two".

Page 1, line 8, strike out "Representatives" and insert "Representatives, one hundred and three thousand shall be for the use of the Senate,".

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

TOWARD A MORE STABILIZED INTERNATIONAL MONETARY SYSTEM

(Mr. EDWARDS of Alabama asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS of Alabama. Mr. Speaker, the efforts of West Germany's leaders to extricate themselves from a very difficult monetary situation is well worth noting. For years now—not weeks, but years—we have been plagued with an international monetary system that is defended by no one. But despite the general disgust with the present means of setting international exchange rates, no one is willing to step forward and take the initiative toward change and hopeful reform for the better.

The West German action of allowing the international market to set the actual rate combines some of the ideas of several reform plans proposed in government and academic circles. It apparently provides for more flexibility in the "band" about the fixed rate—that is, it permits more flexible adjustment to keep monetary prices in line with market prices.

I expect that the Governors of the International Monetary Fund and the chief officers of the central banks around the world will keep a close watch on the effects of the West German experiment in monetary reform. Such action could possibly bring about a more stabilized international monetary system.

PRESIDENT NIXON ENDORSES DIRECT ELECTION

(Mr. SMITH of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New York. Mr. Speaker, I am delighted that President Nixon today endorsed the direct election of the President as passed overwhelmingly by the House of Representatives in House Joint Resolution 681 on September 18, 1969. Those of us who have tested the sentiment of the people in our districts know that the people of this country are demanding this reform—that the election of the President and Vice President be under a system which guarantees that the winner wins and the loser loses; which eliminates any possibility that the Congress might choose the President or Vice President; and which guarantees that in the election of the President and Vice President the vote of the citizens of Nevada or Delaware or Alaska will count exactly the same as the vote of the citizens of New York or California or Illinois.

Mr. Speaker, the President's action will be most helpful and most persuasive in bringing about the passage of this proposed constitutional amendment by the Senate of the United States and by the legislatures of at least three-fourths of the States of this Union.

ANTIRIOT TRIAL OF "CHICAGO 8" RABBLE-ROUSERS DEGRADED BY RIOTERS

(Mr. CRAMER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CRAMER. Mr. Speaker, the "Chicago 8," as they are now called, were indicted for conspiracy to violate the Cramer-Thurmond Antiriot Act which makes it a crime to travel in or use any facility in interstate commerce for the purpose of causing a riot.

They went on trial on Wednesday, September 26, 1969, for violation of the Antiriot Act in connection with the violent disturbances that surrounded the Democratic National Convention.

Outside the Federal court, Abbie Hoffman, one of the defendants, made a mockery of the trial by turning summersaults to the glee of the television cameramen and the still photographers. The day before, roudy demonstrators, sympathetic to the defendants demanded entry to the courtroom with the announced intentions of disrupting the orderly court procedures.

For some 6 minutes on evening television, I and millions of Americans were subjected to the ranting and raving of the trial disrupters, condemning every institution and preaching "hate America." The time is long overdue for the national TV networks to exercise responsibility, to report the news, and to stop giving millions of dollars worth of free, prime TV time to any rabble-rousing kook, any self-proclaimed leader of any Hate America and its institutions group who is dedicated to destroying this country as we know it today. The more rabid and hate-mongering their utterances, the more likely the TV is to carry it, it appears. Frankly, I was thoroughly disgusted.

How ironic, that rioters against the fair trial of the "Hate 8"—"Hate America 8" should be publicized, glorified, and given 6 minutes of prime TV time to mouth even their hatred for our trial system and the trial underway in a court of justice. This performance is proof positive that no institution in America is safe from their physical attack, their verbal abuse and their organized hatred. As the author of the Antiriot Act, I believe this performance fully justifies the wisdom of enacting this law and of fully prosecuting under it.

PERMISSION FOR COMMITTEE ON RULES TO FILE A PRIVILEGED REPORT

Mr. DELANEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

AMENDMENTS TO THE RAILROAD RETIREMENT ACT OF 1937 AND THE RAILROAD RETIREMENT TAX ACT

Mr. DELANEY. Mr. Speaker, I call up House Resolution 535 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 535

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13300) to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to provide for the extension of supplemental annuities and the mandatory retirement of employees, and for other purposes, and all points of order against section 6 of said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from New York (Mr. DELANEY) is recognized for 1 hour.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 535 provides an open rule with 1 hour of debate for consideration of H.R. 13300 to amend the Railroad Retirement Act and the Railroad Retirement Tax Act. The resolution also provides that all points of order are waived against section 6 of the bill. The waiver of points of order was granted due to the fact that in section 6 the transfer of funds is authorized.

The purpose of H.R. 13300 is to provide the increased financing necessary to continue payments of supplemental annuities under the Railroad Retirement Act, through increasing the taxes paid by carriers for this program; and to provide that the program of supplemental annuities presently scheduled to terminate on October 31, 1971, will continue through June 30, 1975, and thereafter until changed.

In addition, the bill provides for mandatory retirement of all railroad employees, initially at age 70, and ultimately—by January 1, 1976—at age 65, except that any individual employee may be retained in service beyond the mandatory retirement age where the carrier determines that safety or efficiency would not be adversely affected by retention of the employee in service.

Mr. Speaker, I understand there is some objection to that and there will be amendments on that particular section.

Mr. Speaker, I urge the adoption of House Resolution 535 in order that H.R. 13300 may be considered.

The SPEAKER. The gentleman from Ohio (Mr. LATTA) is recognized.

Mr. LATTA. Mr. Speaker, the purpose of the bill is to provide the increased financing which is necessary if the payment of supplemental annuities, provided by Public Law 89–699, are to be continued.

The bill also provides for the continuation of the program beyond the present termination date, October 31, 1971, through June 30, 1975, and thereafter until the parties, by agreement, or the Congress, by law, amend or change it. Finally, the bill sets a mandatory retirement age for all railroad employees. Initially this is set at 70, and will fall to 65, at the rate of 1 year lower each year after January 1, 1976.

Beginning in the early 1960's, the railroad managements and the brotherhoods began negotiations on the subject of supplemental annuities. The results were Public Law 98–699 in which Congress enacted into law the program as recommended by the parties. Management agreed to pay 2 cents for each man-hour of employment. Benefits were available to retiring employees with at least 25 years of service. Minimum benefits provided are $45 per month at 25 years and reached a maximum of $70 per month in supplemental benefits after 30 years.

The history of the program has been that there have been more retirees than expected and therefore more men drawing supplemental benefits. Instead of operating at a slight surplus, the fund will run out of money in October of this year.

Because of this, the parties, the railroad brotherhoods and railroad management, have been negotiating to extend the program on a sound fiscal basis. Negotiations have broken down because all the brotherhoods refuse to agree to a mandatory retirement age. Management requires this agreement if they are to increase their contribution and continue the program into the future.

The committee believes that as Congress was involved in the original action, it must play a part now.

The bill will continue the supplemental pension program through June of 1965 without any changes in it and thereafter until changed or modified. The 2 cents per man-hour of employment tax paid by management will be replaced by a new funding system. Beginning October 1969, and until changed by agreement of the parties, the railroads will pay the full cost of the program, whatever they are. On a quarterly basis the Railroad Retirement Board will review the operation and the funds, estimate the costs on a man-hour basis and tell the railroads what their obligation is for the ensuing quarters.

Finally, the bill provides for a mandatory retirement age; beginning at age 70 on July 1, 1970, the retirement age will be lowered each year by one year of age until the age of 65 is reached on January 1, 1976. Any individual employee may work beyond his mandatory retirement age if the employer, in writing, agrees to retain him for the time being as long as safety and efficiency are not impaired.

The Railroad Retirement Board supports the legislation. There are no minority views.

Mr. Speaker, I have no requests for time. I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13300) to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to provide for the extension of supplemental annuities and the mandatory retirement of employees, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13300, with Mr. EDMONDSON in the chair.

The Clerk read the title of the bill.

By uanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. SPRINGER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself as much time as I may consume.

The bill that we have under consideration today has some opposition, but the bill was voted out by our committee for the consideration of the House.

First, I might give you a little of the background. Sometimes we lose sight of what the basic objectives of a bill are. This bill has to do with supplemental annuities to retired railroad employees. That was the center of the committee discussion.

In 1966 all of the standard railway labor organizations working together and bargaining with management came to an agreement on a supplemental annuity. After they had come to agreement, they came to the Congress and asked that this agreement be put in the form of legislation so that the Railroad Retirement Board could administer the funds. Congress then passed the bill, but it became evident in 1967 that there was not enough money to carry the fund for the full 5 years which had been authorized to start with. Nothing was done about that until the latter part of 1968 when the unions and management got together and tried to bargain about the needed money to fulfill the promises that had been made originally.

The bargaining did not go too well because after several sessions, as I understand—and this is speaking only from second hand—several of the groups who were bargaining said they could not

come to any agreement on certain proposals.

Three unions, representing about 75 to 80 percent of the railroad workers, continued to bargain, and they did come to an agreement with management. Meanwhile the House Committee on Interstate and Foreign Commerce had started hearings on H.R. 11607, which provided for additional funds to continue payment of annuities until the end of the authorized 5-year period.

When agreement was reached, the parties came to me personally and said they had reached an agreement and had worked up a supplemental annuities bill. I introduced this bill, at their request, on August 4 and on August 6 the bill was marked up in the committee, and voted out of the committee. That is the bill now before the House. I make this background explanation so the House will know what has taken place.

Briefly speaking, I do not think I have to apologize to labor for this bill. I have come through the ranks of labor myself. I worked as a caller for a railroad in my high school days. I called at nighttime and went to school in the daytime in order to continue in school. Later I was a brakeman on the mountain division of one of our Nation's railroads in West Virginia. This was all done to get an education. Later I worked in rubber factories in Akron and the wheatfields of Nebraska and Oklahoma in order to continue my education. I know something of the problems of the working man and certainly I have tried to forward the interests of labor at every opportunity when it was consistent with the interests of the Nation. I shall continue always to do so.

Neither do I think industry can complain of my record, because I have tried always to be fair, as long as I have been a Member of this House. I believe we must have the three elements labor, and management, and capital, all working together, for a great and powerful nation. Andrew Carnegie once was asked which of these three was the most important. He said:

> It is like a three-legged stool. Cut off one leg and the others are bound to fall.

So we need all three of these elements in this Nation.

We must remember that labor has helped to build this Nation to the great nation it is today, and transportation has been one of the main segments in the building of this into a great and powerful nation. We need both industry and labor. I give this only as a little background to show that we want to be fair in every way we can.

Congress is involved, as I said before, in this situation today, because the 1966 agreement was put into effect by an act of Congress at the request of the parties, so it could be administered by the Railroad Retirement Board. This agreement did not provide enough money to pay all annuities due under the program. So when the unions and management came back to me and said they had reached another agreement, I introduced the bill.

The bill provides for compulsory retirement. This is not new. There are approximately 500 or more agreements reached between labor and management providing for compulsory retirement at ages ranging from 65 to 70. The original Railroad Retirement Act of 1935, as passed, contained a compulsory retirement age of 65, with the consent and agreement of every railway labor organization then in existence. Later, due to other parts of the act, this act was declared unconstitutional and was thrown out.

The President's Commission set up in 1960 to make recommendations concerning labor problems in this industry, made recommendations in 1962 that a compulsory retirement age in the railroad industry be established at age 65, on a graduated scale, as this agreement provides today.

Some say, why should we pick out one industry? Those in other industries say this will affect them.

I say that it will not, because the railroad industry has had its own laws governing railway labor since the Erdman Act in 1898. I do not believe this bill will create a precedent that is going to affect other laboring groups of this country, and it certainly will not if they do not want it to. Further, many of these groups have their own agreements to retire at age 65.

There is one thing about the railroad industry. When two or three wrecks occur, with an elderly engineer or conductor on the job, people come to Congress and demand we do something about it to make the railroads more safe. For this reason, this bill could be considered as a safety measure.

I am not in favor of compulsion in anything, I want the House to know, but this was provided for in the agreement that was reached. The unions that represent 75 to 80 percent of the men who work the railroads and management came to me and said, "We would like for this bill to be passed." I believe it is up to the Congress to give consideration to the bill.

I know there are those who are opposed to the bill, but every time I go home—and I live in a railroad town—the railroad men say to me, "When are you going to reduce the age of retirement?" Not once have they said this, but many, many times. Almost every railroad man I talk with says it. I heard it in the days when I first worked on the railroads many years ago. If we talk to any man working on the railroad today he will say, "How about reducing the retirement requirements to 30 years of employment or 60 years of age?" This seems to be the standard many want. I believe Congress will have to face up to it and I hope it will prove possible to do just this. I say that in the near future I hope it can be done, because when a man has worked 30 years in this industry or has reached the age of 60 the time has come when he should be able to retire.

The reason it has not been possible to date is that the retirement fund will not stand the added costs. I believe the time may come, if the retirement fund will not stand it, for us to make it stand it. I hope we can make this the law of the land, so that men can retire if they want to.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I am happy to yield to the gentleman from Kentucky.

Mr. CARTER. I must say I agree with our distinguished chairman on this. We all have seen the effects of automation throughout our country. We know as we go along many of our jobs are going to disappear.

That is particularly true in the mining industry in Kentucky, where the employment has been reduced approximately one-third, yet more coal is produced now than ever. We can see that happening to the railroads, also. Many of the jobs are going to disappear. Of necessity we are going to have to shorten the time, the period of the week or even the days of the week and perhaps the hours per day.

I thank the distinguished gentleman for yielding.

Mr. STAGGERS. I thank the gentleman from Kentucky for his remarks.

I should like to say, in closing, there is another part of the bill under heavy attack, and that is the part which relates to men working after 65 if the railroads say they are fit and able. This has been called similar to the "yellow-dog" contracts of the coal mining areas in the coal mining days. I understand there is an amendment which will be offered later to rectify that part. I am willing to listen, to see what is said at the time it comes up.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Fifty-four Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 191]

Addabbo	Findley	Mann
Anderson, Tenn.	Ford, Gerald R.	Mills
Ashley	Ford, William D.	Mize
Bell, Calif.	Garmatz	Morton
Boggs	Gettys	Murphy, N.Y.
Bolling	Gibbons	O'Konski
Brown, Calif.	Gilbert	Pepper
Buchanan	Gray	Powell
Byrnes, Wis.	Hanna	Rarick
Cabell	Hansen, Wash.	Rees
Cahill	Harsha	Rosenthal
Celler	Hawkins	Roudebush
Clay	Hébert	Scheuer
Colmer	Holifield	Smith, Calif.
Coughlin	Howard	Stafford
Cowger	Jacobs	Steiger, Ariz.
Daddario	Karth	Stephens
Daniels, N.J.	Kirwan	Teague, Calif.
Dawson	Kluczynski	Teague, Tex.
Diggs	Landrum	Thompson, N.J.
Dingell	Langen	Waggonner
Dorn	Lipscomb	Whalley
Edwards, Calif.	Long, La.	Wiggins
Edwards, La.	McMillan	Wilson, Charles H.
Fascell	MacGregor	Wolff

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13300, and finding itself without a quorum, he had directed the roll to be called, when 355 Members re-

sponded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. SPRINGER).

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

I know, from the conversations I have had with my friends and colleagues on both sides of the aisle, that there is considerable confusion about this bill and the extent of the legislation.

H.R. 13300 is an amendment to the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act in two parts.

Most of the difficulty arising out of this bill is the result of a miscalculation, not intentional on the part of anyone. In the early 1960's it became very apparent that those who were retiring under the Railroad Retirement Act simply were not receiving enough money to live on. There is no escalation provision for cost of living. So in the early 1960's the railroad brotherhoods sat down with railroad management to negotiate some way of alleviating the condition of these retired people. They were 6 years in the process.

In August of 1966 they finally reached an agreement in which the railroad management was to pay the entire cost, every penny. The provisions were roughly as follows: If a person had served 25 years on the railroad and was age 65 he would get $45 per month additional to what the Railroad Retirement Act itself provided. And for every year in addition to 25 years he would get another $5 up to a maximum of $70 per month.

Let me repeat this so Members will understand it. This money, up to $70 per month, which was the maximum, was to be received by the retired recipient in addition to his railroad retirement, to which he was entitled under the law.

Under the contract of agreement between management and labor, management paid all of the costs.

Now, what caused all the difficulty? Eveybody sat down, the Railroad Retirement Board, management and labor, and they all agreed that if they put 2 cents additional in the pot per hour for every employee on the railroads it would raise enough money to take care of the estimated 40,000 or 45,000 employees who would be covered by this act. Here is where the mistake arose. Instead of having 44,000 employees, it turned out that the retired were 57,000 employees. This is what the trouble and all the difficulty is about. The result was that there was only enough money in the treasury to pay the full 57,000 employees up to approximately October 1, 1969, which is already on top of us.

Now, the Railroad Retirement Board said with some economies they may be able to stretch the October payment over to November 1, but that is as far as it goes. Knowing that this was coming on—and they have known it since early in 1968—they started negotiations to see what could be done to get the additional money that would be necessary to take this through the term of the agreement, which was 1972. This agreement extended through 1972 and then it ended. However, what are you going to do between now and 1972? That is the issue now. Are you going to let these retired employees not receive this additional money because there is no agreement between management and labor, or are you going to do something about it?

This bill was in the committee. I will stand corrected by my chairman, but I believe I am giving it to the House about as fairly and squarely as I know how. There was an impasse. This legislation simply could not get out of the committee as it was originally written and introduced. It was locked in the committee and could not come out. I do not know how many votes the bill might have gotten for it. I have heard some say only two; some say six; some say eight. I do not know anybody who is saying it would have gotten more than 10 out of 34 members of the committee. Finally, though, the chairman was able to get labor and management to come to an agreement. Largely through his efforts we were able to break the deadlock and the quid pro quo was that management would agree to make up this amount of money, which between now and 1972 would be in the nature of three-quarters of a billion dollars, if you would get mandatory retirement in here beginning at age 70 and working its way down over a period of 5 years to 65 years of age. This was the quid pro quo.

May I also say that the chairman of the committee did a masterful job in getting this done.

Now, who agrees to this and who does not agree to it? Management agreed to pay the bill. There are about five of the 19 brotherhoods or maybe six who represent 75 to 80 percent of all of the railroad employees. All of them have agreed to this. They have agreed to H.R. 13300 as it is written and brought to the floor of the House today. I believe by being liberal I can say that there are about 12 unions, which carry a very small number proportionately, who have said no. I believe I am putting it fairly when I say that there are three or four that have not said anything one way or another. Still the chairman was able to get agreement of between 75 and 80 percent of the employees to agree to this arrangement.

Now, if I have misstated it, I will stand corrected, but I believe I have stated it about as fairly as I could to the committee.

This is where we are today, and this is why the chairman and I stand for this bill as it is. We think that an agreement was made. We believe it is as fair as we could get, and we got it out here so that these 57,000 employees, beginning on October 1, are going to be able to receive this additional money.

Now, there have been some objections raised by others, may I say, than the 12 unions who are members of the railway brotherhood organization—the railway executives labor group. But what is the story with reference to the number of all the railroad employee agreements that have been reached with reference to mandatory retirement? This is a summary as of November 1967 relating to collective bargaining agreements providing for compulsory retirement at specified agencies. Here is the list of them. Some of these are now objecting to this bill who have already entered into agreements. Practically everyone of the 19 brotherhoods requires all of its own officers to retire at age 65. I do not believe there is a brotherhood out of the 19 that does not compel its own officers to retire at 65. Here are the number—let me read them to you although I shall not read all of them because there are more than 19 brotherhoods involved as well as some others. But these include the Brotherhood of Locomotive Engineers, age 70, 66; the Brotherhood of Locomotive Firemen and Enginemen, age 70, 45; the Order of Railway Conductors and Brakemen, age 70, 35; the Brotherhood of Railroad Trainmen, age 70, 55.

I shall not read them all. However, there is a total of 506 separate agreements by railroad brotherhoods themselves that have compulsory retirement.

Mr. Chairman, here is a letter which some of you have seen, but I want to read it to you because this is the guts of who supports this bill. It is from the National Railway Labor Conference, 1225 Connecticut Avenue NW., Washington, D.C.:

Re H.R. 13300—Supplemental Annuities and Mandatory Retirement.

DEAR CONGRESSMAN: H.R. 13300 has been reported favorably by Chairman Harley O. Staggers for the House Interstate and Foreign Commerce Committee and is scheduled to come to the floor on Tuesday, September 30, 1969. The bill is of immense importance to the railroad industry and railroad employees. We hope you will give it your full support.

H.R. 13300 is the product of extended collective bargaining. It represents a balancing of the sometimes conflicting interests of management and labor and achieves four objectives:

Establishes supplemental annuities on a permanent basis for the first time.

Makes the carriers responsible for the full funding of the program which involves substantially increased taxes upon them to meet the current deficit.

Provides for mandatory retirement of railroad personnel over age 70 with a scale-down to age 65 over six years.

Extends the present moratorium on changes in the program from October 1971 to July 1975.

In collective bargaining, each side has to give a little and this is what has occurred here. H.R. 13300 has the full support of the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees; the Brotherhood of Maintenance of Way Employees and the United Transportation Union, representing 75 to 80% of all railroad employees. The carriers favor its passage even though it will involve their contributing over three quarters of a billion dollars within the first six years.

Despite the breadth of committee-union-management support, a few unions representing a minority of the railroad workers would have the Congress undo the collective agreement of the substantial majority of interested parties. The arguments of this minority have failed to convince their brothers and the House Committee members. Now they are attempting to appeal to emotion in seeking to label the bill as "yellow dog" legislation. There is no merit to the claim as demonstrated in the enclosed memorandum.

Please cast your vote for the sound product of collective bargaining, H.R. 13300 as reported by the House Interstate and Foreign Commerce Committee.

Yours very truly,

_____, *Chairman.*

When we get into the House, Mr. Chairman, I intend to put that in the RECORD.

I would like to read to you just one more thing in winding up. Back in 1934—and that is a long ways back, before many of us were Members of this body—the committee noted that in 1934 the Railway Labor Executives Association—the Railway Labor Executives Association—which represents all of these 19 brotherhoods, petitioned the Congress to enact railway retirement legislation providing for pensions to all of their employees with specified service, and requiring mandatory retirement of all employees at the age of 65 years. This legislation was enacted as the Railroad Retirement Act of 1935, and its constitutionality was immediately attacked by certain railroads.

The Railway Labor Executives Association—the Railway Labor Executives Association—vigorously defended this legislation in court, citing numerous benefits to be derived from mandatory retirement, including safety of our railroad operations through insuring a younger work force, plus improvement in employees' morale.

Although the legislation was held unconstitutional on other grounds, and was therefore stricken down, the court's opinion did not contest the validity for this reason as a basis for requiring mandatory retirement of employees.

In recommending the compulsory retirement provisions of this legislation, the committee has also considered the recommendations of the Presidential Railroad Commission which from 1960 through 1962 investigated virtually every facet of the rules governing operating railroad employees. Based upon that investigation, the Commission recommended a new national retirement rule for mandatory separation of operating employees at 70 years of age with a scale-down provision over 5 years to 65 years of age. The Commission found that mandatory retirement would "facilitate orderly adjustment to the declining manpower requirements for operating employees." The proposed legislation would implement the recommendation of the Presidential Railroad Commission. There is included as appendix B of this report a copy of the pertinent provisions and recommendations of the report of the Presidential Railroad Commission of February 1962.

I have tried to present this to you as I understand it. There may be some differences, probably from amendments that arise, but may I say to you that the chairman worked hard on this bill. I am willing to give him full credit for working on a compromise which could get out to the floor of this House so that my colleagues could vote on this important legislation which is so necessary to the employees who are now retired, and there are upwards of 60,000 of them.

Mr. CUNNINGHAM. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my colleague from Nebraska.

Mr. CUNNINGHAM. Mr. Chairman, I thank the gentleman for yielding.

As a member of the Committee on Interstate and Foreign Commerce, and as the second ranking member of the Subcommittee on Transportation, I can testify to the accuracy of the remarks the gentleman from Illinois (Mr. SPRINGER) has just made. He has spelled out in detail what is involved in this legislation.

I am in almost continual contact with the railroad brotherhoods, and they are extremely favorable to this legislation, and are very much opposed to any crippling amendments that might be offered. The legislation has my full support as it is presented here today, and I, too, hope that there will be no crippling amendments adopted, and I hope that the bill will pass.

Mr. SPRINGER. I thank the gentleman.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my distinguished colleague, the gentleman from Washington.

Mr. PELLY. Mr. Chairman, I think the Members who are here today in the Committee will all agree, whether they are for or against the bill, that the distinguished gentleman has given us a very fair and objective explanation of the bill. At least now we know what we are going to vote on, and I thank the gentleman.

Mr. SPRINGER. I thank the gentleman for his kind words.

Mr. RUTH. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to my colleague the gentleman from North Carolina.

Mr. RUTH. Mr. Chairman, I commend the gentleman from Illinois for his explanation of the bill.

Mr. Chairman, I rise in support of H.R. 13300, to amend the Railroad Retirement Act of 1937. The continuation of the Government's obligation to retired railroad workers in an absolute necessity for the well-being of many families in my district as well as those other railroad people across the Nation.

When the present act was last funded, miscalculations were made in estimating the cost of benefits and the total revenue that would be paid into the account. Back in 1966 it was estimated that the total number of beneficiaries as of April 1969, would number approximately 44,000. On that basis it was anticipated that the proposed tax on the carriers of 2 cents per man-hour would provide sufficient funds to finance the program through October 1971, leaving a balance slightly in excess of $1 million.

That has not been the actual result. Retirements are up about 30 percent with 57,000 beneficiaries instead of the expected 44,000. In addition, overall employment has been below estimates, thus feeding less revenue into the accounts. We are now faced with exhaustion of funds. The present bill will remedy these defects and provide funding for several more years.

In urging the adoption of this legislation it is gratifying to know we have the agreement of the carriers to extend the pension program from October 31, 1971, to June 30, 1975. This means new assurance to our railroad families and financial solvency for many retired workers.

Mr. STAGGERS. Mr. Chairman, I yield 4 minutes to the gentleman from Washington (Mr. ADAMS), a member of the committee.

Mr. ADAMS. Mr. Chairman, I will during the course of the 5-minute rule offer an amendment to strike section 2 of this bill. When I finish my remarks, I will distribute copies to both sides and they will be available here for those who wish to see it.

Mr. Chairman, I want to say this first, that the problem we arrive at with this bill is that in the latter part of the discussion an agreement was attempted to be made between labor and management on how to handle the problem of supplemental annuities and it seemed impossible to make an agreement. Therefore, what is involved, in my mind, is to protect the collective bargaining system.

I happen to favor early retirement for people who are involved in industry. But this should be bargained for between the parties who are involved. I agree with the gentleman from Illinois that there are from 500 to 600 bargaining agreements, and I think probably there will be more on the subject of retirement.

But that is not what is involved, in my mind. My amendment is very simple. It strikes out the compulsory retirement and it strikes out the portions of the bill that provide for contracts on an individual basis between management and individual employees to determine whether they can continue to work.

Some people refer to this as a yellow dog contract. It is similar to that. It is an individually negotiated contract between a man and an employer as to whether he can continue to work beyond a certain age.

The problem with this, and I am not critical of the parties who have been involved in trying to settle this. I am not critical either of the unions who favor this for their membership—nor of those who oppose it. This is their right. This is their duty, to represent their membership.

But as is stated in the committee report on page 5, so you will be very clear as to what I am moving to strike, it says this:

> The committee has therefore adopted what it considers to be the best of a series of unpleasant alternatives, and recommends to the House the imposed settlement terms provided in the bill reported herewith.

Then it goes on to say:

> The committee anticipates that there will be a number of objections made to various provisions of this legislation.

So, contrary to what the gentleman from Illinois said, members of the committee knew at the time of writing the report that there was going to be trouble with regard to this bill—and that trouble would exist precisely in the area which I am moving to strike.

Now, if the amendment I am offering is agreed to by the Committee of the Whole, it will not affect the other portions of the bill. The supplemental annuities will be paid. The bill will move to the Senate. All of the other provisions will remain the same except the provision to compel retirement at age 70 and the provisions that provide for another

violation of collective bargaining, which is individual contracts between employer and employee.

I rise to make this amendment on a matter of principle of protecting collective bargaining in this fashion. It is the same fight some of us made 2 or 3 years ago when we had the compulsory arbitration procedure required in order to bring the railroads back into operation in the country.

I think it is a very dangerous thing for this Congress to move in on collective bargaining, which is involved in most of the settlements.

Mr. Chairman, I will offer this amendment to strike out section 2 when the bill is being considered for amendment under the 5-minute rule.

Mr. SPRINGER. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee (Mr. KUYKENDALL).

Mr. KUYKENDALL. Mr. Chairman, when this legislation was first presented to the committee, I believe almost half the committee very strongly told witnesses from both management and labor that we considered this a matter for collective bargaining. We rather admonished both sides for even being before the committee until they had arrived at some sort of settlement, and the deadlock that the gentleman from Illinois (Mr. SPRINGER) spoke of was actually the reason that both sides, management and labor, went back to their own businesses and arrived at a collective-bargaining decision.

Not having been a member of a labor union, but understanding that a labor union would operate with democratic processes, as most other organizations do, I am quite sure that they never dreamed of getting unanimity, and it does not require unanimity, for a bill to pass this House or for anybody to get elected.

I wish to congratulate both management and labor for having arrived at a decision of between 75 to 80 percent of all railroad employees, and 100 percent of management to accept a contribution of 100 percent in this free contribution—100 percent—not 1 cent is coming out of an employee's pocket.

I ask every one of my colleagues to consider: Do you know of any other place in American business that the industry contributes 100 percent of an annuity and does not have the right to require that the terms of the annuity be set to where they can anticipate what their obligation will be? This is all the quid pro quo that industry is asking, and that is that we be allowed, since they have made an open-end agreement, an agreement to perpetuity, that they accept this obligation, an obligation that between now and 1975 will amount to three-quarters of a billion dollars, without a cent being contributed by the employee. All they are asking is that they not be faced with another situation, like the one we are in right now, of grave miscalculation. Everyone is innocent in this mess; we are in it now because of gross miscalculation.

So all they are asking is that they be allowed to anticipate, to know for sure what their obligation is going to be, and ask for a retirement on a compulsory scale like every other business I know of does when they contribute the full amount. I think this is something that we owe to the collective-bargaining process because we as members of the Interstate and Foreign Commerce Committee asked that the parties involved go back to their businesses and come back to us with a settlement. They have done this. It is not unanimous, and I have never thought that in a democratic process unanimity was required. So this is a decision made jointly.

I think we owe it to the collective-bargaining process to accept their decision.

Mr. STAGGERS. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. Moss).

Mr. MOSS. Mr. Chairman, the distinguished ranking minority leader recalled the time in 1934 when the railway labor executives wanted retirement at 65. 1934 was a different era. The economic pressures were vastly different than they are today, and there were many urging the Congress that throughout this Nation everyone be required to retire earlier in order to create job opportunities.

So I think that the reference is not germane to the question before us today. Really the question we have before us today is whether or not it is the business of Congress to determine by law the retirement policies of private industry. There is no other instance where we set the age of retirement by statute. There are instances where regulatory agencies in the name of safety have set a maximum age for retirement, but the Congress is being asked to set an age here which is ultimately at least 5 years sooner than we require of our own employees. It will average at least 5 years sooner than is required of the employees of most State and municipal governments.

I cannot for the life of me understand the rationale behind the idea that for some reason railroad workers are different from any other industrial employees. We have denied them the right to fully explore the power of collective bargaining by mandating settlements, and we are doing further violence to free collective-bargaining processes if we adopt today this legislation which would impose a mandatory retirement at 65.

If it is good for the railroad industry, maybe we should look at it for the courts, and maybe we should look at it for the Members of this body itself. After all, there are a great many of these employees who work in skills which are becoming increasingly scarce. Many of the shopcraft workers are able and vigorous at the age of 65—able to continue for another 5 years of employment—and I do not think they should be denied that right, and I do not think it should become a matter of the old "yellow-dog" agreement where the individual enters into his private, cosy arrangement with his employer regardless of the nature of agreements which might exist between his own organization and that employer.

I think it is perfectly proper if by voluntary action the workers and their repsentatives arrive at these many collective-bargaining agreements and set the age at 65, or a lesser age if that is desirable—but at least it would be done by free men and not under the compulsion of law, and it is to that I direct my strongest objections.

Mr. SPRINGER. Mr. Chairman, at this point I have no further requests for time, and I reserve the balance of my time.

Mr. STAGGERS. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. OTTINGER), a member of the committee.

Mr. OTTINGER. Mr. Chairman, what we are being asked to do here today is legislate a matter which ought to be the subject of collective bargaining between the employers and the workers.

The chief evil of the legislation which comes before us is that we are establishing by law a compulsory retirement system. I agree with my colleague, the gentleman from Washington, and my colleague, the gentleman from California, that what the unions representing many of the employees have agreed to here and what our worthy and distinguished chairman has worked out in this bill is done in the best of good faith and out of consideration for those employees who are receiving supplemental annuities and who very genuinely will be hurt if those annuities are not extended. All of us want to assure that these retired employees will not lose their supplemental benefits. But the price that is being asked to extend those annuities is, in our opinion, just simply too great.

I think it is not accurate, as the committee report states, and as the gentleman from Illinois, the distinguished ranking minority member of our committee has stated, that the unions representing 75 to 80 percent of the employees have agreed to this arrangement. The fact of the matter is that many of the employees of unions who entered into that agreement represent many nonrailroad employees who are counted as a part of establishing that percentage, and there are a great many railroad workers who are not represented and who violently disagree.

The dissenting unions tell me in point of fact, less than 50 percent of the railroad workers are actually represented among those unions that did agree to this arrangement.

A miscalculation in computing the supplemental pension fund was referred to by my colleague and good friend from Tennessee. That miscalculation came about in large part because the railroads, as we all know, have been at a very rapid rate discontinuing passenger railroad service all over the United States, so they have been in a position of retiring a great many more employees than were originally contemplated when the agreement was first put into effect. The excessive retirements are clearly the result of management actions.

The railroad industry happens to have a great number of long-term employees, employees who have worked for the railroads for a great number of years. It will be an unusual hardship for them to have the mandatory retirement age of 70, sinking down to age 65.

Furthermore, the employers—the railroads—are going to be able to use the so-called "yellow-dog" provision of this bill which allows the railroads to keep on those employees they want to favor, to

whipsaw the employees and put undue and unreasonable pressure upon them to conform to policies with which they may very strongly disagree.

This is no supposition. This is a fact that at the present time exists. This is one of the reasons why the nonagreeing unions are violently opposed to our going ahead and imposing this on their employees.

The "yellow-dog" provision is a classic provision used to undermine unions. It permits the companies to deal directly with the individual employees it wants to keep on and make its own terms and conditions with respect to those employees, completely eliminating any dealing with the unions whatsoever.

Overall, I believe this does not represent the best interest of the employees. It is bad legislation. The Adams amendment should be agreed to or the entire bill defeated.

Mr. KUYKENDALL. Mr. Chairman, will the gentleman yield me 1 minute?

Mr. SPRINGER. I yield 1 minute to the gentleman from Tennessee.

Mr. KUYKENDALL. Mr. Chairman, am I to understand from the gentleman from New York that he would rather have no annuity at all for these many railroad people than to have retirement at age 70?

Mr. OTTINGER. I do not believe that is the alternative. I said these parties ought to be sent back to make an agreement with respect to the annuities for these 57,000 people.

Mr. KUYKENDALL. I believe the gentleman knows this legislation is the result of the parties being sent back to arrive at an agreement.

May I ask another question? Has there been any doubt in any negotiation of the willingness of the railroads to pay this annuity ?

Mr. OTTINGER. They are willing to pay it provided they can get the "yellow-dog" provision, and provided they can require employees to retire at age 65.

Mr. KUYKENDALL. I will ask another question. Does the gentleman know of any industry in America that pays a 100-percent voluntary annuity that does not have a mandatory retirement? Does he know any other industry?

Mr. OTTINGER. I do not know of any example except by collective bargaining agreements. I certainly know of no situation in which the Government has imposed retirement upon the employees.

Mr. KUYKENDALL. The gentleman has answered his own question. This is a collective-bargaining agreement.

Mr. SPRINGER. Mr. Chairman, I yield myself 2 minutes.

This is very interesting, because the words "yellow dog" contract are being thrown around here very freely. I believe this body ought to understand what is involved and exactly what a "yellow dog" contract is.

I am speaking from a memorandum from the National Labor Railway Conference. I am reading from page 1, September 1969:

THE "YELLOW DOG" CONTRACT ARGUMENT IS A "RED HERRING"

The use of the epithet "yellow dog" is an attempt to win by an appeal to emotions what these opponents know they will lose if the legislation is judged on its merits. One only has to look behind the label to recognize the total emptiness of this new claim.

First, there is no "yellow dog" issue presented by H.R. 13300. Webster's Dictionary defines a "yellow dog" contract as:

"A contract of employment in which the worker agrees not to join a labor union and which, traditionally, is terminated if he does join."

Now, Mr. Chairman, that is not the context of the gentleman up here, because it has absolutely nothing to do with this definition. Reading further:

Subsection (k)(2) does not authorize the making of "yellow dog" contracts, nor does it change Section 2 (Fourth) of the Railway Labor Act which outlaws the conditioning of employment on the basis of union or nonunion membership or Section 2 (Tenth) which provides heavy fines for violations of Section 2 (Fourth).

Mr. STAGGERS. I yield such time as he may consume to the gentleman from Washington (Mr. ADAMS).

Mr. ADAMS. Mr. Chairman, I will say briefly in reply that I am not categorizing the contracts in one way or another, but I merely call the Members' attention to paragraph 2 on page 3, which provides for individual employees making written agreements with their employer in order to continue their employment. It is provided that this is at the discretion of the employer as to whether or not he wants to enter into this agreement. We can define it or call it whatever you wish but I think that provision is very dangerous to American labor relations.

Mr. STAGGERS. Mr. Chairman, I would like to make a few remarks in closing.

The gentleman from New York mentioned the part of the bill relating to an agreement permitting employees to remain after retirement age. I understand the gentleman has an amendment to modify this part. I think perhaps I would be amenable to such an amendment if it is the one that he spoke to me about before.

Mr. Chairman, I would also like to say this: I had no part in any of these negotiations. The very essence of what is brought here today was negotiated with 75 to 80 percent of the employees and their unions with management. It is a collective-bargaining agreement. The parties brought this to the Congress. The Congress is not instituting this or saying what shall be done, but is only bringing out what has been brought to us through collective bargaining between employees and employers.

Not one suggestion that I know of has been made by Congress in any way here. There is not the dotting of an "i" or the crossing of a "t" here that was done by the Congress. It is our right to do it if we choose, and of course we have the power—I will assure you of that—but this bill is the result of collective bargaining.

Another thing that has been said is that this bill will hurt the regular railroad retirement fund. The bill does not in any way apply to the regular railroad retirement fund so far as the funds that come out of it or funds allocated to it. The bill does affect the fund indirectly, through some costs arising out of increased retirements, but not by law in any way does the bill affect it directly.

It has been brought to my attention by one Member who said he was told recently that if a man were hired and he was 41 years of age and he worked until he was 65, he would not get any regular retirement money. He would not get this annuity in that case, but he would get his regular railroad retirement benefits. This bill does not affect the regular program in any way. In this bill that was brought to the Congress management said, "We will pay this additional pension into perpetuity."

This program will continue from now into the unknown. The Congress can see who made this agreement, and can see that it was made voluntarily. No one forced them into doing this. This is a voluntary agreement.

It has been said that in the next 7 years the railroads will pay out $775 million. Of course, there are some who will say the railroads will benefit that much. I am not going into that side of it; there are two sides to all stories.

Also, it has been said that this change of compulsory retirement has nothing to do with our modern age.

Mr. Chairman, the President's Railroad Commission in the period between 1960 and 1962 came out with the recommendation that this should be compulsory all over the United States in all of these unions.

Further, the argument has been made, however, that this may apply to unions in other industries. This law is separate unto itself. Any other laws dealing with problems of this nature will be written in another committee, in the different committees that have to do with other unions. This is a different program, this railroad retirement bill and other railroad laws, in that they come under the jurisdiction of the Committee on Interstate and Foreign Commerce. We do not have anything to do with labor disputes except in the railroad and airline industry and we do not undertake to make laws in any other area.

Mr. Chairman, opponents of this measure say that it will set a precedent. I do not think it will. But if there is a precedent, it looks to me as though the precedent, if any, has been set in negotiations that have led to the existing agreements, over 500 of them, in addition to this one.

Mr. Chairman, I do not want the members of the Committee of the Whole House on the State of the Union to forget that this was a collective-bargaining result which was brought here to the floor. I certainly have not proposed anything. If this were compulsory legislation originating here in the House, I would vote "No." However, it has been brought here by the representatives of labor and management and we are just bringing it to the Congress.

At this time I would be glad to answer any refutations or anything else that anyone has to say about this because these are the facts as I know them and as I have observed them.

Mr. WATSON. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I am glad to yield to the gentleman from South Carolina.

Mr. WATSON. Mr. Chairman, our able chairman of the Committee on Interstate and Foreign Commerce is precisely correct in this matter.

I think we should all remember this: This legislation is not the creation of our committee. The legislation is merely the codification of a collective bargaining agreement reached by 100 percent of management and 75 to 80 percent of the employees. This is their collective bargaining agreement.

Mr. Chairman, those who would try to amend or defeat this legislation unfortunately, and I am sure unwittingly, are attempting to change that which was agreed to through collective bargaining. That is tragic, is it not? They speak in one instance to the effect that they want to protect collective bargaining, but yet they are asking us right now to defeat collective bargaining. Why? To defeat the will of 75 to 80 percent of the employees and yield to the will of the minority? The chairman is eminently correct. He has placed it in its proper perspective.

Do we want to amend or overturn this agreement which was reached through collective bargaining and refuse to ratify that which they have agreed to? Do you believe that is the way to do it—strike down collective bargaining? Let us not forget about the will of the overwhelming majority in an effort to appease the minority.

If that is what you want, then you go along with the opponents who would defeat this bill. However, I urge you to support the bill and I applaud the chairman of the Committee on Interstate and Foreign Commerce. Frankly, our committee urged the parties involved to get together and engage in collective bargaining, which they did. It would be tragic if we undone what they have worked out through collective bargaining.

Mr. SPRINGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. SPRINGER. Mr. Chairman, I would like to say to the members of the Committee of the Whole House on the State of the Union that in the committee we simply were at an impasse. This bill could not be moved. Here were 57,000 retirees who simply were not going to get any money by October 1—perhaps in October—but at the latest November 1969, not a nickel of supplemental pensions.

The chairman, and I think all of us who worked on this matter in the committee, did our best to stay out of this thing and let management and labor settle this problem.

I would admit that the chairman encouraged both sides at every turn that there was in the road to come to an agreement. The situation simply became one that was desperate. I think both labor and management realized that it was a desperate situation. Labor certainly did not want to leave these halls without getting for their retirees what they thought they ought to have. I do not believe that railroad management wanted to accept the responsibility of seeing that these people did not get this money due to a miscalculation which we had 2 years ago.

So we at the leadership level did everything we could to bring these two parties together, but in the end these two parties made the agreement and came back to us and said: "This is our agreement."

Now, we had management on one side, and we had 75 to 80 percent of labor on the other side.

I do not know that you can get everybody together on every single facet of a piece of legislation that comes before this body, but this is just as near as we could get everybody together, and that is the way it comes to you. And that is collective bargaining as best I know how to make it, because it was brought to us by both parties, and it was brought out to this floor at the request of both parties. And for that reason it seems to me it is a fine piece of legislation.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Certainly I yield to the gentleman.

Mr. STAGGERS. Mr. Chairman, I appreciate the gentleman's contribution and his cooperation, not only on this legislation, but on other legislation which has to do with the welfare of our Nation.

I would like to say, Mr. Chairman, in regard to those who are opposing this legislation, that certainly they have a perfect right to do so. I know that in some areas Members have an overwhelming number of constitutents who oppose this bill, and so it is their duty to oppose it on this floor because they have to represent their own constituency. I am trying to look at it from the overall picture across this Nation, involving a bill that has been brought to us. What we have today is a bill supported by representatives of the majority of employees, and by management. I think the House should be guided by the wishes of the majority.

(Mr. LANGEN (at the request of Mr. SPRINGER) was granted permission to extend his remarks at this point in the RECORD.)

Mr. LANGEN. Mr. Chairman, being unable to appear before you in person today because of a prior commitment to view the progress of the West Central Minnesota Resource Conservation and Development project in my district, I offer this written statement in support of H.R. 13300. As pointed out in the House Report No. 91–464 on this bill, the Congress has a moral duty to see that sufficient funds are provided to allow payments of the full supplemental retirement benefits envisioned under Public Law 89–699 which set up the supplemental retirement program. H.R. 13300 principally insures that the supplemental retirement benefits will be paid.

There are very few people who will deny that the railroad retirees, who worked so hard to build this great country from a frontier land to the wealthy and imposing Nation that it is today, deserve the benefits of the supplemental retirement program. The Congress said this when it enacted the program and ought to back its intention in this field by seeing that sufficient funds are made available to fulfill the intent of the program.

Inflation, which is a fact that every American has to face today, makes it imperative that these supplemental benefits be continued. These railroad workers are placed on fixed pensions while the general value of the dollar decreases and its buying power diminishes. How are these people, who worked so hard for our country, to survive under such circumstances? Even if we are able to stop inflation, we are still faced with the inflation which we have inherited from the previous administration. It is amazing that anyone should even consider allowing these retired railroad workers to live on the meager pensions which some of them now receive. Since the passage of the Railroad Retirement Act of 1937 the buying power of the dollar has been cut by more than 50 percent.

Perhaps the most convincing argument for the passage of this bill is the fact that the railroads and most railroad workers are in agreement on it. Seventy-five to eighty percent of the current active railroad employees do favor passage of this bill, a fact which would call for congressional action in view of the few adamant unions which refuse to enter into such an agreement. The railroads have agreed to pay increased taxes to support this supplemental retirement program, realizing the need for additional income to pensioners in this age of runaway inflation.

Not only do I offer this statement in support of the bill, I urge everyone of my colleagues present to vote for, and lend his support to, this bill.

Mr. RANDALL. Mr. Chairman, I support H.R. 13300 but without the enthusiasm I would have if the effort had succeeded to strike section II pertaining to mandatory retirement. The key word here is "mandatory."

Because of the possibility that there may be no rollcall vote on whatever motion to recommit may be offered, I take this means to state for the record that I was one of those who supported in Committee of the Whole the effort by the gentleman from Washington (Mr. ADAMS) to strike all of section II of H.R. 1300, and one of the 60 who stood at the time of the division vote in favor of his amendment to strike out the provision for mandatory retirement. It was and is my feeling that this provision may do detriment to the time-honored principle of collective bargaining, in that the issue of a worker's retirement age should be a matter of voluntary agreement between labor and management, and Congress should not intrude upon that relationship. I am opposed to the proposition of legislative retirement in private industry.

However, we are all hopeful that the passage of this bill containing the mandatory provision will not set a precedent that a man cannot work when he reaches a certain age. I hope the chairman of the Interstate and Foreign Commerce Committee was right when he said the provision in this bill applies only to a unique situation in the railroad industry which has been agreed upon between the railroads and the railroad employees.

In passing I wish to state for the record that for years I have supported the effort by the Fraternal Order of Eagles and other organizations to try to change our national attitudes toward those who are forced into retirement simply because they have attained a certain age, even though his or her skills and alertness have not in any way been impaired. Forced retirement is wrong simply because a person has lived long enough to celebrate a particular number of birthdays.

Unfortunately, this bill is not supported by all railway employees. Perhaps it should be said that the principle of continuing supplemental annuities is favored by everyone, but the mandatory retirement is opposed by some of the brotherhoods and the shop craft unions.

Our office, along with all other congressional offices, has received a large number of telegrams in the past 2 or 3 days. They have been from friends, including members of the industrial unions. We have received telegrams from the building and construction trades and we have received telegrams from our friends who are members of the International Association of Machinists. All of these telegrams contain expressions of opposition because of the provision of legislated compulsory retirement.

The point that should be emphasized is that all of these telegrams have reached our office either today or yesterday or over this past weekend. This last-minute opposition came after a time when most of us had committed ourselves in writing to the several brotherhoods of railroad people whom we had reason to believe were most concerned with this legislation and who had voiced no complaint. Over the past several weeks, our office has written hundreds of letters to members of the United Transportation Union, maintenance of way employees, and railway, airline, and steamship clerks, as well as to dozens of individual retirees who did not state the name of their brotherhood. In these letters we committed ourselves to support this bill because we were told if it were defeated, some 60,000 retired employees now receiving this annuity would face a 25-percent monthly reduction in their monthly annuity.

Those whom we had reason to believe would be most concerned about this legislation pointed out that the legislation directly affected only railroad employees. These communications further pointed out that the legislation was of such great urgency that all current or new retirees might be cut off in October if the bill did not pass now.

H.R. 13300 will provide increased financing necessary to continue payments of the supplemental annuities which was commenced in 1966 to adjust pension benefits to cost of living increases. Present funding for the supplemental pensions has proved inadequate and the purpose of this bill is to provide full funding. Railroad management has agreed to supply the necessary funds with no additional payroll taxes to be imposed upon employees.

In facing a vote on final passage all of us have to make the difficult choice between following the advice of the leaders of the several railroad brotherhoods who on the one hand support passage of the bill as reported from the committee without any amendments, and upon the other hand we have to consider the entreaties of union leaders who are more concerned about intrusion by the Congress into the relationship of collective bargaining involved in what they describe as compulsory retirement by legislative edict.

The question comes down to a choice or a decision between support of a principle as advanced by the industrial unions and the building trades, or support of what amounts to bread and butter for thousands of railroad retirees. These same retirees who call for immediate action say that this particular retirement provision, mandatory though it may seem, was actually arrived at through collective bargaining.

Few of us could doubt the brotherhoods when they say that there is an urgency here in that their retired employees should not be denied the supplemental annuity which will be cut off if this bill does not pass.

The main point at issue then is the possible detriment to a principle which may or may not set a precedent, as against the very serious consequences of loss of supplemental annuities by thousands of railroad retirees.

Under an easier choice I would vote no and stand for principle involved, but as it is I will have to vote yes because to vote otherwise would mean that thousands of retirees might not receive their checks at the end of October and such a situation would be unconscionable.

Mr. SPRINGER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time having expired, the Clerk will read.

The Clerk read as follows:

H.R. 13300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(j) of the Railroad Retirement Act of 1937 is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

SEC. 2. Section 3 of the Railroad Retirement Act of 1937 is amended by adding at the end thereof the following new subsection:

"MANDATORY RETIREMENT

"(k)(1) Except as otherwise provided by this subsection, retirement shall be mandatory upon employees at the end of the month in which they attain the age of 65.

"(i) An employee who attains age 70 before July 1970 shall be retired at the end of June 1970. An employee who attains age 70 after June 1970 and before January 1972 shall be retired at the end of the month in which he attains such age.

"(ii) An employee who attains age 69 during 1972 shall be retired at the end of the month in which he attains such age. An employee who attains age 69 during 1971 shall be retired at the end of December 1971.

"(iii) An employee who attains age 68 during 1973 shall be retired at the end of the month in which he attains such age. An employee who attains age 68 during 1972 shall be retired at the end of December 1972.

"(iv) An employee who attains age 67 during 1974 shall be retired at the end of the month in which he attains such age. An employee who attains age 67 during 1973 shall be retired at the end of December 1973.

"(v) An employee who attains age 66 during 1975 shall be retired at the end of the month in which he attains such age. An employee who attains age 66 during 1974 shall be retired at the end of December 1974.

"(vi) An employee who attains age 65 after December 1975 shall be retired at the end of the month in which he attains such age. An employee who attains age 65 during 1975 shall be retired at the end of December 1975.

"(2) The provisions of paragraph (1) of this subsection shall not apply to any individual employee who makes a written agreement with his employer providing that such individual employee shall continue in service beyond the mandatory retirement age as specified in paragraph (1) of this subsection: *Provided, however,* That no employer shall make such an agreement or continue such an employee in service beyond the mandatory retirement age as specified in paragraph (1) of this subsection where in the judgment of the employer safety or efficiency would be adversely affected. The written agreement referred to in the preceding sentence shall be in such form as the Board may prescribe by regulations.

"(3) The provisions of paragraph (1) of this subsection shall not supersede the provisions of any agreement reached through collective bargaining between employer and its employees which provides for mandatory retirement at an age less than the age of mandatory retirement then in effect pursuant to the provisions of paragraph (1) of this subsection.

"(4) Where an individual employee performs service for an employer beyond the date prescribed for mandatory retirement, such individual shall receive credit for such service and for compensation received with respect thereto in the same manner and to the same extent as if the preceding provisions of this subsection had not been enacted.

SEC. 3. Section 15(b) of the Railroad Retirement Act of 1937 is amended by striking out the second paragraph thereof.

SEC. 4. Section 3211(b) of the Railroad Retirement Tax Act is amended to read as follows:

"(b) In addition to other taxes, there is hereby imposed on the income of each employee representative a tax at a rate equal to the rate of excise tax imposed on every employer, provided for in section 3221(c), for each man-hour for which compensation is paid to him for services rendered as an employee representative."

SEC. 5. (a) Section 3221(c) of the Railroad Retirement Tax Act is amended by substituting for the first sentence thereof the following "In addition to other taxes, there is hereby imposed on every employer an excise tax, with respect to having individuals in his employ, for each man-hour for which compensation is paid, equal to (1) 2 cents for the period beginning November 1, 1966, and ending September 30, 1969, and (2) commencing October 1, 1969, such rate as will make available for appropriation to the Railroad Retirement Supplemental Account provided for in section 15(b) of the Railroad Retirement Act of 1937 sufficient funds to meet the obligation to pay supplemental annuities under section 3(j) of such Act and administrative expenses in connection therewith. For the purpose of this subsection, the Railroad Retirement Board is directed to determine what rate is required for each calendar quarter commencing with the quarter beginning October 1, 1969. The Railroad Retirement Board shall make the determinations provided for not later than fifteen days before each calendar quarter. As soon as practicable after each determination of the rate, as provided in this subsection, the Railroad Retirement Board shall publish a notice in the Federal Register, and shall advise all employers, employee representatives,

and the Secretary of the Treasury, of the rate so determined."

(b) Section 3221 of such Act is further amended by inserting at the end thereof the following new subsection:

"(d) Notwithstanding the provisions of subsection (c) of this section, the tax imposed by such subsection (c) shall not apply to an employer with respect to employees who are covered by a supplemental pension plan which is established pursuant to an agreement reached through collective bargaining between the employer and employees. There is hereby imposed on every such employer an excise tax equal to the amount of the supplemental annuity paid to each such employee under section 3(j) of the Railroad Retirement Act of 1937, plus a percentage thereof determined by the Railroad Retirement Board to be sufficient to cover the administrative costs attributable to such payments under section 3(j) of such Act. Such tax shall be due and payable on the first day of the calendar month next following the calendar month in which such supplemental annuity is paid."

SEC. 6. The Railroad Retirement Board is authorized to request the Secretary of the Treasury to transfer from the Railroad Retirement Account to the credit of the Railroad Retirement Supplemental Account such moneys as the Board estimates would be necessary for the payment of the supplemental annuities, provided for in section 3(j) of the Railroad Retirement Act of 1937, for the six months next following enactment of this Act, and for administrative expenses necessary in the administration of such section 3(j) (which expenses are hereby authorized) until such time as an appropriation for such expenses is made pursuant to section 15(b) of such Act, and the Secretary shall make such transfer. The Railroad Retirement Board shall request the Secretary of the Treasury at any time before the expiration of one year following the enactment of this Act, to retransfer from the Railroad Retirement Supplemental Account to the credit of the Railroad Retirement account the amount transferred to the Railroad Retirement Supplemental Account pursuant to the next preceding sentence, plus interest at a rate equal to the average rate of interest borne by all special obligations held by the Railroad Retirement Account on the last day of the fiscal year ending on June 30, 1969, rounded to the nearest multiple of one-eighth of 1 per centum, and the Secretary shall make such retransfer.

SEC. 7. No carrier and no representative of employees, as defined in section 1 of the Railway Labor Act, shall seek, except by agreement, to make any change in the terms governing the supplemental annuities provided under section 3(j) of the Railroad Retirement Act of 1937 or any pensions or annuities provided under any collective bargaining agreement or to establish any new class of pensions or annuities, other than annuities payable out of the Railroad Retirement Account provided under section 15(a) of the Railroad Retirement Act of 1937, to become effective prior to July 1, 1975; nor shall any such carrier or representative of employees until July 1, 1974, utilize any of the procedures of the Railway Labor Act to seek to make any such changes or to establish any such new class of pensions or annuities; nor shall any such carrier or representative of employees until July 1, 1975, engage in any strike or lockout to seek to make any such changes or to establish any such new class of pensions or annuities: *Provided*, That nothing in this section shall inhibit any carrier or representative of employees from seeking any change with respect to benefits payable out of the Railroad Retirement Account provided under section 15(a) of the Railroad Retirement Act of 1937.

SEC. 8. 301(f) of the Act of October 30, 1966 (Public Law 89-699) is amended by striking out "for sixty months".

SEC. 9. If any provision of this Act of the application thereof to any person or circumstance is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby. In any litigation over section 3(k) of the Railroad Retirement Act of 1937, no Court shall issue any order enjoining the Board from certifying supplemental annuities for employees entitled thereto under section 3(j) of said Act or enjoining anyone from collecting the excise taxes provided for in sections 3211(b) and 3221(c) of the Railroad Tax Act or relieving any employer from payment of the excise taxes under such section 3221(c).

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: On page 7, beginning on line 12, strike out "or any pensions or annuities provided under any collective-bargaining agreement".

The committee amendment was agreed to.

AMENDMENTS OFFERED BY MR. ADAMS

Mr. ADAMS. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. ADAMS: Page 1, strike out line 6 and all that follows down through and including line 5 on page 4.

And on page 8, strike out lines 12 through 19 and insert in lieu thereof "thereby.".

And redesignate sections 3, 4, 5, 6, 7, 8, and 9 of the bill as sections 2, 3, 4, 5, 6, 7, and 8, respectively.

The CHAIRMAN. The gentleman from Washington (Mr. ADAMS) is recognized.

Mr. OTTINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Seventy-five Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 192]

Albert	Fisher	MacGregor
Belcher	Flynt	Mann
Bell, Calif.	Ford, Gerald R.	Mills
Bolling	Fraser	Minshall
Brown, Calif.	Gettys	Mize
Cahill	Gibbons	Morton
Clay	Gray	O'Konski
Colmer	Hansen, Wash.	Powell
Cowger	Hastings	Purcell
Daddario	Hawkins	Rosenthal
Daniels, N.J.	Holifield	Scheuer
Dawson	Ichord	Scott
Dorn	Kirwan	Stephens
Edwards, Calif.	Landrum	Teague, Tex.
Evins, Tenn.	Langen	Whalley
Fascell	Lipscomb	Wolff
Findley	McMillan	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13300, and finding itself without a quorum, he had directed the roll to be called, when 380 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Washington (Mr. ADAMS) had been recognized, but had not begun to speak. The gentleman from Washington is now recognized for 5 minutes in support of his amendment.

Mr. ADAMS. Mr. Chairman, for those Members who were not on the floor during the general debate, this amendment would strike section 2 of the bill. Section 2 of the bill is the part of it that provides for compulsory retirement. It also provides for individual contracts between employers and employees.

This is a very difficult issue. It involves the individual conscience of every Member. I am not critical of the people who are in favor of it, nor am I of those who are opposed, but I believe the great principle that is involved is whether or not this Congress is going to legislate in the area of collective bargaining, and that is just what section 2 of this bill does.

If my amendment passes, which would strike section 2, then this bill can go to a vote, will pass, and will go to the Senate where, if there are any other differences that anyone wants to make, they can at that point argue them. But in this House you are faced with the alternative of voting for a bill that does contain within it a requirement that men retire at the age of 70, and then a scaling down to the age of 65. The only alternative to this is that, if he enters into a contract with his employer, and the employer says he can continue on.

The statement was made earlier that this bill would not pass the committee, nor would it pass the House if this section was not in it. I challenge that statement. In my opinion this bill would have passed the committee if they had continued with the original bill introduced by the chairman of the committee. I think this bill will pass the House with what I am striking.

I want to make it very clear what the problem is. The problem is this: In the hearings Mr. Hiltz, of the Railroad Employers' Association, suggested this alternative, and he said that his problem was the fact that unions representing between 20 and 25 percent of all our railroad employees were unwilling to agree to the mandatory retirement program as proposed.

Now, later on he did get an agreement but only from some unions. But some have wondered who was opposed to this bill. I will read you a list of the international unions who are opposed:

International Brotherhood of Firemen and Oilers.

Brotherhood Railway Carmen of United States and Canada.

International Association of Machinists and Aerospace Workers.

International Brotherhood of Electrical Workers.

Brotherhood Railroad Signalmen of America.

Sheet Metal Workers International Association.
American Railway Supervisors Association.
Brotherhood of Sleeping Car Porters.
International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers.
Railroad Yardmasters of America.
American Train Dispatchers Association.
Hotel and Restaurant Employees' and Bartenders' International Union.
Brotherhood of Locomotive Engineers.

Now the problem that is involved in this is that there are unions in support of this, and this is a good agreement for some of the unions that are involved. I am not critical of them for having bargained this out with their employers and having arrived at this conclusion.

But the problem is that we are imposing this solution on other unions, on independent unions that are not part of that bargaining unit.

So when the statement is made that this is the result of collective bargaining agreed at between management and the unions in a contract—the statement is just not correct. It is between only a part of the unions involved.

What I say is that if we pass this amendment and strike this section out, then collective bargaining will continue to apply and we will have the situation where we will have the type of agreements that are being entered into around the United States put into this bill, and if they want to agree on compulsory retirement at age 70, they can agree on it. But if they do not want to, then this Congress will not require it.

Believe me, both management and labor have been on different sides of this. I know that management would be in here opposing this bill if they felt it was not to their interest to have compulsory retirement. They do not like to have Congress require them to do certain things in the collective bargaining field.

So the principle is very clear. We have tried making the issue narrow—we have tried striking out the bad provisions. If this provision is stricken, the bill is valid. Everybody knows they will receive their annuities. Everybody will receive it after November 1 rather than losing them. They will not have to enter into individual contracts and they will only have to compulsorily retire if they have agreed to it through their union in a collective-bargaining agreement.

The final thing I say is that I hope this will be adopted and I hope the people will receive their pensions. Vote for the amendment and then for the bill.

Mr. SPRINGER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, principally may I say I am going to speak to those of my colleagues who were not here when I spoke the first time.

This bill in the committee was in an impasse. It could not be brought from the committee. There might be some dispute as to how many votes there were for it. The gentleman from Washington is entiled to his opinion. I think on the poll, I would say it would get six or eight votes in its original form and certainly not over 10 of the 34 votes in committee in its original form.

The chairman and I encouraged management and labor to come to an agreement. We knew there was an impasse. We knew that these retirees were not getting any supplemental payments after October 1, 1969, unless you got a bill out. As always when management and labor get together, there was a quid pro quo. The quid pro quo was that management would continue to supply this fund, which in the next 5 or 6 years will cost them three-quarters of a billion dollars, providing they could get compulsory retirement beginning at age 70 and beginning each year by 1 year in 6 years to work down to 65.

We do not force anything on them. Management and labor worked that agreement out among themselves.

Between 75 percent and 80 percent of all the membership represented by the railway brotherhoods agreed to it. Between 20 percent and 25 percent did not agree to it. Somewhere, may I say my colleagues, there has to be the democratic process at work. These two parties sat down and agreed to this kind of arrangement for which one got those two things. Labor got something that it never had before. The present agreement for 2 cents per hour goes to 1972. Management agreed, in return for this compulsory retirement, to put this in perpetuity and to pay whatever the figure was, whether it was 2 cents, 4 cents, 6 cents, or 25 cents. They agreed to it.

And let me say to the gentleman on the other side of the aisle, and may I say to all of my colleagues who are in doubt about this question, do not let anyone tell you that the brotherhoods representing 75 to 80 percent have changed their minds about this, because I happen to know the type of men who entered into this agreement, and they are not about to go back on their word. These are the kinds of men in labor who, when they make an agreement, mean what they say and say what they mean. They are just as strong for H.R. 13300 as they were on the day they made the agreement. They are standing by that agreement because they made it.

I do not find anything wrong with 20 or the 25 percent who want to oppose it. but somewhere the majority has got to say, "This is what we want." They made that agreement and they are willing to stand by it.

We now come to the question of whether or not we have had other agreements. A minute ago I cited 506 agreements that have been made by labor brotherhoods in the last few years—compulsory retirement by their own action. They are at 70, 60 to 69, age 65—Brotherhood of Locomotive Engineers a total of 73 agreements, Brotherhood of Locomotive Firemen and Enginemen 93 agreements, Brotherhood of Railway Trainmen 135 agreements—and you are talking now about not wanting to have compulsory retirement because it is in this bill.

Can you name anybody—the gentleman from Tennessee (Mr. KUYKENDALL) challenged you a moment ago to name one agreement by anyone in America, any company that has made an agreement in the last 2 years to give extra dividends or extra pensions, that has not had compulsory retirement in the agreement? You cannot name one. We are in line with 99.99 percent of all the agreements that have been made between management and labor since the end of World War II.

You are down to making a simple question of your conscience, and I think that is all there is to it. We are trying to bring it to you, at least as I see it——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. SPRINGER was allowed to proceed for 2 additional minutes.)

Mr. SPRINGER. I thank my colleagues and I shall finish shortly. This is not unusual. It is the usual. It is the thing that is being done today in all kinds of industrial agreements where we are having supplemental pensions. But this is one where the chairman and I encouraged them to bring a collective bargaining agreement in. We put it into law, and that is exactly what they did. All we are asking you colleagues today is to put that kind of agreement which management and the great majority of labor entered into in this case into effect.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, any member of this committee can speculate as to what might have occurred had the entire committee had a different alternative before it. No man can tell this committee how that committee would have acted. The quid pro quo is not the generous package the gentleman from Illinois has indicated it would be. The cost to 1972 is approximately $80 million, and I submit that the railroad industry pays perhaps the smallest supplemental package of any major industry in this Nation.

I am not at all persuaded by the comment that there have been 506 agreements setting a retirement age, because the gentleman from Illinois himself stated that those were collective bargaining agreements—agreements arrived at voluntarily, not imposed by a statutory enactment of this Congress. I think the difference here that we must examine is the difference between a voluntary right to negotiate a settlement and the process of compulsion by law to accept a settlement.

If this is such a wise idea, why has the Congress not seen fit to legislate in other industries? There is not a single other industry where we by statute set the retirement age. There is not even in the Federal Government a requirement of retirement at the age of 65. There is not in the majority of jurisdictions, be they State or municipal, a requirement of retirement at the age of 65.

I think it is repugnant to a great many people to have the Government reach into what are essentially private affairs and dictate the pattern. Is the next industry the great automobile industry? Are we going into aircraft and aerospace? Are we going into maritime fields and start setting compulsory ages for retirement? Are we going to come into this House and set some compulsory ages for retirement?

I think we ought to look at the precedent that is contained in this legislation, and it is not a good one. Then, of course,

however we characterize it—and the gentleman from Illinois read his definition of the yellow-dog agreement—remember, this authorizes individual agreements under conditions which the company itself imposes, and they could be precisely the conditions contained in the definition which the gentleman read to the committee earlier. No one knows what they could be and no one knows the type of toadying that might go on on the part of an employee in order to gain favor with his employer and be able to negotiate that extended agreement.

I submit this is bad legislation. It will be made palatable by the adoption of the amendment offered by the gentleman from Washington (Mr. ADAMS).

Mr. STAGGERS. Mr. Chairman, I rise in opposition to the amendment, but first I would like to reach an agreement, and I ask unanimous consent to end all debate on this amendment and amendments thereto within 10 minutes.

Mr. SPRINGER. Mr. Chairman, I suggest an alternative of 15 minutes, with the last 5 minutes reserved for the Chairman.

Mr. STAGGERS. Mr. Chairman, I accept that.

The CHAIRMAN. Then unanimous consent is requested that all debate on this amendment and amendments thereto close in 15 minutes with the last 5 minutes to be reserved for the chairman.

Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Chairman. I want the House to remember that this was a bill which came to us because both management and labor had not been able to reach an agreement. They had been bargaining over this matter, apparently, for some 18 months or longer, and no agreement had been reached.

We can argue, if we want, perhaps it should not have ever been put on the books in the first place, but the fact is it had been done some 3 years previously. The provision was made to raise the money to pay these additional annuities.

The committee merely was trying to keep those annuities alive, so that those men could continue to receive this extra amount of money. We have come up with what we thought was the fair thing under the circumstances.

I would say to the gentleman from California and others, this was a matter presented to us by management and labor after a series of collective bargaining attempts. The parties tried to reach an agreement.

We might argue that the total employees or unions had not been agreed to, but the majority had agreed. In good conscience, we moved this bill forward so that these pensioners could get this extra money.

If we do not take action today, I submit the chances are we will get no legislation, and these people for the next 2 years will not get the extra funds they were promised when the bill passed 2 years ago. I do not believe that would be a fair or responsible thing for us to do.

There are a lot of reasons to disagree totally with what we have come up with, but this does represent the majority opinion. I respect the position of the people who differ with us on this, but we are going to have legislation to provide this money or we will have none if we do not move this bill forward.

There is a division in my own district on this, and I recognize it. The people are sincere.

Yet I believe it is a healthy thing, for both management and labor, at least today, at the present time, are meeting together and are making a valiant effort to reach some agreement on a lot of these matters before us. That is a healthy sign. I believe it is a healthy sign in this instance.

The amendment, under the circumstances, should be defeated at this time. Perhaps we can find other agreements in the other body.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina (Mr. WATSON).

Mr. WATSON. Mr. Chairman, at the expense of being a little repetitious, I should like to develop a bit further the approach of the gentleman from Texas.

I have some rather mixed feelings at this moment. Perhaps it might be good for this legislation to be defeated, for the amendment to be adopted and then the motion to recommit overwhelmingly carry, to send the bill back to the committee. Then let us show our friends in labor exactly who are their friends on this floor.

What would happen? Some 57,000 people would be without a pension—57,000 families struggling on limited pensions would have them reduced at a time of real inflation.

As I pointed out earlier, this bill embodies that which was agreed to by the collective bargaining process. Initially they could not get together, but the committee urged them to prove that collective bargaining would work. It was said, "Thrash out your differences," and not require Congress to force a settlement.

To be sure, it was difficult to get together. The differences were substantial, but we urged them to do it. We believe that is the way it should be done.

Management and labor gave. There were concessions on both sides. They came in with this agreement.

This bill is the product of collective bargaining in its finest hour, with both sides giving.

What the author of the amendment is asking—and I am sure unwittingly he is doing so—is for this committee to change that which was agreed to through the collective bargaining process. He does not mean to do that, but actually that is what he is asking us to do.

Furthermore, he is asking us not only to change that which was arrived at through the collective bargaining process but also to change that in favor of what 25 percent of the employees want.

Bear in mind, these provisions were agreed to by 75 to 80 percent of the employees and by 100 percent of management.

What do we want to do? Do we cast it aside and say, "No. What you agreed to by collective bargaining is not right. We will change some of the provisions; we are going to have legislation to try to comply with the wishes of a minority."

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. PEPPER).

Mr. PEPPER. Mr. Chairman, if I may have the attention of the very able chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS), I am one of many in this House who is opposed to compulsory retirement on account of age and, therefore, is in very much of a dilemma about this amendment. We can understand how this bill providing for compulsory retirement at given ages might be appropriated under the particular circumstances of this case, but what we are more concerned about is whether or not, if we defeat this amendment to strike out the compulsory retirement section and pass this bill and it becomes law, this bill will be regarded as a precedent on the part of the Congress encouraging policies in private industry or by public authority to put arbitrary time limitations on the ages of people employed. Would the able gentleman tell me whether or not this bill will be or should be regarded, if it is enacted, as a precedent for denying people the right to work because they happen to come to a certain age even if they are otherwise qualified to work and want to.

Mr. STAGGERS. Will the gentleman yield?

Mr. PEPPER. I yield to the chairman.

Mr. STAGGERS. I would like to say to my distinguished colleague from Florida and a man who is definitely interested in the welfare of labor, and has been through all of the years he has served in the Senate and during the time he has served here, that this bill involves a unique and peculiar situation. I do not know whether it could ever arise again. The fact of the matter is that the Railway Labor Act is a separate thing from the rest of labor. It is handled through our committee and the rest of labor is handled through another committee.

In answer to the gentleman's question, this should not set any precedent whatsoever, because, as I say, it is a unique and a very peculiar situation in which there was bargaining done in order to get this separate annuity.

Mr. PEPPER. And it should not be taken or construed as expressing a policy of the Congress encouraging or requiring arbitrary retirement on account of age?

Mr. STAGGERS. I reply to the distinguished gentleman from Florida, I might say that this bill is not the doing of the Congress at all but is following out an agreement which was made between four unions of the brotherhood representing 75 percent of the employees and the employers. We are not changing that agreement whatsoever.

Mr. PEPPER. I thank the able gentleman for his response.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. OTTINGER).

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Washington.

Mr. ADAMS. I want to state in reply to the gentleman from South Carolina (Mr. WATSON) that, if this were the product of collective bargaining, we would not be here and would not have to put this in by statute. It has not been arrived at in that fashion. We are compelling 25 percent of the employees to do what they do not want to do.

Mr. OTTINGER. Mr. Chairman, this quite obviously is not a situation where there has been a resolution of a dispute by collective bargaining. As a point of fact, unions that say they represent better than 50 percent of the actual railroad employees disagree violently with this. We know that because we have been approached by them. No agreement was reached by management with these employees, and those unions that did reach agreement are running to Congress and asking us to impose a solution here. This is quite historic, because this is the first time that the U.S. Congress has been asked to impose a resolution such as this on a private industry. We should not be placed in that position. We should tell them, "No. You cannot come to the Congress, but you must do it by agreement yourselves." The agreement that was reached by a portion of the employees and management, it seems to me, is a very objectionable one. It provides, among other things, that an employer can deal individually with employees to have them stay on after age 65, completely undercutting the unions altogether. This is very similar to the classic yellow dog provision, and it seems to me to be very, very objectionable. If we pass the Adams amendment, this situation will be rectified.

If the bill should, in fact, then go down—and I do not think it will go down—we would leave the situation to collective bargaining where it belongs in the first place. I think we are intervening much too early. We are not down to the point where we can completely rule out further collective bargaining. I do not believe those 57,000 people who are now retirees will be abandoned. They will not, as the gentleman from South Carolina asserted, be deprived of the basis pensions at any rate—only their supplementary benefits are at issue. I think some agreement would be reached in their behalf through collective bargaining. I do think we can take proper action by supporting the amendment which has been offered by the gentleman from Washington (Mr. ADAMS).

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS) for 5 minutes to close debate.

Mr. STAGGERS. Mr. Chairman, I would like to clarify a few points and I hope that the members of the Committee will listen to me just briefly.

The reason for this bill being here is this: If you are going to have any kind of agreement, it has to come to this Congress for passage into law. The reason is that when they first made this agreement in 1966 the parties came to the Congress because they said there had to be some way to collect this money. The Treasury of the United States was selected and directed by the original legislation to collect this 2 cents, and then this Congress in 1966 said to the Board—the Railroad Retirement Board—"you administer this fund."

There is no way on earth to modify this program in view of past circumstances, without coming back and modifying this law. In other words you cannot put into effect a bargaining agreement on this subject without coming back here. It would not be legal, because we set up the law designating the Treasury of the United States to collect the money and then we provided that the Retirement Board would administer that money.

We on the committee are coming back and saying that this law has to be modified to put into effect the bargaining agreement they have reached.

I would like to say that the gentlemen who have disagreed with me on this bill do agree generally about the position of labor and the things that we want to do for labor in this country, but this is a disagreement upon the proper way to solve a problem we have.

When this law was set up in 1966, the reason they came to us for a law was to require that the Treasury Department collect the money and the Railroad Retirement Board administer it. By following this type of operation, this saved all the administrative costs. It saved money which would have been spent in the administration of the fund so that this money could go to the retirees. A different operation would have cost many thousands of dollars. That is the reason the bill is here and the reason this bill has to be here is because we have to pass it to carry into effect the agreement.

Now, Mr. Chairman, another reason for this bill is that the parties did engage in collective bargaining, and the people who engaged in that process should not be penalized. This is a bill upon which bargaining has been held between the parties involved in the agreement.

Further, Mr. Chairman, I would like to say that the United Transportation Union, made up of four of our other great unions, the Brotherhood of Railroad Trainmen, the Brotherhood of Locomotive Firemen and Enginemen, the Brotherhood of Railway Conductors and the Switchmen's Union all combined in one—plus the Brotherhood of Railway and Airline Clerks, and the Maintenance of Way Brotherhood—all joined in this effort representing about 75 to 80 percent of the employees. This is collective bargaining, and in my opinion it cannot be effective in any other way than it is proposed to be done. Now in reply to the question the distinguished gentleman from Florida (Mr. PEPPER) asked me—I do not believe it is going to set a precedent for any other labor union in this country. If that were so, I would be against it. If it did, I would say on the floor of this House that I would not support an agreement setting a precedent for any other union, unless they got together through collective bargaining. I do not want to see that question come to the House and put into law unless it is done through collective bargaining. I do not believe that is the way to do things.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I will be happy to yield to the gentleman from Illinois.

Mr. SPRINGER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I realize that in this argument we have not touched at too great a length on the people who are mostly involved, who are the retirees. I just had my clerk run a tally on the telegrams and letters from the retirees—I do not know what the other telegrams may have said about it, whether they are for it or not, but every one of the retirees in my district from whom I have received a communication has said please support H.R. 13300 as it is written.

Now, it seems to me that 57,000 people certainly are entitled to consideration in the light of an agreement which has been entered into, and the committee has considered the facts and brought to the floor of the House a bill for the purpose of giving these people those benefits.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

Mr. STAGGERS. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for 1 additional minute.

The CHAIRMAN. The Chair will state to the gentleman from West Virginia that under the limitation of time that cannot be permitted, since all time has expired on the debate on the amendments offered by the gentleman from Washington (Mr. ADAMS).

The question is on the amendments offered by the gentleman from Washington (Mr. ADAMS).

The question was taken; and on a division (demanded by Mr. ADAMS) there were—ayes 60, noes 104.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: Strike out line 2 on page 2 and all that follows down through line 17 on page 3, and insert in lieu thereof the following:

"(k) (i) An employee who attains age 70 before January 1, 1971, shall be retired at the end of the year 1970. Except as otherwise provided, an employee who attains age 70 after December 31, 1970, shall be retired at the end of the year in which he attains such age.

"(ii) An employee who attains age 69 before the end of 1973 shall be retired at the end of that year.

"(iii) An employee who attains age 68 before the end of 1974 shall be retired at the end of that year.

"(iv) An employee who attains age 67 before the end of 1975 shall be retired at the end of that year.

"(v) An employee who attains age 66 before the end of 1976 shall be retired at the end of that year.

"(vi) After December 31, 1976, an employee shall be retired if he is 65 years or older at the end of the first year in which he attains this status."

Mr. STAGGERS. Mr. Chairman, I make a point of order against the amendment offered by the gentleman

from Texas (Mr. ECKHARDT), but I will reserve the point of order so that the gentleman may explain his amendment.

The CHAIRMAN. The gentleman from West Virginia (Mr. STAGGERS) reserves a point of order.

The gentleman from Texas (Mr. ECKHARDT) is recognized in support of his amendment.

Mr. ECKHARDT. Mr. Chairman, this is an amendment which seeks to slightly ameliorate the provisions for retirement.

The only change which is made by the language that was read by the Clerk is to delay the period for the beginning of the lowering of age limits provided in the bill by 1 year so that ultimately you come back to the age of 65 1 year later than under the original bill.

In addition to this—and these are the only changes with respect to retirement—it provides that a person retires at the end of the year in which he achieves the age provided for retirement.

Now the reason for retarding the scheduled reduction of age for retirement is that this amendment also strikes out paragraph 2 of the first section of the bill.

It is this section on page 3 of the bill, beginning on line 5, which has sometimes been called a yellow dog agreement. I agree with the able ranking minority Member that technically speaking that is not a yellow dog agreement. As he points out, a yellow dog agreement means an agreement by which an individual will get out of a labor union under the agreement, or lose his job.

But I do believe that the provisions of paragraph 2, on page 3, have the same ultimate effect or at least have a chilling effect on collective bargaining.

Consider for a moment the person who is 62 years of age, and he is thinking about raising a grievance against the employer which, if ultimately decided in his favor might cost the employer say, $10,000 or $15,000. He knows that the employer can retire him at 65 unless he gets an agreement from the employer not to retire him. You can immediately see that a quiet remark from his foreman, "If you do not raise this grievance you might get to stay after 65," would have a great influence on his decision.

Frankly, it seems to me that this section is by far the most dangerous section in this bill from the standpoint of union principle. I do not see a question of the corrective bargaining principle so sharply involved with respect to compulsory retirement as I see it involved in paragraph 2. Because once you place the axhandle in the hands of the employer to chop a man's job off or to withhold its hand, you have destroyed free collective bargaining and free unionism.

If this section is retained in the bill, the bill then is directly opposed to the principle established in the labor management relations act. Since it is, and since this section is in the bill, I would have to oppose the bill if the section does not come out. So, I think, would many of my fellow Members here as a matter of principle—and not as a question of whether or not an extension of retirement provisions should be granted.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman.

Mr. OTTINGER. Do I understand correctly that if we adopt your amendment, then at the end of 1 year—longer than provided in the existing bill—people who reach age 65 would have to be retired and there would be no relief from that provision at all?

Mr. ECKHARDT. That is correct.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. ECKHARDT was allowed to proceed for 2 additional minutes.)

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Washington.

Mr. ADAMS. As I understand it, your amendment also, however, would strike the provision that has been referred to as a "yellow dog" contract, or the provision that requires that retirement could be ameliorated by a contract with the employer. Would the gentleman's amendment strike that provision, too?

Mr. ECKHARDT. That is correct. It would strike it altogether.

Mr. ADAMS. I support the gentleman's amendment

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from West Virginia, the chairman of the committee.

Mr. STAGGERS. I am sort of sympathetic with what the gentleman is trying to do. There are situations in which the unions want to keep their men under certain circumstances beyond age 65, and perhaps some on the other side do, also. Could we not offer an amendment which would provide that bargaining between the union and the employers would be sufficient to do that?

Mr. ECKHARDT. Let me suggest to my chairman that I have considered that and rejected it for this reason. There is no way, when we provide for compulsory retirement by law, ever to permit a free decision between the union and management with respect to retirement, because only one party may veto the result of retirement, and it is nearly always true that the employer would do the vetoing. So you cannot, unless you leave the matter wholly to collective bargaining, do that. You always give the negative power to one party, and I do not think you extend that right effectively to the union under those circumstances.

Mr. STAGGERS. Under the gentleman's amendment would union leaders who reach the age of 65 be able to stay on?

Mr. ECKHARDT. No, sir. The limitation after 1967 would be retirement at age 65.

Mr. STAGGERS. That is the reason I mentioned that perhaps the objective could be accomplished by collective bargaining. I believe an amendment to that effect will be offered a little later if this section of your amendment is not adopted.

Mr. ECKHARDT. I would like to point out that if the bill is presented to us for a vote ultimately in such a way that we have to give the employer the right to cut a man off by simply refusing to agree, I should have to vote against the bill on the strongest principle.

The CHAIRMAN. Does the gentleman from West Virginia, the chairman of the committee, insist upon his point of order?

Mr. STAGGERS. No, Mr. Chairman. I withdraw my point of order.

The CHAIRMAN. For what purpose does the gentleman from New York, a member of the committee, rise?

Mr. OTTINGER. Mr. Chairman, I think the whole compulsory retirement principle, which would be sustained in the gentleman's amendment, is unfortunate and something we should not be called upon to impose. Taking out any kind of relief for people who want to stay on and are well able to stay on after 65—and there are an unusually large number of such people in the railroad industry—would be particularly harsh. I do not agree with the gentleman at all that you could not have a satisfactory agreement between the unions and the employers with respect to such further employment.

I will offer such an amendment if the gentleman's amendment is defeated, but I do think it is not a satisfactory resolution.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Texas.

Mr. ECKHARDT. I rather agree with the gentleman that it might have been better if we set a compulsory age of 70 and permitted full negotiation with respect to retirement below that. But since we have rejected the Adams amendment, there is now no way in which you may alleviate the situation by simply permitting mutual agreement to avoid retirement, because mutual agreement always requires the agreement of three parties, and when the agreement of all three parties is required, in that event the employer ultimately makes the decision.

Mr. OTTINGER. I disagree with the gentleman, because there are going to be many employees whom the employer will desperately want to keep on. Many of the older employees have rare skills. If they have to deal with the union in determining who is going to be kept and who is not, there will be bargaining, and the union will have bargaining power.

I think that will be a much better resolution. As I say, I will offer that if the gentleman's amendment is defeated. But the gentleman's amendment would continue the basically objectionable part of this bill, even though it is delayed by one year, by imposing compulsory retirement upon unwilling employees. I think it should be defeated.

Mr. KEITH. Mr. Chairman, I move to strike the last word and I wish to speak out on this amendment.

If I understand the gentleman from Texas correctly, he feels that the management would have leverage by reason of a right to continue employment under the amendment against which he is now speaking. Is that correct?

Mr. ECKHARDT. That is correct.

Mr. KEITH. Is it not true that management presently has leverage in this respect? Can management not, in an existing contract, continue the employment of an individual employee beyond the date of normal retirement?

Mr. ECKHARDT. That is correct. There are actually two kinds of provisions in industry today. One is a provision by which a company and union agree to a retirement procedure and under that agreement there is frequently a provision for an ameliorating clause that may be negotiated between the union and the employer. The other type of system is that which exists in the Bell System where there is a unilaterally established retirement plan, but action under the plan may be attacked through the contract as wrongfully limiting one's seniority. But in either event the ultimate decision is with the arbitrator or some neutral party.

In this case, if we leave the question to the employer alone, we place an undue pressure on the employee, in order to gain further employment past the retirement age, to comply with the employer's interests.

Mr. KEITH. But it would seem to me that the contract the gentleman mentioned in the case of Bell and the other, and by and large in industry in any negotiations with one's employees, with or without the union contract, it is still within the realm of possibility for an employer to ask an employee to stay on, and a union could not prohibit such an extralegal or outside-of-the-union-contract negotiation because of the right of the individual to enter into a contract on his own.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield further?

Mr. KEITH. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I have some question as to whether that is true technically. I do not think an employer could ask an individual to stay on without including the union in the decision if the rules are fixed under a plan, because this would have to do with conditions of employment that would be subject to union negotiation or union grievance.

But the important thing is this: That under such plan the union may initiate a request for a person to stay on and oppose a person's being laid off and, against the employer's final judgment, may submit the argument to a neutral arbitrator. Under those circumstances there is no yellow-dog aspect, but under a statute which gives final right to the employer, there is such a yellow-dog aspect.

Mr. KEITH. Mr. Chairman, I thank the gentleman from Texas.

Mr. SPRINGER. Mr. Chairman, I move to strike the requisite number of words. I would like to ask the distinguished gentleman from Texas a few questions. The gentleman from Texas leaves in the bill lines 5 through 17 on page 3. Is that intentional?

Mr. ECKHARDT. Lines 5 through 17 on page 3—a portion of that is stricken.

Mr. SPRINGER. But the gentleman does strike out lines 5 through 17. Am I correct?

Mr. ECKHARDT. That is correct.

Mr. SPRINGER. Would this make it more restrictive insofar as firing employees is concerned, In some ways I am in sympathy with the first part of the gentleman's amendment, but this part disturbs me.

Mr. ECKHARDT. This is exactly the part that in my opinion must be stricken if there is to continue to be freedom of the railroad employees in exercising their right of collective bargaining and their rights as individual employees. If the railroad employee approaching the age of retirement must act in accordance with the will of the employer to get an extension of his time, he ceases to be a free agent.

Assume, for instance, that a union steward is 63 years of age. His employment will end in two years. He is strongly urging a position the union desires in a grievance. His foreman says, "In 2 years, you must remember, we may extend your time; but we may not extend it." This is wholly within the power of the employer. That union steward is not then acting wholly for his principal. He is under the pressure of the party which he is opposing.

Mr. SPRINGER. I am willing to concede the point the gentleman talks about. However, I fail to agree with him on what I believe is the ultimate objective.

It seems to me in these areas there might be a highly specialized employee who might want to continue and who would be needed, we will say, in railroad work. If that is stricken, there is not anything which can be done. Mandatorily he would be off the records. He does not have a chance to negotiate or anything, if that section is taken out.

May I say to the gentleman, this is a two-edged sword. What the gentleman says could possibly be true, if the railroads want to manipulate the way he is talking about. On the other hand, if this is taken out there is no change for an employee who is valuable, who would want to continue, and who is physically able, to continue beyond that age. It would be more restrictive, it seems to me, than the bill.

Mr. ECKHARDT. If the distinguished gentleman from Illinois will yield further, in the previous argument I thought I understood him to say the employees really wanted to be retired at 65 and that this was actually a very charitable or desirable provision requiring retirement.

I am not making a case here either for compulsory retirement under law or against it. The only thing I say is, if compulsory retirement under law is provided, we inevitably run into the "yellow-dog" type of situation, unless we make it absolute. For that reason I merely ameliorated the time span and made it absolute.

Mr. SPRINGER. I am rather in sympathy, because the gentleman has softened the time span. To that I am sympathetic. I wonder about this other part, in saying there is no way an employee might negotiate to stay on. It absolutely cuts him off from any possibility, regardless of whether his skills are needed.

On the other hand, I am willing to concede what the gentleman says as to the possibility of negotiating pressure. It is a two-edged sword.

This does have the effect of absolutely wiping out any possibility of a skilled employee being able to continue. This is the part which disturbs me about the gentleman's amendment. The other part, as I told the gentleman this morning when he discussed it with me, I understood the thrust of to provide for 1 extra year. I did not get this other part until this afternoon. Somehow or other I did not understand it when I talked with the distinguished gentleman this morning.

AMENDMENT OFFERED BY MR. OTTINGER TO THE AMENDMENT OFFERED BY MR. ECKHARDT

Mr. OTTINGER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER to the amendment offered by Mr. ECKHARDT:

Strike out the words "line 17" and insert in lieu thereof "line 4" and add at the end of the amendment the following:

"Page 3, line 14: delete the period and substitute the following: '; *And provided further*, That where there is a designated representative of such employee, any such agreement, and the employees subject to such agreement, shall be determined by the employer with said representative of such employee.' "

Mr. OTTINGER. Mr. Chairman, this amendment attempts to take care of the concern expressed by my colleague from Illinois. What it does is to eliminate the obnoxious feature of the current bill which would permit employers to deal directly with the employees, undercutting the unions. What it does is to contain Mr. ECKHARDT'S extension of the provisions for 1 extra year, and add the feature that will require the employer to deal with the unions in extending anybody beyond age 65.

Mr. SPRINGER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SPRINGER. Mr. Chairman, I am afraid I did not understand whether or not the gentleman from New York's amendment is an amendment to the amendment offered by the gentleman from Texas or another amendment.

Mr. OTTINGER. Will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. OTTINGER. It is an amendment to Mr. ECKHARDT'S amendment. It is not exactly what you have there, because what you have there is what I was going to propose originally as a separate amendment. But this strikes from the Eckhardt amendment that portion which did away completely with the provisions allowing the employer to extend a person over the age of 65. My amendment puts that language back in subject to a proviso that the employer has to deal with the union in extending anybody over age 65.

Mr. SPRINGER. One further parliamentary inquiry, Mr. Chairman.

May I read the amendment and see if this is the gentleman's amendment?

Page 14, line 3, delete the period and substitute the following "*And provided further*, That where there is a designated representa-

tive of such employee, any such agreement, and the employees subject to such agreement, shall be determined by the employer with said representative of such employee."

Is that the amendment?

Mr. OTTINGER. That is the substance of the amendment, and that is put in after the restoration of the language between lines 4 and 17 on page 14.

Mr. ECKHARDT. Will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman.

Mr. ECKHARDT. I do not understand the language of this amendment to achieve the purpose that is indicated here. If the amendment wishes to do this, it seems to me it would have to say to amend the amendment by providing that there be added at the end of the provisions contained in that amendment the following language and then restate lines 5 through 14 with that change.

Mr. OTTINGER. That is what I do in the first part of that amendment. I restore that language first.

Mr. ECKHARDT. Mr. Chairman, may we have a rereading of the amendment?

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Clerk will reread the amendment offered by the gentleman from New York to the amendment offered by the gentleman from Texas.

The Clerk reread the amendment to the amendment.

Mr. OTTINGER. Mr. Chairman, that does restore the language. I believe the gentleman is satisfied that it would accomplish the purpose.

Mr. ECKHARDT. I am satisfied, if the gentleman will yield, that it does accomplish the purpose he says it would do.

I do not necessarily agree with it.

Mr. SPRINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I say to the distinguished gentleman from New York that what he has done here is to put this totally in the hands of the union representative.

Now, I do not personally have any disagreement with the union representative being involved, but it does not seem to me that the union representative ought to be able to say to the employee that you can either continue to work or you cannot continue to work. It seems to me this ought to be up to the employee himself.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. Yes, I yield to the gentleman.

Mr. OTTINGER. I do not believe that is the effect of the amendment. The effect of the amendment is to say that if the employer wants to extend a particular employee beyond the age of 65, he may do so, not by dealing directly with the individual employee, but only by dealing—as he does in all other matters—with the union representing the employee. That is what it says. There is no language in the amendment which permits a union to dictate these terms. It says that the employer will make this decision under an agreement with a representative of the employee.

Mr. SPRINGER. There is a designated representative of such an employee——

Mr. OTTINGER. Where there is a representative.

Mr. SPRINGER. Where there is a representative of such employee and such agreement——

Mr. OTTINGER. Any such agreement.

Mr. SPRINGER. Any such agreement, and the employee subject to such agreement shall be determined by the employer. Is the gentleman listening? Shall be determined by the employer with the said representative of such employee. So, this would be a union agent. This would not give the employee any say in this matter at all.

Mr. OTTINGER. This would be by agreement between the employer and the union and not between the employer and the individual employee.

Mr. SPRINGER. That does not seem to me to be right. It seems to me that the employee does not have anything to say about this at all. It would be left entirely between the company and the union agent to set down and say who you can hire and who you cannot hire. It seems to me that the employee should have a voice in this.

Mr. OTTINGER. The unions always represent the employees. That is their function. I cannot imagine that the gentleman would be arguing that the employer should be able to go completely around the union and deal directly with the employee when there is a union in the picture.

Mr. SPRINGER. I do not think it goes around him. I think the negotiation should be with the employee. If you want to have the union agent at some place as a consultant that is one thing, but for him to determine whether he does or does not work, that is another matter.

Mr. OTTINGER. The union agent is not going to say it. The union agent is going to represent the employee in that decision.

Mr. SPRINGER. Therefore, he is going to make the decision, because it says, "determined by the employer with such representative of such employee."

Mr. OTTINGER. That is what they do when the employee and the union reach an agreement on a salary. They make it for an individual employee.

Mr. SPRINGER. That is very true, but in these individual complaints such as those which were referred to in Chicago, the individual employer fired the employee only when he makes up his mind as to whether or not he is to continue to work.

Mr. OTTINGER. I assure you that the employee is not going to be undercut by his own union.

Mr. SPRINGER. For this one reason, that this employee does not have anything to say about it, I think I will have to oppose the amendment.

Mr. OTTINGER. The union is not going to last very long if it does not represent its employees.

Mr. SPRINGER. What I said was that under this proposed amendment the employee himself does not have anything to say about it. That is the point to which I am speaking. But if you can place language in here to state, "In consultation with," I will accept it.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. ECKHARDT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I understand this amendment I probably agree with it, but I want to be sure that I understand it.

As I understand, it is further provided that where there is a designated representative of such employee any such agreement, that is, an agreement to extend the time of one's employment beyond 65 or 70, shall be subject to be determined by the employer with said representative.

Now, if I understand that, that means that the union and the employer may then negotiate and determine in a bipartite manner, each with equal authority, the question of whether or not an exception will be granted.

Now, if I understand the amendment to mean that, I am for the amendment.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield, the gentleman is correct.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this committee has worked a long time on this bill. Now we are having something thrown at us that nobody understands. In the debate that has just gone on, one Member says "If I understand it this way," and another Member says "If I understand it his way." And we are writing legislation on the floor here that has been gone over carefully by the committee.

Now, bear in mind that there are upwards of 60,000 retirees that this bill is going to benefit, and they are waiting for this bill to pass. I say we ought to get through with this nonsense of trying to re-write a complicated bill here on the floor. If you do not like the bill the way it is send it back to the committee, but I would hope that you pass this bill without any further amendments, and get this over with.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, if I may have the attention of the gentleman from New York, it seems to me the critical phrase in this amendment is the phrase—if this is the language of the amendment that the gentleman submitted—that says "which employees are subject to such agreement."

That certainly would give the union the right to designate which employees are subject to the agreement, would it not?

Mr. OTTINGER. No; if the gentleman will yield——

Mr. BROWN of Ohio. In other words, if the railroad management wanted employee A to be retained beyond the compulsory retirement date, then, under the language of your proposal, it would have to sit down with the union and the union would determine which employees are subject to the agreement, would they

not? And maybe they would decide that employee B would be the one who ought to be designated to avoid the compulsory retirement requirement.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, in my opinion, and in the opinion of many others, the most obnoxious part of this legislation and the alleged agreement that was made was the provision similar to a yellow-dog agreement, that permitting employers to deal directly with individual employees in extending them beyond age 65. This could be used as a club over the head of any employee approaching age 65.

My amendment would eliminate entirely this obnoxious provision, and provide that the employer is going to have to deal with the union. That is the way all collective bargaining agreements are arrived at in the first place, not by the employer making a separate agreement with each employee, but by his dealing with the union that is duly designated by the employees. It would provide a reasonable and fair approach to what would otherwise be a perfectly horrendous piece of legislation for the Congress to pass.

Mr. BROWN of Ohio. I appreciate the gentleman's commentary, but the gentleman still has not spoken to the concern that I have, and that is that under the language of this legislation as suggested by the gentleman from New York, if the railroad wanted employee A to stay on beyond the compulsory retirement age limit, it would then have to deal with the union, and the union would be free, as I understand the language of his amendment, to say that you cannot have employee A stay on, but it is employee B whom we will exempt from this provision. Therefore the interest of employee A becomes totally frustrated by the language of this legislation.

Mr. OTTINGER. That would be subject to negotiation between the employer and the union. The union could not dictate that any more than the employer could. What you are saying in the provision provided in the bill is that the employer could dictate which employees it keeps on and it could keep on only employees who have not been in favor of the union and those in favor of the union would retire at age 65.

Mr. BROWN of Ohio. Would the gentleman be kind enough just to answer my question directly? This does provide that the union can say, "No, employee A cannot stay on; we will allow employee B to stay on."

Mr. OTTINGER. If the union could get the employer to agree with that, that would be the provision.

Mr. BROWN of Ohio. Without regard to the interest of the employee?

Mr. OTTINGER. No, not unless you assume that the unions do not represent the interest of the employees.

Mr. MOSS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York.

Mr. Chairman, I think here again we are faced with a rather clear-cut question. There seems to be objection because the amendment would have a sharing of responsibility between the properly selected bargaining agent of the employee and the employer.

Now, that, to me, seems to be fairly reasonable and orthodox method of handling labor programs. It avoids these nice, cozy unilateral agreements where the veto power rests solely with the employer.

Now, if the disposition here to say to railroad management, "Gentlemen you are all wise and, therefore, you should be all powerful." Then, of course, the amendment should be voted down. But if the disposition is to have it fair and even and not let any employee sell down the river some of his associates, then the amendment of the gentleman from New York to the amendment of the gentleman from Texas should be adopted.

Mr. STAGGERS. Mr. Chairman, I move to strike out the last word just to make a very brief statement.

Mr. Chairman, if the gentleman's amendment is defeated, then we vote upon the amendment as offered by the gentleman from Texas (Mr. ECKHARDT). This is true; is it not, Mr. Chairman? And the amendment as offered by the gentleman from Texas strikes all of section 2 and it would strike out all of these provisions if it so carries.

So, Mr. Chairman, I am going to vote for the amendment offered by the gentleman from New York. We will have some provision in, and this does hit at the very fact of what has been called yellow dog contracts. It is a matter of contention, and there will be bargaining if any of these men stay on.

So I am going to support this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER) to the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

The question was taken; and on a division (demanded by Mr. MCCLORY), there were—ayes 47, noes 81.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

Mr. ADAMS. Mr. Chairman, I move to strike the requisite number of words. I shall be brief, and I shall not take the 5 minutes allotted to me.

It had been indicated here there might be some amelioration of these provisions which give exclusive power to the employer to determine whether or not an employee will continue to work. What was offered by the gentleman from New York was just about as soft as you could get to in saying that both parties will sit down to negotiate or agree on whether an employee will continue. That is collective bargaining. If the Eckhardt amendment is not adopted, then I think the debate has made it very clear, and I think the gentleman from Illinois should accept the fact that it is very clear, that the employer will determine himself whether or not an employee continues to work. This avoids the collective-bargaining process. It will place them in a position where collective-bargaining agreements can be overcome, and I would say to the gentleman, if this is not adopted we should change section 3. We certainly should change that provision to say that if there is going to be a collective-bargaining agreement that is less than or greater than the age that is provided in here, then that should be adopted as the standard because if you do not do these things, we have completely said that the unions and management will not bargain on this kind of retirement.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Texas.

Mr. PICKLE. The amendment offered by the gentleman from New York is well intended, and many of us who did not vote for it would agree in principle with the objective the gentleman is trying to reach. But I think this body is hesitant in approving an amendment that is rather loosely drawn at this late hour. None of this was discussed in committee. None of these reports were raised when the bill came up. It seems to me under the circumstances we have acted correctly.

I will say to the gentleman that as this bill moves along—and it should be moved along in the interest of the 57,000 retirees—perhaps we can find some language that we can live with, or we can bring the parties together in a way that would ameliorate it. But under the circumstances the amendment is rather loosely drawn, and I think the House is correct in not adopting it at this time. We can look either to the other body or to an attempt at a later time to provide final language that we can agree on.

Mr. ADAMS. I will say to the gentleman that one of the problems with this bill is that during the hearings we had the chairman's original bill before us and not this bill. We did not come up with this bill until the final executive sessions. That made it extremely difficult to go over all these provisions. I hope the gentleman will support changes when this comes back from the other body if something is added to correct these provisions in here which provide for avoiding union responsibility as well as putting in compulsory retirement. We have tried to correct this bill. I shall say no more on the subject because this body has spoken, but I think it should be clear to the House what they have done today.

Mr. CUNNINGHAM. Mr. Chairman, I move to strike the requisite number of words.

We spent a couple of hours here on arguments involving amendments that very few people understand, if anyone does. It has been confusing. This bill came out of the committee. There was a handful who opposed it in some respects. They are carrying the fight here to try to change what the majority of the committee brought out. I want to say to the Members here today that there is urgency on a very important bill that affects all railroad employees, the hours-of-service amendments, which is scheduled for today, and if we do not get on with this bill, I do not know when the hours-of-service amendments legislation will be

programed. That is something that everyone is interested in—organized labor, the railroad unions in particular, who are my supporters and whom I support and that is the bill we ought to be getting on with today, and we should be getting on to it in very short order. If we wrangled longer on amendments to the railroad retirement bill we will probably not get the hours-of-service legislation this week and that would be tragic.

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words.

I intend to vote for the amendment of the gentleman from Texas. It is somewhat difficult, however, since there are good arguments on both sides. The bill, as agreed to in negotiations, permits employers to negotiate with individual employees to keep them on the job after the date for retirement set out in the law, and can bypass the unions in this way. This is why I voted for the Ottinger amendment to this amendment.

It is clear that this paragraph is not a yellow-dog provision as has been claimed, but I have to admit it could hurt some employees and some unions. On the other hand, it will force some unions to retire people they want to keep on, and will force management to retire people they want to keep on, from railroad presidents on down, without any escape clause at all.

Under the circumstances, I will vote for this amendment. Even though it is part of the agreement, I think we ought to delete it, and that way perhaps the parties will renegotiate it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

The question was taken; and on a division (demanded by Mr. ECKHARDT) there were—ayes 50, noes 78.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EDMONDSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 13300) to amend the Railroad Retirement Act of 1937 and the Railroad Retirement Tax Act to provide for the extension of supplemental annuities and the mandatory retirement of employees, and for other purposes, pursuant to House Resolution 535, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. TEAGUE of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TEAGUE of California. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TEAGUE of California moves to recommit the bill H.R. 13300 to the Committee on Interstate and Foreign Commerce.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SPRINGER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 372, nays 17, not voting 41, as follows:

[Roll No. 193]

YEAS—372

Abbitt	Cleveland	Gubser
Abernethy	Cohelan	Gude
Adair	Collier	Hagan
Adams	Collins	Haley
Albert	Conable	Hall
Alexander	Conte	Halpern
Anderson, Calif.	Corman	Hamilton
Anderson, Ill.	Coughlin	Hammer-schmidt
Anderson, Tenn.	Cramer	Hanley
Andrews, Ala.	Culver	Hansen, Idaho
Andrews, N. Dak.	Cunningham	Harsha
Annunzio	Daniel, Va.	Harvey
Arends	Davis, Ga.	Hathaway
Ashbrook	Davis, Wis.	Hays
Ashley	de la Garza	Hébert
Aspinall	Delaney	Hechler, W. Va.
Ayres	Dellenback	Heckler, Mass.
Baring	Denney	Helstoski
Barrett	Dennis	Henderson
Beall, Md.	Dent	Hogan
Belcher	Derwinski	Horton
Berry	Devine	Hosmer
Betts	Dickinson	Howard
Bevill	Dingell	Hull
Biaggi	Donohue	Hungate
Biester	Dowdy	Hunt
Bingham	Downing	Hutchinson
Blackburn	Dulski	Ichord
Blanton	Duncan	Jacobs
Boggs	Dwyer	Jarman
Boland	Edmondson	Johnson, Calif.
Bow	Edwards, Ala.	Johnson, Pa.
Brademas	Edwards, La.	Jonas
Brasco	Eilberg	Jones, Ala.
Bray	Erlenborn	Jones, N.C.
Brinkley	Esch	Jones, Tenn.
Brock	Eshleman	Kastenmeier
Brooks	Evans, Colo.	Kazen
Broomfield	Evins, Tenn.	Kee
Brotzman	Fallon	Keith
Brown, Mich.	Farbstein	King
Brown, Ohio	Feighan	Kleppe
Broyhill, N.C.	Fish	Kluczynski
Broyhill, Va.	Fisher	Koch
Buchanan	Flood	Kuykendall
Burke, Fla.	Flowers	Kyl
Burke, Mass.	Flynt	Kyros
Burleson, Tex.	Foley	Landgrebe
Burlison, Mo.	Ford, William D.	Landrum
Burton, Calif.	Foreman	Latta
Burton, Utah	Fountain	Lennon
Bush	Fraser	Lloyd
Button	Frey	Long, La.
Byrne, Pa.	Friedel	Long, Md.
Byrnes, Wis.	Fulton, Tenn.	Lowenstein
Cabell	Fuqua	Lujan
Caffery	Galifianakis	Lukens
Camp	Gallagher	McCarthy
Carey	Garmatz	McClory
Carter	Giaimo	McCloskey
Casey	Gilbert	McClure
Cederberg	Goldwater	McCulloch
Celler	Gonzalez	McDade
Chamberlain	Goodling	McDonald, Mich.
Chappell	Gray	McEwen
Clancy	Green, Oreg.	McFall
Clark	Green, Pa.	McKneally
Clausen, Don H.	Griffin	Macdonald, Mass.
	Griffiths	Madden
	Gross	Mahon
	Grover	Mailliard
	Marsh	Martin
	Mathias	Matsunaga
	May	Mayne
	Meeds	Melcher
	Meskill	Michel
	Mikva	Miller, Calif.
	Miller, Ohio	Minish
	Mink	Mize
	Mizell	Mollohan
	Monagan	Montgomery
	Moorhead	Morgan
	Morse	Morton
	Mosher	Murphy, Ill.
	Murphy, N.Y.	Myers
	Natcher	Nedzi
	Nelsen	Nichols
	Nix	Obey
	O'Hara	Olsen
	O'Neal, Ga.	O'Neill, Mass.
	Passman	Patman
	Patten	Pelly
	Pepper	Perkins
	Pettis	Philbin
	Pickle	Pike
	Pirnie	Poage
	Podell	Poff
	Pollock	Preyer, N.C.
	Price, Ill.	Price, Tex.
	Pryor, Ark.	Pucinski
	Purcell	Quie
	Quillen	Railsback
	Randall	Rarick
	Reid, Ill.	Reifel
	Reuss	Rhodes
	Riegle	Rivers
	Roberts	Robison
	Rodino	Rogers, Colo.
	Rogers, Fla.	Rooney, N.Y.
	Rooney, Pa.	Rostenkowski
	Roth	Roudebush
	Roybal	Ruppe
	Ruth	Ryan
	St Germain	St. Onge
	Sandman	Satterfield
	Saylor	Schadeberg
	Scherle	Scheuer
	Schneebeli	Schwengel
	Scott	Sebelius
	Shipley	Shriver
	Sikes	Sisk
	Skubitz	Slack
	Smith, Calif.	Smith, Iowa
	Smith, N.Y.	Snyder
	Springer	Stafford
	Staggers	Stanton
	Steed	Steiger, Ariz.
	Steiger, Wis.	Stephens
	Stratton	Stubblefield
	Stuckey	Sullivan
	Symington	Taft
	Talcott	Taylor
	Thompson, Ga.	Thompson, N.J.
	Thomson, Wis.	Tiernan
	Tunney	Udall
	Ullman	Utt
	Van Deerlin	Vander Jagt
	Vanik	Vigorito
	Waggonner	Waldie
	Wampler	Watkins
	Watson	Watts
	Weicker	Whalen
	White	Whitehurst
	Whitten	Widnall
	Wiggins	Williams
	Wilson, Bob	Wilson, Charles H.
	Winn	Wold
	Wolff	Wyatt
	Wydler	Wylie
	Wyman	Yates
	Yatron	Zablocki
	Zion	Zwach

NAYS—17

Bennett	Diggs	Ottinger
Blatnik	Eckhardt	Powell
Chisholm	Hicks	Rees
Clay	Karth	Reid, N.Y.
Conyers	Leggett	Stokes
Corbett	Moss	

NOT VOTING—41

Addabbo	Findley	Lipscomb
Bell, Calif.	Ford, Gerald R.	McMillan
Bolling	Frelinghuysen	MacGregor
Brown, Calif.	Fulton, Pa.	Mann
Cahill	Gaydos	Mills
Clawson, Del	Gettys	Minshall
Colmer	Gibbons	O'Konski
Cowger	Hanna	Rosenthal
Daddario	Hansen, Wash.	Teague, Calif.
Daniels, N.J.	Hastings	Teague, Tex.
Dawson	Hawkins	Whalley
Dorn	Holifield	Wright
Edwards, Calif.	Kirwan	Young
Fascell	Langen	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Del Clawson.

Mr. Daniels of New Jersey with Mr. Cahill.

Mr. Daddario with Mr. Fulton of Pennsylvania.

Mr. Mills with Mr. Gerald R. Ford.

Mr. Fascell with Mr. Frelinghuysen.

Mr. Gaydos with Mr. Findley.

Mr. Rosenthal with Mr. Bell of California.

Mr. Holifield with Mr. Teague of California.

Mr. Teague of Texas with Mr. Lipscomb.

Mr. Kirwan with Mr. Minshall.

Mr. Young with Mr. MacGregor.

Mr. Gettys with Mr. Cowger.

Mr. Wright with Mr. Langen.

Mr. McMillan with Mr. Whalley.

Mr. Hawkins with Mrs. Hansen of Washington.

Mr. Gibbons with Mr. O'Konski.

Mr. Dorn with Mr. Hastings.
Mr. Colmer with Mr. Mann.
Mr. Brown of California with Mr. Dawson.
Mr. Edwards of California with Mr. Hanna.

Mr. HECHLER of West Virginia changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

THE NIXON ADMINISTRATION AND THE BANKERS GET TOGETHER IN SUNNY HAWAII

(Mr. PATMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PATMAN. Mr. Speaker, in the event that you have trouble reaching anyone in the Nixon administration this week, I suggest you place your call to one of the resort hotels in Honolulu, Hawaii, where the American Bankers Association is holding another of its parties.

Mr. Speaker, I have determined that at least 25 officials of this Government are in Hawaii as part of the 95th annual convention of the American Bankers Association. Some 12,000 of the Nation's bankers are there to discuss the wonders of one of their greatest profit years in history.

The convention is old home week for a lot of the Nixon administration officials. Leading the list is Mr. Charls E. Walker, who is listed as the Under Secretary of the Treasury. Mr. Walker, of course, has attended the previous conventions of the American Bankers Association in his capacity as its chief executive officer and as chief lobbyist for the big banks. This year he trotted off to the convention wearing the hat of a public official. The more things change, the more they remain the same.

The advance registration list also includes Mr. Robert P. Mayo and wife. Mr. Mayo is Director of the Bureau of the Budget and a former vice president of the Continental-Illinois National Bank of Chicago, one of the main participants in the Hawaii get-together.

I include herewith a list of public officials attending the functions in Honolulu. The names are drawn from a published list of advance registrations. This list was of registrations mailed by August 1 and undoubtedly there are other public officials who have registered since that time:

Robert Bloom and wife, Chief Counsel, Comptroller of the Currency, Washington; Hawaiian King.

Philip J. Budd and Wife, Chief Data Management Director, U.S. Veterans Administration, Washington; Reef Tower.

William B. Camp and wife, Comptroller of the Currency, Treasury Department, Washington; Royal Hawaiian.

Richard Chotard, Assistant to Undersecretary of the Treasury, United States Treasury Department, Washington; Hawaiian Village.

Dorothy A. Elston, Treasurer of the United States, Department of the Treasury, Washington; Ilikai.

Roy T. Englert, Deputy General Counsel, U.S. Treasury Department, Washington; Reef Tower.

Leslie H. Fisher and wife, General Counsel, Federal Deposit Insurance Corporation, Washington; Kaimana Beach.

Harry M. Gilbert and wife, Executive Vice President, Federal National Mortgage Association, Washington; Kaimana Beach.

Arthur C. Hemstreet, Vice President and Treasurer, Federal National Mortgage Association, Washington; Kaimana Beach.

Alice Herstine, The United States Mint, Washington; Royal Hawaiian.

Paul M. Horvitz and wife, Director of Research, Federal Deposit Insurance Corporation, Washington; Outrigger.

Raymond H. Lapin and wife, President, Federal National Mortgage Association. Washington; Kahala Hilton.

Harold B. Master and wife. Banking and Volunteer Activities, U.S. Savings Bonds Division. Treasury Department, Washington; Kaimana Beach.

Robert C. Maxwell and wife. Special Assistant to the Administrator. Small Business Administration, Washington.

Robert P. Mayo and wife. Director. Bureau of the Budget, Washington; Reef Tower.

K. A. Randall and wife, Chairman of the Board, Federal Deposit Insurance Corporation, Washington; Kahala Hilton.

Howard W. Rogerson and wife, Deputy Associate. Administrator for Financial Assistance, Small Business Administration, Washington; Waikiki Ambassador.

Elmer Rustad and wife, National Director of U.S. Savings Bonds Division, U.S. Treasury Department, Washington.

Hilary J. Sandoval Jr., and wife, Administrator, Small Business Administration, Washington; Waikiki Ambassador.

William W. Sherrill and wife, Member, Board of Governors, Federal Reserve System, Washington; Ilikai.

Irvine Sprague and wife, Director, Federal Deposit Insurance Corporation, Washington; Halekulani.

Merlyn N. Trued and wife, Financial Manager, Inter-American Development Bank, Washington; Moana.

Charls E. Walker and wife, Under Secretary of the Treasury, U.S. Treasury Department, Washington; Hawaiian Village.

J. T. Watson, Deputy Comptroller of the Currency, U.S. Treasury Department, Washington; Ilikai.

Arnold Weiss and wife, Assistant General Counsel, Inter-American Development Bank, Washington; Hawaiian Village.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman does not have to leave Washington to talk to well-heeled bankers. The international bankers are here in droves and are about to paper this town with paper gold, as I understand it. The gentleman has been very enthusiastic in providing money for these international and central bankers that are here now. He can contact bankers by the dozens, well heeled, right here in Washington today.

Mr. PATMAN. I know that the big bankers lobby is the one we should fear and we should watch carefully.

The bankers generally, of course, are not in accord with everything that the big bankers' lobby does. However, Mr. Speaker, I will insert in the RECORD the names of the ones I had reference to.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman from Texas, the distinguished chairman of the Committee on Banking and Currency, yield?

Mr. PATMAN. I will yield to the gentleman.

Mr. GERALD R. FORD. If my recollection is accurate. I think this week the Secretary of Labor is attending and addressing the AFL–CIO convention. Also the record is clear in the past that the Secretary of Agriculture in this administration and in other administrations has addressed the various farm organizations.

Mr. PATMAN. That is very right.

Mr. GERALD R. FORD. Will the gentleman from Texas say that an administration, Democratic or Republican, should not send responsible officials to talk to labor and banking and farm organizations? The Democratic organization did it. Why cannot we?

Mr. PATMAN. But is it not unusual that so many of the administration's top people go to one convention at one time, especially a convention put on by lobby which I think is the most dangerous lobby, the big bankers lobby, to our democratic form of government.

PRESIDENT NIXON SUPPORTS DIRECT ELECTION OF PRESIDENT

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, I share the views expressed by the ranking minority member on the Committee on the Judiciary, the gentleman from Ohio (Mr. MCCULLOCH), in commending President Nixon for endorsing the direct or popular method of selecting the President of the United States.

I hope and trust that this action by the President will have a beneficial impact in getting the Senate to respond, and do as the House did.

Approximately 10 days ago we had the overwhelming vote in the House of Representatives for the direct or popular method of selecting the President of the United States. If my recollection is correct, over 80 percent of all Members supported the committee's recommendation and further, if my memory is accurate, 80 percent of the Members on the Democratic side supported it, and 85 percent of the Members on our side of the aisle supported the direct method of choosing a President.

Again, Mr. Speaker, I say that I hope the Senate will respond, and I trust that the necessary three-fourths of the States will do likewise.

Mr. MCCULLOCH. Mr. Speaker, will the gentleman from Michigan yield?

Mr. GERALD R. FORD. I yield to the gentleman from Ohio.

Mr. MCCULLOCH. Mr. Speaker, I am pleased that the elected House leadership of both parties led the battle in this important issue of selecting our President that occurred only a week or 10 days ago.

Mr. GERALD R. FORD. I thank the gentleman. I include at this point the text of this morning's statement by President Nixon on the House-passed electoral reform amendment:

STATEMENT BY THE PRESIDENT

In February of this year I committed this Administration to support any reform of the electoral system that removed its most negative features. I said I would support any amendment approved by Congress that would make three specific reforms in the current system—one, eliminate the problem of the "faithless elector," two, make a 40% margin adequate for victory, and three, reform the system so that the electoral outcome more closely reflects the popular outcome.

It was my judgment then that the approach most likely to prevail in the country would be the proportional distribution method. I thought it had the best chance of being approved by the Congress and by three-fourths of the States.

Now there is an entirely new factor to be considered if we are to have electoral reform with all necessary speed. The House of Representatives has overwhelmingly supported the direct election approach. It is clear that unless the Senate follows the lead of the House, all opportunity for reform will be lost this year and possibly for years to come.

Accordingly, because the ultimate goal of electoral reform must prevail over difference as to how best to achieve that goal, I endorse the direct election approach and urge the Senate also to adopt it. While many Senators may prefer a different method, I believe that contrary views are now a luxury—that the need for electoral reform is urgent and should be our controlling consideration. I hope, therefore, that two-thirds of the Senate will approve the House-passed amendment as promptly as possible so that all of us together can then urge the States also to give their approval.

FAIR TREATMENT FOR DAIRY MANUFACTURERS

(Mr. OBEY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. OBEY. Mr. Speaker, along with eight other members of the Wisconsin congressional delegation, and two from Minnesota and Montana, I am today introducing a bill in the House of Representatives which would extend to dairy manufacturers the indemnity program now available to dairy farmers who are ordered to remove their milk from the market because it contains pesticide residues.

This bill, which has strong endorsement of the Wisconsin Cheesemakers Association, would make possible such payments to manufacturers of dairy products whose cheese or butter may also be removed from the market because of pesticide residues.

The milk indemnity payment program was first established in 1964. It authorized the Secretary of Agriculture to make such payments at fair market value to farmers who were directed to remove their milk from commercial markets because they contained residues of DDT or other chemicals. To be eligible for the indemnity payments, the chemicals must have been approved for use by the USDA and have been used properly. If the source of the contamination is found to be from outside the farm, the producer must show that he was not aware or responsible for the contamination.

Since this program began in 1964, payments have been made to about 400 dairy producers in 31 States.

Mr. Speaker, the problem of pesticide residues which can bring financial disaster for the dairyman can do the same for the manufacturer. Even though Wisconsin has one of the most comprehensive monitoring programs for pesticide residues in the Nation, we still are unable to analyze all of the milk produced in the State often enough to make certain that the pesticide residue does not carry over into the cheese and other dairy products.

If the worst happens, and contaminated milk were used in the making of cheese or butter, these products could be removed from the market and the manufacturer would suffer a tremendous economic loss.

According to one creamery in my district, they are faced with this dilemma:

We have about 150 plants that we buy cream from. For our own protection, if we were to take a sample each week from each plant it would cost us $7,500.00. If we don't take a sample each week and have one million pounds of butter seized, it would cost us $750,000.00.

In either of the above cases, we cannot afford it.

I firmly believe that if the farmer sells his milk to a creamery or cheese plant on the assumption that it is free of pesticide residues, and if the manufacturer accepts it on the same assumption, that dairy manufacturer should not be responsible for contamination that may be found in his product because it is there through no fault of his own.

According to the Wisconsin Department of Agriculture, in the past year there have been two instances in the State where large inventories of Parmesan cheese had to be taken off the market because of high levels of pesticide residues. In one case, the producer's milk was found to contain hexachlorobenzene, a fungicide used primarily for treating seed grain. In the other the pesticide Dieldrin was added by mistake to some mixed feed, causing milk to have a high level of pesticide residue which carried over into cheese manufactured from it.

Fortunately, Mr. Speaker, a number of States have taken action to reduce residues in milk. In Texas, where payments to farmers have been high, DDT is no longer recommended for controlling certain cotton pests. In Arizona DDT has been removed from that State's list of recommended insecticides for agricultural insect control and similar action has been taken by New Mexico. In other States, including Wisconsin, legislation is pending to prohibit entirely the use of DDT.

The detrimental effects to our environment caused by pesticide pollution are becoming more apparent every day, and I have indicated many times that this pollution is of tremendous concern to me. But there is no doubt that pest control is important to every farmer. The goal of both the farmer and the conservationist must be the use of the safest pesticides in the safest manner possible for man and animals.

The indemnity program which my colleagues and I are proposing to extend today is based on a responsible use of pesticides which have been approved by the Government. It has saved numerous dairy farmers from bankruptcy in the past few years, and can be just as useful a safety valve for the thousands of manufacturers throughout this country.

The text of the Indemnity Payments Program Act—Public Law 90–484—and the proposed amendment follows, together with a list of its cosponsors:

[82 Stat. 750, 90th Congress, S. 3638
Aug. 13, 1968]

PUBLIC LAW 90–484

An act to provide indemnity payments to dairy farmers

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to make indemnity payments, at a fair market value, to dairy farmers who have been directed since January 1, 1964, to remove their milk from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government at the time of such use. Such indemnity payments shall continue to each dairy farmer until he has been reinstated and is again allowed to dispose of his milk on commercial markets.

SEC. 2. There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

SEC. 3. The authority granted under this Act shall expire on June 30, 1970.

Mr. OBEY (for himself), Mr. KASTENMEIER, Mr. THOMSON, Mr. ZABLOCKI, Mr. REUSS, Mr. STEIGER of Wisconsin, Mr. BYRNES, Mr. O'KONSKI, Mr. ZWACH, Mr. MELCHER, and Mr. SCHADEBERG, introduced the following bill; which was appropriately referred.

"H.R. 14092

"A bill to amend Public Law 90–484
(82 Stat. 750)

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 1 of Public Law 90–484 (82 Stat. 750) is amended by inserting 'and manufacturers of dairy products' after 'dairy farmers', and by inserting 'or dairy products' after 'their milk', and the second sentence is revised to read: 'Any indemnity payment to any farmer shall continue until he has been reinstated and is again allowed to dispose of his milk on commercial markets.' "

MANAGEMENT AND LABOR IN RAILROAD INDUSTRY

(Mr. PICKLE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PICKLE. Mr. Speaker, today the House is scheduled to consider two bills which affect the position of management and labor in the railroad industry. The subjects of both of these bills have been acted upon by previous Congresses, thus setting some sort of precedent for our consideration today. Although it could be argued that Congress should not be involved in settling this type of dispute by legislation, it is a fact that the bills are before us and that the request for this congressional intervention was initiated by labor, and at least in principle,

the bills have been agreed to by the management.

But in another area, I believe that Congress should be more aware of the need for avoiding direct intervention of a type so often utilized. I am speaking of the problem presented by national transportation strikes, and the usual result we see in having Congress formulate an ad hoc solution, usually involving some form of arbitration.

It is my feeling that we should get involved in this area once and for all. We should enact permanent changes to the Railroad Labor Act which will allow the President to exercise the broadest possible range of alternatives, so that he may deal with minor problems with the proper remedies, and also deal with the most critical problems with equally strong remedies.

At this time, we do not have this, and yet we are again seeing indications that the need for such tools is at hand.

Again we are beginning to see on the horizon the makings of a national railroad strike, and again we find ourselves in this position without having any effective and final methods for dealing with such critical matters.

Last week, the National Mediation Board, pursuant to section 10 of the Railroad Labor Act, reported to the President that a dispute exists which threatens to deprive a section of the country of essential transportation services.

Four unions are involved in the threatened strike, now set for October 4, and the dispute is with the National Railroad Labor Conference, representing the major 76 class I railroads.

Despite the fact that the dispute has been certified to the President, there has been no indication that he will proceed to appoint an Emergency Board to mediate the dispute further, and I cannot help but feel that one of his reasons for this reluctance is the fact that under present law, appointment of this Board would be the last step a President could take in trying to effectuate a settlement.

I think if he had more choices, he might be inclined to try to work out a settlement without flirting with the disaster of a national strike. The current dispute is planned as involving only selective strikes against six railroads, but there is strong indication that if this happens, the other lines involved will move to implement their proposed changes, with the result that a national emergency clearly will be present.

I am aware of the current controversy between spokesmen for labor and management indicating that management wants to incite a national strike so that congressional intervention is promoted. I am also aware of the arguments that the unions have planned their selective strikes for the precise purposes of avoiding an emergency with the likely result of Congress becoming involved.

Perhaps this kind of give and take in jockeying to get to Congress is becoming a way of life in the area of collective bargaining, but I do not think it should be.

From time to time, there has been legislation introduced to modify or amend the Railroad Labor Act and give the President a choice of procedures, with the power at various steps to make a definite decision about how to proceed.

I have introduced such a bill during the prior Congress and again this year. The current bill, H.R. 8446, as well as the earlier one, has remained idle now for over 2 years. With so many of these transportation disputes coming our way, it would seem that we would at least consider one of these bills.

The American Bar Association, in a draft report made public several months ago, recognized the seriousness of the problem, and recommended changes in the law to deal with all types of transportation problems, including those in maritime and trucking, now subject to Taft-Hartley jurisdiction.

I was quite pleased to note that the procedures they recommended for amending the Railroad Labor Act were quite close to the ones I recommended. They, too, involved a choice of procedures, giving the President the alternative of selecting the ultimate remedy of seizure or of arbitration.

While there are several differences in the approach ABA recommended, and in my bill, I would say that I am not locked in cement on any of the details of these proposals, but I do feel we need to consider all of them.

A NATIONAL EDUCATIONAL POLICY

(Mr. FRIEDEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FRIEDEL. Mr. Speaker, I take great pride in submitting at this time a statement adopted by delegates to the recent convention of the Communications Workers of America, AFL–CIO, a union that has a well-earned reputation as "the community-minded union." This statement on the need for a national education policy represents the thinking of men and women of CWA throughout the country. CWA President Joseph A. Beirne has long been prominent as a strong advocate and tireless worker for the establishment of such a national policy. His devotion to this cause and that of his colleagues in CWA—shines through in their statement.

I, too, believe that because of the uncertainties of the future, America now desperately needs a rational education policy—a high quality education and easy accessibility to that education.

Therefore, I have today introduced an identical bill to H.R. 9866, sponsored by Representative PERKINS and cosponsored by 16 other Members, calling for an educational policy that would meet the demanding needs of today and face up to the challenges of the future.

This bill, H.R. 9866, sets forth the following national educational policy: First, that the Congress reaffirms as a matter of highest priority the Nation's goal of educational opportunity for all of its citizens; and, second, that the Congress hereby declares it to be the policy of the United States of America that every citizen is entitled to an education from appropriate preschool levels through graduate school without financial barriers and limited only by the desire to learn and ability to absorb such education. Our Nation's economic, political, and social security demands no less.

It provides that the Secretary of Health, Education, and Welfare submit to the Congress a plan, together with such alternative plans as he may deem appropriate, for providing broadened educational opportunity for all of its citizens from appropriate levels of preschool education through appropriate levels of graduate school education.

And it requires the President to establish a 15-member National Education Policy Commission of which the Secretary shall be Chairman and gives such Commission the duty to conduct a study of alternative plans for providing financial assistance to accomplish the educational goals and policy as set forth in this act.

Needless to say, I am hopeful that the Congress will give favorable consideration to this legislation in the near future. I am inserting the CWA's statement on "National Education Policy" for the benefit of my colleagues.

RESOLUTION 31A–69–10: NATIONAL EDUCATION POLICY

It is just as unbelievable as it is deplorable that Congress has not seen fit to establish a national education policy that clearly enunciates America's objectives and goals in the vital area of education, despite its laudable performance in enacting forward looking bills in this field.

During the past decade, some 50 new laws were passed, which opened a new era in the field of education. The investment of Federal funds during this period tripled to almost $13 billion annually. The fear of Federal "interference" and "control" that once stymied many a good education bill seemed to have vanished with the recognized necessity of catching up with the educational needs and demands of our 20th Century space age, technological society. The Russian feat of putting the first satellite into space some few years ago seemed to have shocked the nation and prodded Congress into action. Education began to assume added value and weight in terms of national security, and was given high priority as one of our first lines of defense, almost paralleling the building and storing of an arsenal of war weapons. But still no clearly defined policy was enacted establishing the concept of accessibility of every American citizen to a quality education.

The thrust of Congressional action has been aimed at authorizing more money at all levels of educational pursuit. In the elementary and secondary field, the new legislation has done much towards reaching the underprivileged in the poverty areas of the country. Emphasis has been placed on providing more scholarships, grants and student loan programs to assist the needy students to obtain a college education.

Vocation educational opportunities have been expanded and broadened to further help those whose talents and desires lie in this area. Also, new vistas have been opened in the field of adult education to encourage and assist those who have heretofore been deprived of academic opportunities.

But mere passage of good educational bills with authorized funds sufficient to implement them isn't quite enough. The funds have to be appropriated before the needs can be met. And it is in this area that Congress has been shortsighted and penny-pinching.

As the costs of defense continued to mount, education was one of the programs axed by the Appropriations Committee. In some instances, the cut in appropriations for 1968

was as much as 46%; in 1969—47%. For fiscal 1970, more than $117 million was slashed from the higher educational budget, while elementary and secondary was reduced by over $233 million.

The nation can ill afford to do less than appropriate 100% of the authorized funds for its educational programs.

More than 50 years ago, Alfred North Whitehead uttered these prophetic words: "In the conditions of modern life the rule is absolute; the race which does not value trained intelligence is doomed. Not all your heroism, not all your social graces, not all your wit, nor all your victories on land and sea, can move back the finger of fate. Today, we maintain ourselves. Tomorrow science will have moved forward yet one more step, and there will be no appeal from the judgment which will be pronounced on the uneducated."

Today, his words hold a specific significance for us. Great advances are being made in science, and the uneducated are found incapable of holding many of the jobs created by the new technology.

Tomorrow's prospects are even more appalling; the knowledge explosion has increased man's store of information a hundredfold in this decade alone. And estimates indicate that by the end of the century there will be at least 2,000 times as many facts to know as there are at present. The implications of all this are staggering. The average man will change his job, or have to learn a new skill, at least three times during his working life.

Throughout the history of these United States, education has opened the door to greater opportunity for individuals and laid the foundation for the country's preeminence in international affairs. Because of her reliance on education, America has been able to respond to the challenges of growth and technology. But we have never faced a period of such unparalleled growth or one so fraught with the dangers of a knowledge explosion surpassing man's control. Our educational system today must be geared to meet the challenge of a vast underprivileged population, preparing them for work in tomorrow's technology. It must be flexible enough to provide education through the graduate level for all who are desirous and capable without financial barriers.

Because these needs are so critical, it is essential for us to conduct an objective and intensive study of our system of education in an effort to redesign and redirect it toward new goals.

The national interest demands that we provide high quality education at all levels of instruction and make it available to every citizen from nursery through graduate school without regard to financial barriers. The only limitation imposed would be the individual's lack of desire to pursue, or his inability to absorb such education.

We, therefore, welcome the reintroduction by Congressman Perkins, Chairman, House Education and Labor Committee, and cosponsored by 16 other committee members, of a bill (H.R. 9866) CWA sponsored in the last Congress calling for the establishment of a national educational policy geared to high quality education and easy accessibility to every American citizen.

In addition, the bill authorizes the President to appoint a National Education Commission charged with the responsibility of developing a plan to implement the policy and make the national goals and objectives attainable. Therefore, be it

Resolved: That the 31st Annual Convention of the Communications Workers of America calls on the 91st Congress to enact into public law (H.R. 9866), and be it finally

Resolved: That Congress deny the drastic cuts in educational programs proposed in the 1970 budget, and appropriate the full amounts authorized in the education bills.

RESTORING CONGRESSIONAL PREROGATIVES IN MATTERS OF WAR

(Mr. MESKILL asked and was given permission to address the House for one minute and to revise and extend his remarks.)

Mr. MESKILL. Mr. Speaker, today I am introducing a bill drawn to prohibit the use of draftees in undeclared wars without their consent.

For many years now, we have been hearing complaints from young men that the draft system is unfair. The criticism has come not only from the "hippies" and the "flower children," but from young people of all classes, from all backgrounds, and from all regions of the country. In my opinion, a look at many of their complaints indicates that they are legitimate in many cases.

President Nixon has asked Congress to eliminate many of the injustices of the present Selective Service System by proposing a comprehensive revision of the Selective Service Act of 1967 permitting him to modify callup procedures, and thereby enabling him to institute a lottery system of selection relying on the youngest-first order of call.

I have supported the President in this effort from the beginning.

But while revision of the system of selection of inductees is urgently needed to remove certain inequities, I do not believe that it will solve all discontent that our young people have over the draft.

Much of the dissension over the draft stems from a larger problem than complaints about unfairness in the system of selection. A good portion of the draft dissension is the out-product of the unique, and sometimes puzzling, high morality of many of our young people today. Instead of disputing this mark of character, we should praise it.

In the last 8 years, we have all seen many fine, conscientious, young Americans, men from all backgrounds and all parts of the country, sincerely and honestly question the morality and wisdom of America's commitment in South Vietnam. Now, while I believe that some of their criticism of our involvement there has weakened America's negotiating position at Paris and delayed our quest for peace, I am also forced to conclude that their motivations have been sincere. For many of these young men, the war in Vietnam has raised the larger question of a young man's responsibility to participate in an undeclared war.

Mr. Speaker, the U.S. Constitution provides that only Congress can make a declaration of war. And yet we find ourselves fighting a full-scale nonwar in Southeast Asia. Is it any wonder that some of our youths question the legitimacy of this operation? Is it any wonder that some refuse to fight in this conflict which Congress has never given its formal consent to?

I have agonized with this problem of how to prevent a President from usurping Congress' power to commit drafted American boys to wars similar to Vietnam without their consent. I have concluded that we should not expect a draftee, a man who is serving involuntarily, to serve without his consent in a struggle when Congress has not declared that a state of war exists.

The bill I have introduced today, however, should not be misconstrued. It would not hamstring the President from acting to defend the national security should hostilities break out suddenly somewhere in the world. Should such hostilities break out in an area where draftees are serving, they would be required to perform whatever combat duties their superiors ordered. However, no draftee could be assigned to combat area against his will after hostilities broke out.

I think this bill is consistent with the President's thoughts on the draft. The administration has discussed the possibility of relying on the use of volunteers to fight the war in Vietnam. The President has also indicated his preference for a volunteer army once a settlement is arrived at in Vietnam. Adoption of this legislation would offer a temporary solution to bridge the transition from a conscripted military establishment to a voluntary, professional military.

I certainly feel that this legislation will go a long way toward eliminating some of the grounds for complaints by conscientious objectors. No longer will a draftee be called to fight in an undeclared war against his will.

My bill is designed to restore congressional prerogatives in matters of war, but at the same time, it is carefully drafted so as to avoid hampering the Commander in Chief from taking action to protect the national security. In addition, this bill is intended to be a stimulus for the development of a volunteer Army endorsed by the President.

BILL TO INCREASE SOCIAL SECURITY BENEFITS

(Mr. BYRNES of Wisconsin asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H.R. 14081, which is identical with the social security bill recommended by the administration except that my bill provides a 10-percent benefit increase would be effective on January 1. I will include a section-by-section analysis of H.R. 14081 at the end of my remarks to aid in understanding the bill.

The administration's proposal will compensate social security beneficiaries for the inflation that has seriously eroded their benefits in recent years, and make provision for automatically adjusting these benefits in the future in response to increased living costs. The administration's proposal also liberalizes the retirement test—the amount which can be earned without losing benefits—and provides for automatic future liberalization in this amount commensurate with increases in earn-

ings levels. Additionally, the proposal contains a series of recommendations for structural improvements in the social security law which will improve equity and simplify administration.

The bill is a substantial step in the direction of providing needed improvements in the social security law. I am particularly pleased with the recommendations for automatically adjusting the level of benefits and the retirement test in the future. Simple justice to our social security beneficiaries requires that benefits be promptly increased to maintain their purchasing power in times of inflation. The President's proposal extends to social security beneficiaries the protection against inflation already enjoyed by our civil service and military retirees.

The President's proposal is deserving of favorable consideration by the Ways and Means Committee, in connection with the hearings on social security that will begin the latter part of October.

The section-by-section analysis follows:

SUMMARY OF THE SOCIAL SECURITY AMENDMENTS OF 1969

BENEFIT INCREASE

The bill provides for a 10-percent across-the-board increase in cash social security benefits, effective January 1, 1970, and payable in February 1970.

Under the proposal, an automatic increase in benefits is provided in the event of future increases in the cost of living. Whenever the Consumer Price Index prepared by the Department of Labor rises by at least 3 percent, benefits will be increased by that percent. These automatic increases would not be made more often than once a year.

Certain people age 72 and over would receive a 10-percent increase in the special amount that is paid them. These individuals are not now insured under the regular social security cash benefits program. The increase would be effective for January 1970.

The bill changes the present method of determining eligibility for benefits and benefit amounts based on a man's earnings record, making it similar to that now in use for women.

Average monthly earnings for a man—and it is on this average that the monthly benefits are based—are now determined over a period equal to the number of years up to age 65, while for women they are figured over a period equal to the number of years up to age 62. The result of this difference is generally that a man's retirement benefit amount is lower than that of a woman with exactly the same earnings record. Under the bill, this difference would be eliminated. As a result, the treatment of men and women workers under the benefit provisions would be the same, and the retirement benefits payable to men, the benefits payable to their wives, and the benefits payable to survivors of men who live beyond age 62 would be increased.

WIDOWS AND WIDOWERS

The bill provides benefits for a widow at age 65 equal to 100 percent of the amount her husband would have received at age 65, rather than 82½ percent as under present law. Benefits for widows aged 62–64 would be graded down according to the age of the widow at the time she first gets benefits; a widow coming on the rolls at age 62 would receive 82½ percent of the husband's benefit, as she does under present law. This provision would be effective with benefits for January 1971.

CONTRIBUTION AND BENEFIT BASE

The bill provides for an increase in the contribution and benefit base (that is, the amount of annual earnings that may be counted for social security purposes) from the present $7,800 per year to $9,000 per year. This provision becomes effective on January 1, 1972.

The bill provides also for automatic adjustment of the contribution and benefit base to future increases in wage levels, beginning with 1974. The adjustments of the base could not be made more frequently than every second year.

RETIREMENT TEST

Under this legislation, there would be four significant changes in the social security retirement test, liberalizing that test as follows: Under present law, full social security benefits are payable to a beneficiary whose earnings do not exceed $1680 for a year. If he has earnings of more than $1680, $1 in benefits is withheld for each $2 between $1680 and $2880, but there is a dollar-for-dollar reduction for earnings above $2880. (However, benefits are not withheld for a month if wages are not more than $140 and substantial services are not rendered in self-employment.)

The proposal is to:

(a) Increase the annual exempt amount from $1680 to $1800 (and the monthly earnings test from $140 to $150);

(b) Provide for reduction in benefits of $1 for each $2 of *all* earnings in excess of the exempt amount of $1800;

(c) Provide for automatic upward adjustment of the annual exempt amount (and the monthly test) in relation to future increases in earnings levels;

(d) Provide that in the year a beneficiary reaches age 72 earnings beginning with the month he attains age 72 would be disregarded in computing the amount of annual earnings for retirement test purposes. The annual exempt amount and the $1-for-$2 adjustment would apply to his earnings in the year up to the month in which he attains age 72. (Under present law, earnings after the month a beneficiary attains age 72, but in the same year, must be included in determining whether any benefits are to be withheld for months before attainment of age 72.)

The changes in the retirement test would become effective generally on January 1, 1971.

PARENT'S BENEFITS

The bill provides benefits for the dependent aged parents of retired or disabled workers. Under present law, benefits are provided only for the dependent parents of deceased workers. The benefit amounts for the parent of a living worker would be equal to 50 percent of the worker's primary insurance amount (like a husband's or wife's benefit under present law), actuarially reduced if taken at age 62–65. The benefit amount for parents of deceased workers would continue to be 82½ percent of the primary insurance amount, or 75 percent of that amount, depending on whether one or more parents were entitled to benefits.

CHILDHOOD DISABILITY BENEFITS

The bill provides childhood disability benefits for a disabled son or daughter of an insured deceased, disabled, or retired worker if the son or daughter became totally disabled after age 18 and before reaching age 22. Under present law, a person must have become totally disabled before age 18 to qualify for childhood disability benefits.

MILITARY SERVICE CREDITS

The bill provides noncontributory wage credits ($100 for each month of military service) for individuals who served on active duty in the military services from January 1957 through December 1967. These credits, reflecting wages-in-kind received by servicemen, would be in addition to credits for service basic pay, which has been subject to contributory coverage since January 1, 1957. Present law provides similar $110-a-month noncontributory credits for military service after 1967, and $160-a-month noncontributory credits for service from September 1940 through December 1956.

FINANCING

Under the most recent of the periodic actuarial reevaluations of cash benefits part of the social security program, income over the long-range future exceeds long-range outgo by 1.16 percent of taxable payroll. The excess of long-range income over outgo as shown in the last preceding evaluation was 0.53 percent of taxable payroll. The larger excess shown in the most recent estimates results from taking into account 1969 (as against 1968) earnings levels, the higher interest rates now being earned by the trust funds, and increased labor-force participation of both men and women. Preliminary results of the latest reevaluation of the hospital insurance program indicate the long-range income of the program will be less than the long-range outgo by 0.77 percent of taxable payroll.

A large part of the cost of the proposed improvements in the cash benefits program will be covered by the long-range excess of income over outgo in that part of the social security program. The proposed increase in the contribution and benefit base to $9000 will also help to meet part of the cost of the improvements, since income from the increase in the base will exceed the cost of the additional benefits that will be paid on earnings above the present $7800 ceiling.

Automatic increases in the contribution and benefit base in line with increases in wage levels will provide additional income sufficient to meet fully the cost of the additional benefit payments that will result from automatic adjustment of benefits in line with increases in the cost of living and from automatic adjustment of the retirement test. In summary, the cash benefits part of the social security program, with the recommended improvements, will be adequately financed; and, in fact, the rate increases scheduled in present law for the cash benefits part of the program can be put into effect considerably later than scheduled in present law.

The contribution rate for cash benefits, now scheduled to rise to 5 percent each for employees and employers in 1973 and thereafter, would not reach 5 percent under the bill until 1987. The delay in the scheduled increases in the contribution rates for cash benefits will prevent unnecessary, large-scale increases in the cash benefits trust funds.

The contribution rates for hospital insurance would rise under the bill from 0.6 percent each for employees and employers to 0.9 percent each in 1971 and thereafter, as against rising to the 0.9 level in 1987 and thereafter as under present law. The revision in the contribution rates scheduled for hospital insurance and the increases in the contribution and benefit base to $9000 in 1972, with automatic adjustment thereafter, will leave the hospital insurance trust fund with an actuarial balance of 0.006 percent of payroll under the bill, as against a minus balance of 0.77 percent under present law.

Under the proposed revisions in the contribution rate schedules, the combined rates for cash benefits and hospital insurance will be lower than in present law for 1971 through 1976 and will be the same as in present law for 1977 and thereafter.

The contribution rate schedules under present law and the bill are shown in the following table.

CONTRIBUTION RATES FOR EMPLOYEES AND EMPLOYERS, EACH, UNDER PRESENT LAW AND UNDER PROPOSAL

[In percent]

Year	Present law			Proposal		
	Cash benefits	Hospital insurance	Total	Cash benefits	Hospital insurance	Total
1970	4.20	0.60	4.80	4.2	0.6	4.8
1971–72	4.6	.60	5.20	4.2	.9	5.1
1973–74	5.0	.65	5.65	4.2	.9	5.1
1975	5.0	.65	5.65	4.6	.9	5.5
1976	5.0	.70	5.70	4.6	.9	5.5
1977–79	5.0	.70	5.70	4.8	.9	5.7
1980–86	5.0	.80	5.80	4.9	.9	5.8
1987 and after	5.0	.90	5.90	5.0	.9	5.9

CONTRIBUTION RATES FOR THE SELF-EMPLOYED UNDER PRESENT LAW AND UNDER PROPOSAL

1970	6.3	0.60	6.90	6.3	0.6	6.9
1971–72	6.9	.60	7.50	6.3	.9	7.2
1973–74	7.0	.65	7.65	6.3	.9	7.2
1975	7.0	.65	7.65	6.9	.9	7.8
1976	7.0	.70	7.70	6.9	.9	7.8
1977–79	7.0	.70	7.70	7.0	.9	7.9
1980–86	7.0	.80	7.80	7.0	.9	7.9
1987 and after	7.0	.90	7.90	7.0	.9	7.9

VIETNAM

(Mr. GALLAGHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and to include extraneous matter.)

Mr. GALLAGHER. Mr. Speaker, there is no member of the U.S. Government who wishes to continue or prolong the conflict in Vietnam. We, all of us, as American citizens and as public officials, have earnestly sought and still seek today a way to end the fighting and the killing and to bring our soldiers home.

Perhaps no issue ever to confront this Nation has received as much debate and discussion as the conflict in Vietnam. Here within these halls, the exchange viewpoints has been sharp and often very passionate. And this is fitting; it is well within the prerogative of the legislature to question, discuss, and recommend on all policies pursued by the Executive. But, in our actions on issues vital to the national security, such as Vietnam, we must be careful to draw the line beyond which well-intentioned comment may lead to catastrophe.

Mr. Speaker, a resolution has been introduced in the other body which would set a firm and final date for the complete withdrawal of all American troops from Vietnam. The resolution depends on the congressional power over appropriations for its force. I must take issue with this resolution, and I must oppose it in principle as well as substance.

There are two glaring points which immediately present themselves in opposition to the resolution. It is time that these points received public attention.

First, a nation can neither prosecute war or pursue peace by informing its adversaries that, regardless of what happens between now and a specified future point in time, its troops will be withdrawn from the battle sector. Such rigidity of policy, such binding proclamation simply defies the imagination.

It has been said by some critics of the war that we have no bargaining position in Paris and, therefore, none to lose through the adoption of the resolution. I seriously question the veracity of this comment. The very fact that the other side has come to the negotiating table, and that it continues to talk at the table is in itself proof that we have some bargaining position—at least in the eyes of the enemy, and it is their vision with which we are here concerned. To be sure, the strength or weakness of our position is eminently arguable. But that is really not the point.

What I am concerned with is the question of what sort of position this Nation would have in Paris or in any other part of the world after announcing that regardless of any progress or lack thereof at the peace table, regardless of any escalation of ground activity by the other side, we are leaving Vietnam at the legislatively ordained moment. What sort of impetus will this give the negotiations? Neither our side nor the other side would have much to gain by talking. Indeed, if anything, the combatants would have everything to gain by pouring all their might and muscle into one final, gigantic clash on the field.

And it is this awesome consideration which leads us to the second major point. This point addresses itself to the shadow of unlimited escalation and the darkness of nuclear war.

If our late President John F. Kennedy made any single factor clear, it is that there is simply no room for rigidity and locked-in positions in this nuclear age. While strength is desirable, flexibility is mandatory; while prudence may dictate the need for unambiguous positions, diplomacy still requires room for movement. In sum, the foreign policy of a nuclear power must be realistic and, above all, credible. Our adversaries, and our would-be adversaries must be aware of what we will do and, in general, of how far we may be prepared to go in a given instance.

Thus, to set a firm date for withdrawal from Vietnam—an action which is as unrealistic to us as it would be incredible to the other side—may be seen more as an ultimatum by the other side than as a peaceful gesture. Such a resolution might, indeed, force the hand of our President—leaving him with the alternatives in the field of a Dunkirk or a Dienbienphu. He could choose neither of these alternatives.

For if the enemy in Vietnam were to step up its ground activity, acting on the knowledge that America is leaving "no matter what," the President would be faced with ordering an immediate surrender, or leaving troops with battered morale in the field to await death or departure from Vietnam—whichever happened to come first. With this deadline hanging over the Executive like the Damoclean sword, and with these two totally unacceptable alternatives tieing his hands on the field, would the President have any choice but to break out and open the ceiling on acceptable tactics and weapons in Vietnam? Might he not be forced to think the unthinkable in order to meet an unpardonable deadline?

While we in Congress can, if we choose, oppose the war in Vietnam with all of our energies and passions, we cannot guide the troops in the field, nor can we set military strategy. That we have no power in this area is no accident; it was the intentional design of our framers. And, the design was wisely fashioned.

But, if we pass the type of resolution suggested in the other body, we would be using constitutional gymnastics to subvert the Constitution; we would create a novel field chart with 536 commanders in chief.

Such a preposterous action by the Congress would not only be dangerous, but it would be a disgrace to the young men we have sent to fight and die in Vietnam. What would such an action do to their morale? If we care not for the memory of those who have been killed, let us not, nevertheless, profane those who still must fight in Vietnam. They must fight in a war not of their own making, and one to which many of them are in principle opposed. Do the gentlemen dare suggest, then, that we go before these troops, clutching our resolution, and tell them: fight for 1 more year, do the best you can, get wounded, die—but we are leaving on a weekday in December of 1970: No matter what.

This would be outrageous. Yet, Mr. Speaker, this would be the effect of the resolution.

I cannot help but believe that if the resolution is approved, we will move from a period of negotiation in Paris to one of direct, no-quarter confrontation on the field in Southeast Asia. For, we will have set ourselves a deadline; our Commander in Chief will be forced to meet that deadline. Can he do it by ordering the troops to flee homeward? The enemy might choose to preclude that option.

Let us carefully consider these factors, Mr. Speaker. If it is the sense of this Congress that the Executive ought to be restricted in his power to conduct war, this resolution is not the way to do it. It is too superficial and extremely ill-omened. Moreover, this resolution might in itself force unfathomable power upon the Executive as it insists that he find a way—any way—to get us out of Vietnam by deadline time—even nuclear war just as long as he ends it by December of 1970.

This is a sure courtship with disaster; we cannot afford the marriage.

CONGRESSMAN REID'S VISIT TO AFRICA

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, our distinguished colleague, the gentleman from New York, Mr. OGDEN L. REID, recently returned from a brief trip to Kenya, Zambia, Uganda, and Tanzania, where he met with heads of state and high-ranking government officials, as well as with student groups and other organizations.

Congressman REID had been invited to deliver an address on the Annual Day of Affirmation of Academic and Human Freedom, sponsored by the National Union of South African Students, in Johannesburg. Unfortunately, he was prevented from speaking because the government in Pretoria would give him

a visa only on condition that he make no speeches. A taped recording of Mr. REID's remarks was played at the Affirmation Day ceremony instead.

These events have provoked a great deal of comment in over 200 newspaper articles and editorials, both in Africa and in the United States. I submit the following editorials for inclusion in the RECORD in the hope that they will be of interest to Members. I believe that they illustrate the deep concern in Africa over U.S. policy toward that continent.

Mr. Speaker, I would also like to take this opportunity to congratulate Mr. REID on his selection as chairman of the Anglo-American Parliamentary Conference on Africa. His election to this post is a fitting recognition of his outstanding contributions in the area of African-American relations.

[From the Star, Johannesburg, Republic of South Africa, Aug. 19, 1969]

WELL, DID HE MEDDLE?

Mr. Vorster and his Cabinet must be wondering today whether it was worth imperilling relationships with the United States in order to stop the American Congressman, Mr. Ogden Reid, from making any speech if he came here.

Mr. Reid's speech, taped and played at a solemn ceremony at Wits, last night, can hardly be said to have constituted any meddling in our domestic affairs. What Mr. Reid did was to offer some encouragement to South African youth to resist racism and champion justice and the rule of law, not merely out of a sentimental concern for non-White people but chiefly out of enlightened self-interest of the White community. Mr. Vorster might have said all that himself without betraying any Nationalist Party principles, though it might have sounded a little odd in the light of Nationalist Government practice. Even the "Transvaler" reported it as "boring."

One cannot, of course, be sure that Mr. Reid's speech was precisely the same as he would have delivered it if he had been allowed to do so in person. If he had come here he might have made a slightly larger impact. On the other hand, it is perfectly reasonable to assume that because he could not come he may have put a little more mustard into his speech than otherwise.

Those are imponderables. What is not imponderable is the fact that the speech attracted attention which it would never have enjoyed otherwise. It was reported by the S.A.B.C., which does not normally take much notice of Nusas functions. It was reported, briefly, in the Nationalist Press. And it can be taken for granted that it will have excited attention in the Western world out of all proportions to the occasion or content.

All this was predictable. Why, then, did the Government behave as it did? Perhaps the explanation lies in Mr. Vorster's assertion—which he has made three times this year—that the Nationalist Party is fighting on two fronts. Putting the screws on Mr. Reid will have served them both. It will have gratified the orthodox Nationalists on the Right and, at least, looked like a swipe at the overseas inspiration of the "liberals" on the Left. Now that the Government has got itself into this position the country must expect a good deal more of that kind of behaviour.

[From the Sunday Express, Johannesburg, Republic of South Africa, Aug. 10, 1969]

FOOLISH FEAR OF WORDS

"How foolish can our Government get? Faced by an application by four American Congressmen to visit South Africa, it grants unconditional visas to two and visas with gagging clauses to the other two. The result: none of the four is coming. Relations between South Africa and the United States are unnecessarily strained and the anti-apartheid and anti-South Africa lobby in the United States Congress is immeasurably strengthened.

"Just think of it. Congressman Ogden Reid, an influential Republican and businessman, is told that he may come to South Africa but that he may not make any speeches.

"The Government is out to stop him making one speech in particular—the Day of Affirmation Address arranged by NUSAS. Mr. Reid was to talk about academic freedom. He was to talk about human freedom. He was to talk about democratic ideals that students cherish.

"He might, for all we know, have called on them to stand by the values that are not peculiar to students at English-speaking universities but are shared by students in democratic institutions everywhere. He might for all we know, have said a few critical things about apartheid. Or, for that matter, about the Government itself. So what? Does the Government think that because Mr. Reid is a liberal he is going to spark student revolt?

"Does it think that because he is a critic of apartheid he is going to sound the death-knell of apartheid by addressing a couple of thousand students? Does it think that a respected Member of the United States Congress would advocate violence, sit-ins and revolutionary action in a country in which he is a guest?

"It is too ridiculous for words. Mr. Reid would have been here as a distinguished visitor and speaker and nothing he would have said would have altered the position here. All that could have happened is that students would have been shown that this American liberal shared their viewpoint, their hopes and their aspirations for a better and non-racialist society.

"But they knew that anyway.

"And if they had been inspired, and they certainly would have been, it would not have been to go out and blow up the Houses of Parliament but to strive for the ideals they uphold and should always uphold. One might well wonder: Is the Government so afraid of words that it cannot let them be uttered?

"Is it so thin-skinned that it cannot stand an anti-apartheid viewpoint in the land of apartheid?

"Is it so insecure that it fears that one or two American Congressmen, by addressing one or two gatherings, might topple the whole edifice?

"It seems so. For with deliberation and total disregard for the adverse response its ill-advised action would engender, the Government tells Mr. Reid he can come here but that he cannot make any speeches. To compound its foolishness it tells a Negro Congressman that he can come here, but that he, too, can make no speeches. The fact that he is a member of a Congressional Sub-committee that is opposed to apartheid is beside the point. Negro Congressman Diggs could no more have caused trouble by speaking here than could Mr. Reid. Both, as Congressmen, know how to behave themselves when they are guests in a foreign country just as much as South African Parliamentarians know how to behave themselves when they are abroad.

"In Mr. Diggs's case, the fact that he is a Negro is an aggravating circumstance. He feels that he did not get a no-strings-attached visa because he is Negro; South African officials say that the reason is that he is a member of a Subcommittee which fights apartheid and there are no racial reasons for the decision to give him a restricted visa.

"In the inflamed atmosphere in which the subject is being debated in Washington, such assurances are of no value. Americans are affronted that two Congressmen cannot be allowed into South Africa without being gagged. They are affronted because this is a breach of their own cherished democratic right of freedom of speech. They are affronted because, by the usual standards of inter-governmental hospitality, it is customary for visiting legislators, South Africans included, to be treated with complete courtesy and without restriction in the United States itself. And they are doubly affronted because one of the restricted Congressmen happens to be a Negro.

"So there it is. Because the Government is too frightened to allow two American Congressmen into this country without gagging them, it takes such action as condemns it in the eyes of the Western world as being no respecter of the democratic way of life.

"What a shame that South Africa has to suffer because this frightened and foolish Government cannot see beyond its apartheid nose."

[From the Pretoria News, Pretoria, South Africa, Aug. 19, 1969]

MOON LANDING SHOWS MAN CAN "MOBILISE HIS EFFORTS AND END PREJUDICE ON EARTH"

United States Congressman Ogden R. Reid, in a speech he was prevented from personally delivering in South Africa, last night told South African students that the recent landing on the Moon showed that man could mobilise to end racial injustice on earth.

The New York Republican criticised racial inequities in his speech which was tape-recorded for playing last night at ceremonies being held by the National Union of South African Students (Nusas).

He told the students not to despair that the "rigid defenders of status quo" will eventually give way to students and other "guarantors of the future".

He said that if there was a theme to the events of this century, "Let it be that barriers to freedom are going down in Africa, in the United States, and around the world, and that every man has the right to expect no ceiling on his attainment save that set by his own ability."

Congressman Reid said: "If men needed a sign in the heavens that the old order is passing, they received it last month when two human beings walked on the moon.

"When some men reach the moon—and young men in their thirties at that—how can others think of their fellows as mere creatures to be confined in ghettos or sequestered on reserves, restricted to menial labour or left uneducated, unworthy of comradeship, or even respect, the peons of a master race?"

Congressman Reid said the Apollo 11 moon flight with its "stupendous demonstration of Man's genius and vision, his capacity for planning and achievement, proved beyond a doubt that a global agenda for all of Man is a realistic and obtainable programme for our times."

He called for a "global agenda" in which all nations would attempt to implement the United Nations' universal declaration of human rights which says "Recognition of the inherent dignity and of the equal and inalienable rights of all members of the human family is the foundation of freedom, justice and peace in the world".

The Congressman tape-recorded and released his speech here after the South African Government said he would be granted a visa only on the condition that he made no speeches while in the country.

He had been invited to speak at the "Day of Affirmation of Academic and Human Freedom" ceremonies held last night by the Nusas at the University of Witwatersrand in Johannesburg.

KENNEDY

The students' group decided to hold the ceremonies anyway, with an empty speaker's chair, and with the playing of a tape made in Washington of Mr. Reid's speech.

The late Sen. Robert F. Kennedy delivered the Affirmation Day address three years ago.

Congressman Reid, in his preamble, said: "It is a cause for genuine regret and sadness that, at a time when our world grows smaller, any nation should act to restrict communications between peoples. Ideas and principles that reflect the truth cannot be stopped by any country on the globe."

[From the Uganda Argus, Kampala, Uganda, Aug. 26, 1969]

YOUTH SPEARHEADING U.S. WIND OF CHANGE

New York Congressman Ogden Reid, speaking to Makerere students last night, said he believed a wind of change, in which American society can re-evaluate itself, was taking place in the United States. Youth are spearheading the change, he believed.

Introducing himself to the students before engaging in an hour-long question and answer session with them, Congressman Reid, who was recently the centre of a controversy in South Africa when the Pretoria Government forbade him from speaking to the Student Union there, said that the young people of America were pointing out the ills of the society and were moving toward eradicating racialism and poverty.

He had opposed the new U.S. defence system as he considered it inconsistent with the move toward non-proliferation agreement with the Soviet Union, and that if America could turn its interests from the arms race, it could instead invest in more important activities such as education, health and opportunity for all. America, he said, seeks a climate where "all can maximise their potential."

Of the South African Government's refusal to allow him to speak there, the Congressman said "it was further evidence of South Africa's retreat into isolation."

The Lusaka manifesto was a historic and important document which he hoped would enjoy the support of all Governments including America's.

Rhodesia: He hoped that his Government would withdraw its consulate from Salisbury.

He hoped America's relations with Africa and Uganda would continue to grow and "build a brighter world in which all men will have equal opportunity."

And he hoped Makerere students would not rest until there was freedom throughout the world; that they would not cease until the Universal Declaration of Human Rights become a document that is meaningful to all.

There existed now a challenging opportunity, but one which also had a sense of urgency.

Replying to questions from students, he said the Vietnam was the one war the American people wanted ended. It is a war the morality of which all were questioning.

"It is not a proud chapter in our history."

Asked about American "hypocracy", such as the claim to support human rights while refusing to honor the UN resolution on South Africa, he agreed that America's stand was inconsistent.

Personally, he said the U.S. Government should instruct its businessmen not to continue with their activities.

He hoped the United States would develop new policies which were not aligned with the status quo.

Earlier, Congressman Reid had met President Obote in Parliament Building. They spoke together for an hour. According to a Government spokesman, they discussed African affairs, including Rhodesia, South Africa, Portuguese territories and the Nigerian civil war.

President Obote also expressed the hope that more American leaders would come to Africa to gain first-hand knowledge of what is happening on the continent.

The President also expressed the view that, when considering aid to developing countries, more emphasis should be placed on the rural areas.

Present at the meeting was Mr. Basil Bataringaya, Acting Minister of Foreign Affairs.

[From the Daily Nation, Nairobi, Kenya, Aug. 21, 1969]

MOI HAS TALKS WITH VIP VISITORS—KENYA SEEKS U.S. TRAINING HELP

Kenya's Vice-President, Mr. Daniel arap Moi, suggested yesterday, in a chat with visiting U.S. Congressman Ogden R. Reid, that America could assist Kenya in a crash programme to train business administrators at U.S. colleges and universities.

Mr. Moi noted, when the visiting House of Representatives Republican member paid a courtesy call on him, that such a programme would last between six months and a year.

Kenyans who received such training in the U.S., he said, could on their return help in Africanisation of commerce and industry.

Mr. Reid, who was accompanied on his call by the U.S. Charge d'Affaires, Mr. Wendell B. Coote, was greeted by Mr. Moi with these words: "Well, well, they barred you from entering South Africa! Glad to see you here. I personally think that South Africa is getting isolated."

Mr. Moi said Kenya hoped that the governments of the U.S. and Britain "will exert the necessary economic pressure on South Africa" and that all U.N. member nations will "relentlessly work for the implementation of the U.N. Charter and the Declaration of Human Rights."

Reciprocating Mr. Moi's displeasure at South Africa's policies, Mr. Reid said: "The majority of the people of the United States believe in majority rule. . . . Like the rest of the world, they admire the courage of South Africa's Blacks. We have supported the demands that the Human Rights Declaration should be implemented."

IMPLEMENT

Mr. Moi commented: "Yes, indeed. All the nations of the world should implement the Declaration and all the requirements of the U.N. Charter."

The Vice-President recalled that, during his recent tour of the U.S., he told his hosts that Kenyans, while welcoming aid from their well-wishers, were keenly "helping themselves to the best of their resources, ability and initiatives."

He went on to compliment the U.S. for the interest it was showing in Kenya's agrarian economic projects, such as water developmen. in the rural areas.

Told by Rep. Reid that Israel, too, was faced with the same problem of water preservation and had been looking for water "even underground", Mr. Moi warming to the subject, observed:

"We have here a number of lakes—such as Lake Victoria—whose fresh waters could be redesignated to productive purposes for our human good."

In another friendly exchange of views, during which the visiting U.S. Congressman alluded to the necessity in developing countries for "birth control", Mr. Moi commented:

"That's all right as a long-term measure. Our aim here, really, is to rectify the misdeveloped countries."

The U.S. legislator, who is on a three-day visit here, said he wished his itinerary would allow him to make a courtesy call on President Kenyatta as well.

Earlier, speaking to reporters at Nairobi Airport shortly after his arrival on the first lap of his one-week tour of Kenya, Uganda, Tanzania and Zambia, Mr. Reid called for closer relationship between the U.S. and Africa.

A former editor of *The New York Herald-Tribune*, he said he feels strongly that the U.S. "should place higher her priority on working with Africa."

Explaining the refusal of the South African Government to grant him a visa to visit that country, Mr. Reid recalled that he had recently refused the South African regime's demand that he should undertake not to speak in public if he visited South Africa.

[From the Times of Zambia, Lusaka, Zambia, Aug. 26, 1969]

AMERICA FAVORABLE TO MINE TAKEOVER

The statement made by Congressman Ogden Reid about the American Government's favourable reaction to President Kaunda's recent announcement about the take-over of the mines by the state stands in sharp contrast to the hostile reaction the reforms received in the British Press.

Despite the fact that there is extensive American investment in Roan Selection Trust—through American Metal Climax—the American Government did not allow this factor to colour its thinking.

A statement of this nature can only come after very careful thought and study of the facts available. We welcome it because it is realistic.

But there is one area where we would ask the big powers to show similar realism. For we know they can do it, if only they want to. It is in connection with the vexing Southern African problem.

We know that people like Congressman Reid personally feel opposed to what is going on in South Africa. We know this because recently, although the South African Government refused to let him speak to a student's union there, he was still able to make a recording of his message and the students heard both his voice and his message all the same.

But the time has come for the big powers to do more than just acknowledge their commitment to principles. Young countries like Zambia have had to pay heavily in economic terms for the principles they hold on the issue of freedom of the majority.

But the big powers appear to do no more than just say they are opposed to the oppression of the millions of Black people in this area. We can only infer that to them economic interest still appears supreme to the principles they daily enunciate.

The ironical aspect of apartheid is that those who want to perpetuate it say that they practise this evil system in defence of western values and christianity.

Nothing could be more unchristian than the permanent oppression of any person or group of persons purely on the ground of colour.

We trust that when President Kaunda talked to the Congressman he drove home the point that the west will have to do something positive to help those fighting to gain their birthright only freedom otherwise they will only antagonise future rulers of a free and independent Southern Africa.

It is more than timely that the two Congressmen should have come at a time when American Policy on Southern Africa must still be undergoing a review with President Nixon's recent election victory. Africa wants a more positive and realistic American Policy in Southern Africa.

[From the New York Times, Aug. 26, 1969]

ZAMBIA VOWS COPPER "FAIRNESS"

LUSAKA, ZAMBIA, August 25.—President Kenneth Kaunda gave new assurances yesterday that state control of Zambia's giant copper industry would be carried out with "fairness and equity." He said he expected serious negotiations to begin Thursday.

Mr. Kaunda said that valuating the mines and setting the rate of payment for Government shares would be consistent with the system worked out in last year's Mulungushi reform program. This means that more than three years would be involved.

It was in President Kaunda's Mulungushi

declaration in April, 1968, that he set forth the program of economic reform in which the Zambian Government would take over 51 per cent of certain major companies.

The President gave his assurances in discussions at the presidential guest house with a United States Congressman, Representative Ogden R. Reid, Republican, of New York.

Mr. Reid told Mr. Keuda that the American people were confident Zambia would be fair in her dealings with the industry. Mr. Reid said later in an interview he had sought assurances because the manner in which Zambia carried out the takeover program would affect the United States business community's judgment.

Mr. Reid said Mr. Kaunda had also left with him a clear impression of his wish to maintain an investment climate in Zambia and of the importance he attached to this, both for Zambia and for potential investors from abroad. The President had also said he intended to conduct both the negotiations and subsequent operations on the basis of sound business principles.

In his discussions with the President, Mr. Reid said, he learned that Mr. Kaunda planned to take personal charge and responsibility for the negotiations and that this was why he had canceled his attendance at the forthcoming meeting of heads of states of the Organization of African Unity.

The President also said, Mr. Reid related, that the term "book value" used in his speech would be taken to mean "true" value in American terminology. Mr. Kaunda apparently felt just this point needed clearing up because American accounting terms were often quite different and that this would be an important point of reassurance to American investors.

The President and Mr. Reid seem to have had far-ranging discussions during their meeting. Mr. Reid came to Zambia after refusing conditions imposed on the granting of a visa to visit South Africa where he had been scheduled to address the South African Student Union.

AMERICAN STAND

Mr. Reid said at the interview that he had told President Kaunda of his belief that the United States should clarify its stand on African affairs and come down clearly on the side of self determination and human rights.

He said he had told Mr. Kaunda that the Nixon Administration was reviewing American policy on Africa and that a growing number of Congressmen were interesting themselves in Africa—particularly in southern Africa.

Mr. Reid said he had told Mr. Kaunda of his belief that a United States policy of total rejection of apartheid was essential and that a clearer policy on Rhodesia was also needed from America. He added that he felt that too often United States had deferred to British opinion on African affairs and that the State Department should now be prepared to take a more independent line.

Representative Reid said President Kaunda had readily agreed with these views and had added a warning that a change in United States policy, if it was to come, must not be long delayed because he felt there was a strong danger that time would take charge of events in southern Africa.

[From the Zambia News, Luaka, Zambia, Aug. 24, 1969]

KK Is Right—U.S.

Ogden Reid, United States Republican Congressman, said in Lusaka yesterday the U.S. Government had fully approved President Kaunda's takeover of the copper mines.

Reid was one of two U.S. politicians who have arrived in Zambia for a familiarisation tour. The other is Charles C. Diggs, a Democrat Congressman from Michigan.

Reid said the mines take-over was the right move toward steady economic independence and discouragement of economic exploitation.

"The purpose of my journey," Raid said, is to visit Zambia and other states because of the friendly relationship existing between the United States Government and African states."

The visits are intended to strengthen friendships.

Reid said Americans were deeply concerned with the war between Biafra and Federal Nigeria. He hoped peace would come through the Organization for African Unity.

America was interested to see states unite to form a stronger Africa.

Asked about Senator Edward Kennedy's political future, Reid said most American peace-lovers wanted him to remain a Senator. "It's important he continues," he said.

The people of Massachusetts would provide judgment on the Senator's political future when they vote in the next elections.

Reid's visit was to have been extended to South Africa, where he wanted to address students on "academic freedom."

But the racists foiled his plan by granting only a conditional visa. This allowed him to visit the country, but not to speak to students.

"I greatly admire the fight the students in South Africa have put up against apartheid," said Reid.

He leaves for Kampala on Monday to meet Ugandan President Obote.

Diggs, who is chairman of the African subcommittee of the House of Representatives, had arrived in Livingstone two days ago from Botswana.

He is accompanied by the committee chief of staff, Melvin O. Benson.

Both parties were welcomed by the American embassy staff. They will all have talks with President Kaunda.

[From the Standard, Dar es Salaam, Tanzania, Aug. 28, 1969]

Pretoria's Attitude "Intolerable"

South Africa's flouting of United Nations decisions on Namibia was "intolerable", United States Congressman, Mr. Ogden R. Reid said in Dar es Salaam yesterday.

Mr. Reid, who arrived yesterday from Lusaka on the Tanzania leg of his tour of Africa, said that new initiatives should be taken to make Pretoria implement the world body's resolutions.

He said that he had already talked to Presidents Kaunda of Zambia and Obote of Uganda and also Kenya's Vice-President, Mr. Daniel Arap Moi, on the question of new initiatives.

He said that he hoped to meet President Nyerere for similar talks. Mr. Reid said that after his visit he would see President Nixon, and discuss with him what steps should be taken to get South Africa out of Namibia.

"I will see President Nixon and try to review the U.S. policy towards South Africa", he said.

While in Dar es Salaam, Mr. Reid said, he would also meet the liberation movements. He had talks with them in Zambia.

The movements had requested help in food and clothing and he had told them he would take their request to the U.S. Government.

[From the New York Times, Aug. 17, 1969]

South Africa Turns Its Back

The voice of Representative Ogden R. Reid of Westchester will be heard tomorrow in the Great Hall of the University of the Witwatersrand in Johannesburg, delivering a plea for human brotherhood and freedom. But it will be a tape the students listen to; Representative Reid will not be there because South Africa would give him a visa only if he agreed to make no public speeches.

Similar visa restrictions were made the price of entry for Representative Charles C. Diggs Jr. of Michigan, chairman of the Africa subcommittee of the House Foreign Affairs Committee. Both Congressmen rightly refused to go on such terms, but the National Union of South African Students courageously went ahead with plans to use a transcription of the Reid talk anyway at its Annual Day of Affirmation of Academic and Human Freedom.

The resolution of these young people and the vigor with which the South African press has denounced the idiocy of the Government's action keep alive hope that eventually the timed, isolated men of power in Johannesburg will be obliged to end their long retreat from reality and decency.

MERRIMACK RIVER POLLUTION

(Mr. MORSE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MORSE. Mr. Speaker, the rivers and streams of the Merrimack River Basin have sufferd from pollution since the time of the great American naturalist, Henry David Thoreau, some 100 years ago, but in increasing amount and severity as the years have gone by. In 1966 I first proposed a demonstration project to clean up the Merrimack River Basin, based on the application of modern management techniques in the development of a comprehensive, coordinated pollution control program. A successful experience here would serve as an example of pollution-control methods which could be applied to similar problems throughout the Nation, and I am glad to be able to report that after renewing my proposal earlier this year, progress is now being made.

Technology can now provide the means which are commensurate with the magnitude and complexity of the pollution problem. As a process which seeks efficiency as well as effectiveness, the new systems management techniques can also serve to ameliorate the financial difficulties that all levels of government are facing in their efforts to control pollution. As a multidisciplinary approach which can take into account political as well as technological features of a problem, it can provide some answers to the various political problems which often work against the coordination required for a concerted attack on pollution.

There is a vital factor in the battle against pollution, however, to which technology is not so readily applicable—that of public concern and commitment. In the case of the Merrimack there is a need to rally serious concern and a strong public demand for immediate action about a situation which has existed for over a century. Many people have grown accustomed to its polluted condition or do not realize its severity or its threat as a dangerous health hazard. They have never been able to enjoy the benefits of a clean river, and thus in many instances have been unaware of its potential in terms of either "recreation or economic development for the region." In addition, the problem has grown so vast and complex that the action necessary to remedy it has seemed beyond their influence as individuals.

There is, however, throughout this country, a growing concern with the

quality of our environment, an increasing awareness that this deterioration has reached a critical point, and a widening demand for the opportunities that a clean river can provide.

This is due in large part to the efforts of concerned groups and dedicated individuals such as Franz Scholz, Washington correspondent for the Lowell Sun.

Deeply disturbed by the lack of real progress in the Merrimack, this young reporter undertook a lengthy study of its history in an attempt to understand the process and cause of its deterioration. He read Henry David Thoreau's "A Week on the Concord and Merrimack Rivers," as well as numerous State and Federal studies that have been completed over the years on the Merrimack pollution problem. Impressed by Thoreau's description of the former beauty of the area, and aware of the interest to be generated by comparing it with the present condition of the Merrimack, he proposed a canoe trip along these rivers and streams, following the same route as Thoreau took.

With the enthusiastic support of his employers, Franz Scholz and photographer-helmsman Richard Taffe, Jr., cast off on August 16 to spend a week recreating Thoreau's journey of 1839. His purpose was to observe with the aid of a panel of experts, the changes in the rivers and their environment since the days of Thoreau, and he was joined on various days of the journey by Dr. Bela Fabuss, director of the Lowell Technological Institute Research Foundation and author of a study on a pollution control program for the Merrimack which will serve as the basis for the proposed demonstration project, and Mr. Arthur Rowse, formerly executive director for the White House consumer bureau and now a national columnist and publisher of U.S. Consumer. I was also pleased to be able to accompany him on the second day out for a firsthand and close-up view of the pollution problem.

A special effort was made to assess the total dimension of the pollution problem as well as its causes and extent. With the aid of information provided by Interior Department figures, accompanying experts, and local citizens, the "ship's log" recorded the effects of pollution on water quality, on aquatic life, and on the river bank residents; the economic effects of pollution on land values along the river and on industrial development of the area; the cost to communities and private industries to clean up the rivers; the recreational opportunities lost by pollution and the present and potential economic impact; the effects of pollution on health of people in communities using the river for drinking water and near farms using direct river water for crop irrigation; and the political problems involved in pollution control.

Franz Scholz has written up his observations and conclusions in a series of four articles, entitled "A Week on the Concord and Merrimack Rivers, With Apologies to Henry David Thoreau." In doing so, he has provided a valuable public service, for he has brought to the public eye, in stark and at times shocking terms, the critical condition of these streams. He has brought to the attention of the residents of local communities their vested interest in cleaning up these waters. He has stated with force not only the problems immediately at hand, such as the obvious eyesore and health hazard, but also the less visible and long-range effects on the economy in terms of opportunities for industrial and recreational development which have been and will continue to be lost if corrective action is not taken.

His description is at times startling in its emotion, often shocking in terms of the physical reaction to many of the sights and smells encountered in the journey. Franz Scholz has conveyed the deep sense of loss and danger which will serve to open the eyes of the unaware. He has described the potential benefits that can motivate broader interest and rally wider support from those who will realize themselves beneficiaries of a clean river. He has provided a greater understanding of what is at stake in the battle to eliminate pollution.

These articles appeared over a 2-week period in the Lowell Sun. As they are lengthy in total, but merit close attention, the installments will be divided for insertion in the CONGRESSIONAL RECORD on several successive days.

The first article follows:

NO. 1. A CLOSE LOOK, FOR SMELL, OF RIVERS

(EDITOR'S NOTE.—During the past weeks we journeyed up the Concord and Merrimack Rivers following the route traversed by Henry David Thoreau in 1839. The purpose of our journey was to observe the changes in the rivers and their environment since the days of Thoreau. In this, the first article about our journey, we describe the pollution in the rivers.)

(By Franz Scholz)

LOWELL.—In the past 130 years man has turned the Merrimack River from what Henry David Thoreau called a "silver cascade" into a dump for raw sewage and industrial waste.

Vacationing on the Merrimack and Concord Rivers in 1839, Thoreau, although even at that time weary of the pollution of the rivers, described the Merrimack as "a silver cascade which falls all the way from the White Mountains to the sea."

On a recent journey of the Merrimack River, we found a description of the river offered in 1966 by Sen. Edward Kennedy to be more apt of its present state: "Suitable only for the transportation of sewage and industrial waste."

Aided by several experts and concerned observers, this reporter and a photographer recently retraced the route Henry Thoreau traveled in 1839. With two boats lent us by the South Concord Boat House, we started out August 23 from behind the Concord Academy in Concord, Mass., and traveling on the Concord and Merrimack Rivers arrived in Concord, N.H., August 27. The next day we spent coming back down the Merrimack to Lowell and on August 29 spent an additional day traveling down the Nashua River.

Traveling with us for a day each were Cong. F. Bradford Morse, Dr. Bela Babuss, director of the Research Division at Lowell Tech, and Arthur Rowse, national columnist and publisher of the Washington based biweekly newsletter U.S. Consumer.

The purpose of our trip was to observe the nature of the river, its pollution, the causes of pollution, the effects of pollution, and to learn why it is not cleaned up.

During his trip, Thoreau described the Merrimack as a "living stream." "Unlike the Concord, the Merrimack is not a dead but a living stream," he said, "though it has less life within its waters and on its banks."

We found the same description applies today.

Much larger than the Concord, sections of the Merrimack flow at an almost uncontrollable pace. Between Nashua and Manchester, N.H. the river's rapids are so strong they would not let our boats powered with a four horse outboard motor, through.

At other points—just above the Pawtucket Falls in Lowell and above the falls in Manchester—the river is calm, allowing sludge and other particles floating on its water to sink to the bottom. Even at these points, however, a strong, often shifty current flows down the middle of the river.

The Concord, by comparison, is calm with a slow current until it reaches the old Talbot Mills, after which it rushes to join the Merrimack.

In this rather still mill biological and aquatic life is more evident than on the swift Merrimack. Small sun turtles, with their bright orange bellies, were seen by the hundreds sunning themselves on stones, logs and branches along the Concord. Water weeds on the bottom of the Concord often got tangled in our paddles and on the wheel of our motor as we travelled close to its banks.

At several points we were reminded of Thoreau's description of boys fishing along the banks of the Concord. On the Saturday we traveled down the river boys were seen as Thoreau observed 130 years earlier fishing in Concord and Billerica along the banks of the river and in boats.

The only anglers seen on the Merrimack during our five days there were two men in Tyngsboro, five boys fishing (for carp) over a sewer outfall in Nashua, two boys next to another sewer outfall in Nashua, three boys on the banks of the river in Manchester just below a point where a stream of blood from a slaughter house empties into the Merrimack.

Some small fish, believed to be sunfish or kivers were seen in a shallow portion of the river in Concord, N.H. and two fishermen were seen headed north of Concord in a motorized canoe.

Vegetation was also less in evidence on the Merrimack than the Concord River.

Water lilies and weeds abounded on the Concord, but were only seen in sections along the Merrimack.

Whereas in the Concord we could scrape the river's bottom with an oar and bring it up tangled with water weeds, scraping the bottom of the Merrimack produced only a grayish substance which looked like wet coal ashes.

This gray sludge comprises a large part of the river's population.

It abounds at bends and turns in the river where the current is usually slow and thus allows particles in the river to sink to its bed.

These particles originally start out as raw sewage and industrial waste deposited in the river mainly in the larger cities along its banks.

Where the sewage spills into the river, the large pieces of human waste and other heavy solids sink to the bottom quickly. The smaller particles, such as paper, less dense wastes and floatable material such as contraceptive devices, are carried downstream by the river's current.

The current continually breaks up these pieces as it carries them along and the further they travel down the river, the more the river's water helps dilute them. Along their journey downstream, however, the current drops some of this waste on the bottom of the river, perhaps at a bend or along the banks where the current is not strong. It also breaks up the larger solids which settled to the bottom after spilling out of a sewer pipe and slowly moves them downriver. The result

is the sewage is continually being moved downstream and deposited all along the river's bed.

Despite the sewage evidenced at every portion of the river, its most impressive feature is the water it holds.

At some points the river is as wide as a football field is long and the strength of its currents caused us to admire the strength of earlier men who carried out commerce on the river.

Another impressive feature was the white sand (Thoreau said the river had a "yellow pebbly bottom") which lined the river's banks and often forms what could be pleasant beaches.

The amount of water in the river and its swift current and perhaps also sandy shores saves the river from being even more polluted than it is.

The amount of water in the river serves to dilute the pollution. Dr. Fabuss' tests shows it dilutes the raw sewage poured into the river so the pollution count is roughly one 17th to one 31st of that of settled sewage.

The swift, challenging current moves the pollution down the river and although it spreads the pollutant material the length of the river, it also helps wash away the bottom where sewage has settled for the past hundred years or more.

As long as new pollution is poured into the river, however, pollution can be expected to pile up on the river's bottom.

On the bottom, the pollution material produces the same effects as a farmer's compost pile. It decomposes, robs the water of oxygen essential to aquatic and vegetation life and lets off gases. The gases appear on the surface in the form of bubbles, which were evidenced on all parts of the river, except at the rapid moving falls between Nashua and Manchester. The gases are also responsible for much of the odors coming from the river.

Thus, the expanse of water in the river and its swift current dilutes the sewage and other waters, and carries it along the river. Although the largest sources of pollution were found mainly in the big cities—Lowell, Nashua, Manchester and Concord, N.H.—the current has carried it downstream polluting all parts of the river.

As more and more sewage is dumped hourly the sludge deposits on the bottom increase. After observing the river between Lowell and Nashua, Dr. Fabuss observed, "The river could take care of the pollution load on this stretch by self-purification, but added pollution upstream and downstream makes the conditions progressively worse and overloads the river." And, he added, "The quality of suspended solids in the river is so large that their disposition in river bends leads to accumulation of sludge deposits and to their decomposition. This decomposition goes on without sufficient oxygen, with formation of malodorous gases."

Rats, perhaps attracted by the pollution deposited on the bottom and banks of the river were observed daily—they were most numerous in Lowell behind the new post office building in the Northern Canal area.

Dumps all along the river also attract rats. On the Pawtucket Boulevard side of the river from Lowell to Tyngsboro we observed more than 15 areas people have used for dumping (we counted eight refrigerators thrown over the banks along that stretch). Old cars, bottles and cans, discarded cement pipes and other refuse is prevalent along nearly all sections of the river.

With Cong. Morse as our traveling companion on the second-day out, we observed three rats together on a small sand barge surrounding some stagnant water and others scurrying off into the bushes behind the Northern Canal area. More rats were seen feeding around sewage outfalls in Nashua and Manchester. In Concord, where the river is considerably clearer, rats were replaced by larger beaver and muskrats.

The polluters—sources of the waste which scars the river—number in the hundreds. They may be grouped in three categories—large public polluters, large industrial polluters and small public and private polluters.

The large public and industrial polluters are located in the large cities along our route—Lowell, Nashua, Manchester and Concord, N.H.

The small public and industrial polluters are located in the large communities as well as the small communities—Chelsmford, Dracut, and Bedford, and Merrimack, N.H.

All of the four large cities listed, with the exception of Nashua, dump all their raw sewage into either the Merrimack or a tributary, such as the Nashua River, untreated. A portion of Nashua's sewage is given primary treatment, which means it is screened of the largest solids.

Lowell dumps its sewage into the river at approximately 28 different places. On our trip, we found only two—one at the mouth of the Concord and the other on the Pawtucket Boulevard side of the river approximately 300 yards upstream from the Bridge Street Bridge.

Untreated, it enters the river in pipes of from four to 10 feet in diameter looking like dirty water, but carrying identifiable particles of human waste, toilet paper and almost any other substances flushed down toilets, sinks, bathtubs, and clothes washers.

In Nashua we observed six such sewage outflows, all but one containing raw sewage. Two were just below the Hudson Bridge, one just above the bridge and two near the mouth of the Nashua River. The city engineer, however, says there another 10 or 11 outfalls in Nashua.

The heavy solids in the sewage at one of the outfalls on the Nashua had built up a mound around the pipe carrying the waste into the river about three feet high for 20 feet from the pipe. So grotesque was the area, with new sewage flowing over it, I called it Nashua's Scab.

During peak hours (early afternoon and early evening) sewage from this pipe left the water white and formed an unbroken stream of solids for a mile as it flowed down the Nashua into the Merrimack.

A sample of the water about 50 yards from this pipe by Dr. Fabuss corresponded to settled sewage diluted six times.

Manchester owned the largest single sewage outfall observed on our trip. We spotted it just before we reached the long line of mills in the New Hampshire city. Its nucleus was a pipe 10 to 15 feet in diameter which spilled raw sewage over a manmade waterfall directly into the river.

Although the rapids prevented us from exploring further in Manchester, the city's engineer estimated that the city's sewage pours into the river from 20 points.

Concord, N.H. differed from Manchester only in the volume of sewage it deposited in the river. Like Manchester, it dumped its untreated sewage containing identifiable pieces of human waste, directly into the river. While taking pictures of this identifiable waste. Photographer Richard B. Taffe Jr. had to spit continually to keep from vomiting.

Of the three New Hampshire towns, Manchester undoubtedly was the largest polluter, followed by Nashua and Concord in that order. According to a 1966 report of the Federal Water Pollution Control Administration, Lowell is a larger polluter than both Manchester and Nashua combined.

According to the same report, some of the large industrial polluters we saw along our route challenged and even surpassed the amount of solids and other pollutants the city of Lowell poured into the river.

A rat infested river of blood and other animal wastes, demanding more of the Merrimack's oxygen than the city of Nashua, flowed from a Manchester slaughter house directly into the river. The smell of the fresh blood, rats and solid material carried by the blood, again caused our photographer to gag to keep from vomiting. The owner of the slaughter house saw nothing wrong with the dumping of his wastes.

A Nashua based tanning company, bearing the same name as the Manchester slaughter house, poured about one-third as much solids into the river as did the city of Nashua. Its wastes, when released colored the river white and red.

Another tanning company in the city of Merrimack poured about the same amount of waste in the Souhegan River, at about 20 yards from where it enters the Merrimack. Other wastes on the Souhegan colored the river red and blue.

But, the largest polluters of all, in relation to the amount of suspended solids they dump into the river, were paper companies in Fitchburg, Mass., which we observed during our last day on the Nashua River.

Some of these paper companies run the river directly through their plants. As it enters the plants, the river appears greenish brown. When it comes out the other sides of the mills it is absolutely white and carries acids and other chemicals.

The largest of the three Fitchburg paper mills pours more solids into the river daily than do the cities of Lowell and Manchester combined. The other two each drop more wastes than the city of Lowell.

The three mills are three of the major reasons why the Nashua River is the dirtiest of the tributaries flowing into the Merrimack.

Smaller private public polluters make up the largest number of polluters, but do not cause the destruction of the larger polluters.

They range from private households along the river (one count sets the number of such polluters in Tyngsboro alone at 27) to a chemical company in Nashua, a rendering company in Billerica, a silver company in Lowell, a Lowell textile company, a large defense contractor in Nashua, as well as the smaller townships of Dracut, Chelmsford and Hudson, Merrimack, Bedford, Derry, Salem and Milford, N.H.

Of the private households and small communities, raw sewage comprises the majority of the wastes they deposited in the river. The small industries dump dyes, acids, caustics, ammonia, animal wastes, wood and rag fragments, grease and practically every chemical imaginable into the river.

Some, such as warm blood, dyes, grease, ammonia, human waste, and animal parts are identifiable with the human senses. Chemicals are not. They must be examined in the laboratory.

(The next article will describe the effects of pollution in the rivers on the people living in the cities and towns along the rivers.)

FAIR INTERNATIONAL TRADE BILL

The SPEAKER pro tempore (Mr. GRAY). Under a previous order of the House, the gentleman from Ohio (Mr. BETTS) is recognized for 60 minutes.

Mr. BETTS. Mr. Speaker, the time has come, if it is not past due, to revise our foreign trade policy. It has run on the same track now for 35 years. This length of time has been enough to allow us to extract most of the benefits that the program promised and also to accumulate alongside of the benefits certain serious defects and positive perils.

During this long period a number of international tariff-reducing negotiations were held, the last one being the so-called Kennedy round, the full extent of which is not yet in force. More reductions are still on the way.

Our tariffs are down a full 80 percent

of their average level 35 years ago when the average duty on dutiable items was a little over 50 percent, and will go yet lower. The average level of dutiable items will be about 10 percent on the foreign value of imports when all the Kennedy round cuts will be completed. This represents the 80-percent reduction. About 38 percent of our imports are completely free of duty. If these are included in our calculation, our average tariff on all imports will be some 6 or 7 percent.

As we look back we can see that many of our tariff reductions were made during times when their full competitive effects on our domestic industries could not be tested. When it was not actual war, as from 1940–45, it was the dislocation of war and then the Korean outbreak, followed by the cold war and then Vietnam. These disturbances kept our industries from feeling the full impact of our drastic tariff reductions. To be sure, there were quite a number of industries that were hurt; but overall we were in a position, because of the dislocation occasioned by these developments and their aftermath in the form of domestic expenditures and international outlays, to maintain a balance of exports over imports.

Actually this favorable balance of trade did not last as long as our official trade statistics allowed us to believe. Several years ago the tide turned but the turnabout was hidden by the practice, still continuing, of counting our exports under foreign aid and related programs as real dollar exports. We know that these exports were not really a competitive test of our producers of goods and commodities; but the coverup kept our competitive weakness from being recognized until very recently. Now, even as we still include those parts of our exports that are paid for in whole or substantial part by our taxpayers as real exports, the favorable trade balance has shrunk to almost invisible proportions. In the past year and a half we have run deficits during a number of months.

We had become accustomed to look to our so-called favorable trade balance as an offset to our balance-of-payments deficit, which, of course, included such items as tourist expenditures, foreign investment, foreign war costs, and so forth, in addition to actual merchandise trade. Now our trade balance can no longer be looked to to help correct our balance-of-payments deficit; and that, Mr. Speaker, is one reason why the shoe pinches more than ever before. Our dollar is now more nearly naked as it faces the balance-of-payments deficit.

This fact is what is bringing a showdown; but, Mr. Speaker, that is only one reason for concern. The other is something different. It is the competitive weakness of our producers and manufacturers in foreign markets and right here at home in the face of imports. This fact cannot any longer be either hidden or ignored. It represents a circumstance, which is to say, a development some years in coming; but it is very stubborn and will not yield to incantations and wishful thinking.

Some of us here have seen this coming, not because we had better foresight, but because we had industries in our districts that were already exposed to a rising tide of imports. We could see what the combination of low foreign wages and rising productivity of industries in other countries could do to us. The low foreign wages, the levels of which continue far below our own well over two decades after the end of World War II, were bad enough; but when other industrial countries embraced our system of mass production and adopted modern technology it could be expected that competitively our fat would really be in the fire.

Mr. Speaker, it is one thing competitively speaking, when we pay two and a half to five or six times as much in hourly wages and fringe benefits as our competitors when our productivity outruns theirs by an equal or nearly equal ratio. It is something very different when we pay wages so much higher when foreign productivity per man-hour begins to come within range of our own. This is what has been happening; and, of course, we have helped it happen. We not only conducted many thousands of productivity teams visiting us from abroad through our plants, thus enabling our competitors to learn our hitherto unique system of production; we have in the past 10 or 15 years invested upward of $50 billion in foreign plants, either as subsidiaries or as joint ventures, with foreign participation. In any event, this country is no longer the one highly productive island in the world. It has begotten many strong competitors.

Meanwhile, we were willingly and eagerly engaged in cutting our tariffs so that other countries could overcome what was called the dollar gap. We strove for "trade not aid." This policy continued, as I have said, under the protective umbrella of abnormal trade conditions that favored our exports regardless of relative competitive standing. The deep tariff cuts that had been made could not be tested under those circumstances. In recent years the rising competitive prowess of other countries, especially Western Europe and Japan, began showing the results of the great foreign technological advancement, accompanied by trailing and lagging wage levels. Now clear streaks of daylight are breaking through the dawn. The reality of what went on during these many years of tariff-cutting is coming upon us. There is no hiding from it.

There are still those who, taking their cue from the past, boast that our superior know-how is all we need. It will pull us out of our difficulties. Mr. Speaker, those who have recourse to this adolescent pride, have not awakened to two facts: First, other countries also have know-how and imagination, and second, we ourselves are abroad spreading the know-how rapidly and extensively.

Others say that we have lost our vigor; that we have become lazy and inefficient. No doubt we have our share of laggards; but I do not believe that the indictment will stand. While it is true that our productivity lead has been narrowed, this result should have been expected. When other countries substituted modern machinery and equipment for the more pedestrian base to which they were accustomed their productivity leaped more precipitably than it did with us when we replaced obsolescent machinery and equipment with the modern variety. Proportionately our gain in productivity was not nearly as great.

There was indeed a time when foreign wages were rising much faster than our own, but in the past 3 years our wage levels broke loose and left the foreign levels far behind once more.

Call it inflation, call it what you will, our costs of production are distinctly higher than the foreign counterparts for reasons such as those I have mentioned, and for other reasons. We no longer have a free market. Our principal cost factors have become inflexible. The principal single item is employee compensation. This factor outweighs taxes and profits combined by far. In fact in our corporate expenditures employee compensation represents close to 80 percent of total costs.

Yet it does no good simply to cry that wages are too high. Possibly they are. We do, however, need high consumer purchasing power to absorb the vast output of our mass-production industries. In any case, I am not concerned here with the rightness or wrongness of our wage levels. I am concerned with the fact, the abiding fact, that we have high costs in relation to those of our leading foreign competitors. That is why they can outsell us and why we have gone overseas with such a big flow of investments to save our export markets for our manufacturers. Unfortunately we are not saving them in any sense of providing employment at home. We produce abroad much of what we would have produced here and shipped abroad had we been able to do so—that is, had we been able to compete. We went abroad with our capital, but we could not take our labor with us. We needed the lower wages prevailing abroad in order to compete in those markets.

To be sure our machinery exports boomed; but in the past few years our imports of machinery have risen more rapidly than our machinery exports; and there is every reason to believe that our manufacturers of machinery are on the way to the same experience as that suffered by an increasing number of other industries: heavier and heavier bombardment from imports.

With our tariff structure virtually dismantled we still have the problem of imports rising rapidly and disrupting our market and dampening down our new job openings, which we will need very badly if we move toward a peacetime economy.

Mr. Speaker, I think the kind of trade legislation we need now is what may be called a ceiling on imports backed up by a quota that would be invoked only if imports should break through the established ceiling. The ceiling itself would be expressed in a percentage of domestic consumption, such as 10, 15, and 20 percent, or as the case might be.

In recognition of one of the principal objections to import quotas, which is to say that it straitjackets imports, this legislation provides for flexibility in the form of participation by imports in the growth of domestic consumption of a given product. If domestic consumption should rise 5 percent in 1 year over the

previous one imports would be given the same proportionate increase. The legislation does not provide for imposition of a quota in all instances. The industry or labor or agricultural group applying to the Tariff Commission must first satisfy the Commission that the imports of its product meet the requirement for a remedy laid down in the bill. Serious injury would require a minimum of a 10 percent penetration of the market by the imported product—that is, it must supply at least 10 percent of domestic consumption—and additionally it must show a substantial rise in imports during the most recent 10-year period. This would mean that imports must have gained substantially on the domestic producers.

An actual quota, however, would not be imposed unless imports actually exceeded the ceiling for a 6-month period. In order to measure this the percentage of imports of domestic consumption would be translated into quantity or value. If, for example, domestic consumption were 1 million units and the import ceiling were set at 12 percent of consumption, 120,000 units could be imported without a quota. Should imports rise above this 12 percent level for 6 months an import quota would be set at the 12-percent level, and imports would be controlled and held to that level. Should domestic consumption grow, as it usually does, imports could rise in proportion.

We have had a meat import ceiling since 1964, or 5 years, and to date imports have remained below the ceiling. It has not been necessary actually to impose a quota.

Another aspect of the bill that qualifies it as liberal in character is that it calls for little or no rollback in the attained level of imports, unless in the 3 most recent years they grew immoderately, or more than 15 percent over an immediately preceding year.

I know of no other country that offers the world a trade proposal as liberal as this. It is an offer that would continue present trade levels in most instances and it would only apply where imports had already achieved a damaging penetration of our market. No quota, should one be imposed, would last over 5 years. At least 1 year must then lapse before another ceiling could be established.

Mr. Speaker, I feel that this departure from our existing trade policy represents no more than a recognition of the fact that we have gone nearly all the way toward no tariff at all, and that our tariff reductions have overexposed a number of our industries, a fact that was not necessarily obvious when the tariff cuts were negotiated, but later came to light.

I am introducing this legislation with the hope that it will attract the strong support to which it is entitled and that the Ways and Means Committee will approve it.

I ask unanimous consent to print the bill at this point in the RECORD, together with an explanation of it:

H.R. 14102

A bill to encourage the growth of international trade on a fair and equitable basis

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fair International Trade Act of 1969".

PURPOSE

SEC. 2. It is the purpose of this Act to prevent or remedy the injurious effects of an undue increase of imports on the domestic economy and to provide equitable safeguards against serious injury or a threat of serious injury caused by a substantial loss of the domestic market by an industry or agricultural operation to imports, while providing for the orderly expansion of imports in equal proportion to the growth of the domestic market for the products concerned.

TARIFF COMMISSION INVESTIGATION

SEC. 3(a)(1) Upon the request of the President, upon resolution of either the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives, upon its own motion, or upon a filing of a petition by a trade association, a national labor union, or other interested party, alleging serious injury or a threat thereof caused by an undue increase of imports of any article, the Tariff Commission shall promptly make an investigation of the competitive position of the domestic industry producing a like or directly competitive article to ascertain the level of imports of the article in relation to the domestic consumption supplied by the imports during the most recent ten-year period since the proclamation of a trade agreement concession or concessions on the article under the provisions of Public Law 73–316, approved June 12, 1934, as amended, or under the provisions of Public Law 87–794, approved October 12, 1962, known as the Trade Expansion Act of 1962; or since 1969, whichever period is shorter.

(2) Should the share of domestic consumption supplied by imports of the article not be ascertainable to the satisfaction of a majority of the members of the Commission participating in the proceedings, as determined by a preliminary survey, the Commission shall make a finding with respect to the presence of serious injury or threat thereof to the domestic industry concerned on the basis of facts produced in the course of its public hearing and investigation. The Commission in reaching its conclusion under this paragraph shall take into account the probable adverse effects of increased imports of the article on the growth of the domestic industry or appropriate segment thereof as provided under subsection (b) of this section, on employment, on the trend of sales and profits, including evidence of the idling of production facilities, retardation of investment, underemployment and similar adverse economic effects. In examining such effects the Commission shall so far as available information permits take into account relative wage and productivity levels prevailing in the domestic industry and in the principal countries of origin of the imports.

DEFINITION OF "DOMESTIC INDUSTRY"

(b) The term "domestic industry" shall be interpreted as the productive operations in the United States devoted to the production of the article or articles that are the subject of the petition and may be confined to a single category of article or a group of closely related categories of articles if the competitive impact of the imports is concentrated on the single category or closely related categories of the article.

SHARE OF MARKET

(c) The share of domestic consumption supplied by imports for the purpose of subsection (a) paragraph (1) of this section shall be in terms of quantity unless quantitative measures are not available, in which event dollar value of imports shall be used, reflecting the foreign value as defined in the Tariff Act of 1930, plus the estimated charges incurred for freight and marine insurance in bringing the goods to the port of entry: *Provided,* That in the absence of definitive official statistics on either quantity or value of imports of any article the Commission shall use the best available evidence and estimates in establishing the share of domestic consumption supplied by imports. Should neither the quantitative nor the value measure alone provide a fair economic indication or index of the share of the market supplied by imports, the Commission shall use such a combination of both measures as in its judgment will most truly reflect such share: *Provided further,* That if a quantitative measure is used, increased unit values of the imports not attributable in major part to an increase in price, are to be treated as a quantitative increase in imports in proportion to the increase in unit value in determining the share of domestic consumption supplied by imports; while if a value measure is used, an increase in the total value of the imports attributable in major part to a price increase shall not be treated as an increase in imports in determining the share of domestic consumption supplied by imports.

The value of imports of articles as used in this Act shall be the dutiable value.

DEFINITION OF "DOMESTIC CONSUMPTION"

(d) The term "domestic consumption" as used in this Act shall be understood to mean domestic production of the article in question, plus imports thereof, less exports or re-exports of the same article during the same period, making proper allowance for carryovers at the beginning or end of any year.

PUBLIC HEARING

(e) In the course of the investigation a public hearing shall, after reasonable notice, be held by the Tariff Commission. Interested parties shall be given an opportunity to appear and to be heard.

FINDING OF SERIOUS INJURY OR THREAT THEREOF

SEC. 4. (a) If the Tariff Commission finds as a result of the facts found in the course of its investigation and hearings under section 3(a), paragraph (1), of this Act that an increase in the share of the domestic market supplied by imports has caused or threatens to cause serious injury to the domestic industry producing the like or directly competitive article or group of closely related articles that produce or, tend to produce a combined competitive impact, it shall report affirmatively to the President, setting forth the principal facts that support its findings. Should the Commission find that the facts do not sustain the allegation of serious injury or a threat thereof it shall issue a report to the public setting forth the essential facts leading to the negative finding.

(b) Serious injury shall be found under section 3(a), paragraph (1), by the Commission—

(1) if the share of domestic consumption supplied by imports has during the most recent calendar year reached a level not less than 10 per centum of domestic consumption of the article in question: *Provided,* That absolute annual imports have increased not less than 100 per centum since 1960, or since the beginning of the most recent ten-year period, whichever is shorter;

(2) if imports had already supplied at least 10 per centum but less than 15 per centum of domestic consumption in any one of the two years before the filing of the petition: *Provided,* That absolute imports increased not less than 50 per centum since 1960, or since the beginning of the most recent ten-year period, whichever is shorter; or

(3) if imports had already supplied 15 per centum or more of domestic consumption in any one of the three years before the filing of the petition: *Provided,* That absolute imports increased not less than 33⅓ per centum since 1960, or since the beginning of the most recent ten-year period, whichever is shorter.

THREAT OF INJURY

(c) A threat of serious injury shall be found under section 3(a), paragraph (1), by the Commission to exist if imports during any year during the most recent five-year period supplied not less than 7½ per centum of domestc consumption and the upward trend of such share during the most recent three-year period would, if continued, reach not less than 10 per centum of domestic consumption within two years after the end of the most recent three-year period.

RECOMMENDATION OF THE TARIFF COMMISSION

SEC. 5. (a) If the Commission finds either serious injury or threat thereof under section 4 (b) or (c) of this Act it shall send its report to the President within one hundred and twenty days from the filing of the petition or institution of the proceedings, recommending a ceiling over the share of domestic market that may be supplied by imports during any calendar year or specified part thereof without invoking the imposition of a quantitative limitation.

RECOMMENDATION OF AN INCREASE IN DUTY

(b) If the Commission proceeds under section 3(a) paragraph (2) of this Act it shall find serious injury or a threat thereof if in its judgment the adverse effects resulting from increased imports are seriously impairing the expansion of production, the level of profits or of employment in the domestic industry, or threatening to produce such a result. It shall report to the President within one hundred and fifty days from the filing of the petition or institution of the proceedings, recommending an increase in the duty to a level that in its judgment will prevent or remedy the injury, but in no case to exceed by more than 25 per centum the rate in effect under the Tariff Act of 1930; or the establishment of a quantitative limitation which shall not reduce imports to a level less than the average annual imports during the two most recent years. Should the Commission find that the facts do not sustain a finding of serious injury or a threat thereof it shall issue a report to the public setting forth the essential facts leading to the negative finding.

ESTABLISHMENT OF IMPORT CEILING

SEC. 6. (a) If the finding under section 4(b) is one of serious injury the ceiling recommended under section 5(a) shall be the share of domestic consumption supplied by imports of the pertinent article during the most recent calendar year, but not more than 10 per centum above the average annual imports of the three most recent years: *Provided*, That if imports during any one calendar year during such three-year period exceeded the imports during the immediately preceding year by more than 15 per centum, the imports for such year shall be calculated for purposes of this paragraph at not more that 15 per centum above the imports of such preceding year.

(b) If the finding under section 4(c) is one of a threat of serious injury the ceiling recommended under section 5(a) shall be the share of domestic consumption supplied by imports during the most recent calendar year.

PROCLAMATION OF QUANTITATIVE LIMITATIONS

SEC. 7. (a) The President shall within thirty days after the Commission's report to him proclaim the ceiling at the level recommended by the Tariff Commission under section 6 (a) or (b), but shall proclaim a quantitative limitation of the imports only when imports exceed 50 per centum of the proclaimed ceiling during any subsequent consecutive six-month period. The quantitative limitation, which shall be set at the same level as the proclaimed ceiling, shall be imposed by the President immediately upon notification by the Commission to the effect that imports have exceeded the ceiling during a six-month period as specified in this subsection.

(b) The President shall proclaim a new ceiling annually, adjusted to maintain the same proportionate share of imports to domestic consumption as represented by the initial ceiling. If imports for any calendar year after the proclamation of a quantitative limitation should fall below the ceiling, the President shall rescind the quantitative limitation. If imports during any six-month period thereafter should again exceed 50 per centum of the ceiling the President shall restore the quantitative limitation at the adjusted ceiling level.

(c) No quantitative limitation proclaimed by the President under subsection (a) of this section after a finding of serious injury as defined in section 4(b) of this Act shall continue in effect for a period exceeding five consecutive years; or for a period exceeding three years if the quantitative limitation was proclaimed by the President under subsection (a) of this section after a finding of a threat of serious injury as defined in section 4(c) hereof; but after the interval of at least one year after the removal of any such quantitative limitation the industry may petition the Tariff Commission anew under provisions of this Act.

TARIFF INCREASE

SEC. 8. Should the Commission recommend an increase in duty or a quantitative limitation on imports under section 5(b) of this Act the President shall proclaim the recommended rate of duty or quantitative limitation unless upon recommendation and representation made by him to both Houses of the Congress promptly after receipt of the Commission's recommendation, that it be set aside, he is sustained by a majority vote of those present and voting in either House within ninety calendar days of the date of his recommendation.

MINERALS AND METALS

SEC. 9. (a) No import ceiling or quantitative limitation shall be recommended or proclaimed under this Act for any mineral or metal (including ores or concentrates) until the Secretary of the Interior certifies to the Tariff Commission the capacity of the domestic industry to produce and market such article at a reasonable price. To the extent that domestic productive capacity so certified falls below the normal demand the import ceiling or quantitative limitation shall be correspondingly increased. While any ceiling or limitation is in effect for any such mineral article, the Secretary of the Interior shall on each anniversary date of such ceiling or limitation certify anew domestic capacity and demand, and such ceiling or limitation shall be adjusted accordingly.

(b) Should domestic production of any mineral or metal with respect to which an import ceiling or quantitative limitation is in effect be substantially impaired, such ceiling or limitation shall be suspended by the President, and shall remain suspended until the Secretary of Commerce advises the President that domestic production has been substantially resumed and that the restoration of such ceiling or limitation would cause no adverse effect on the orderly marketing of such article.

SEASONAL OR PERISHABLE ARTICLES

SEC. 10. (a) If the article which is the subject of a petition to the Tariff Commission under this Act is characterized by distinct seasonality with respect to imports, the Commission shall take the seasonality into account and establish seasonal factors calculated over the preceding ten-year period, so far as practicable. If the imports during any half year or quarter year period although showing an increase, should not exceed the average seasonal increment, they shall not be regarded as representing an increase in the share of domestic consumption supplied during that period for the purposes of this Act.

AGRICULTURAL PRODUCTS

(b) If the article is a seasonal or perishable agricultural product, ceilings may be established by the quarter or half year and the period selected treated in the same manner under this Act as if it were a whole year. The share of domestic consumption supplied by imports shall be calculated separately for each quarter or half year and a finding made for each quarter- or half-year period to the effect that the domestic industry is or is not being seriously injured or threatened with serious injury in any one or more quarters or during a half-year period in the year. If the Commission finds either serious injury or a threat of serious injury to the domestic industry under section 4 of this Act with respect to any one or more quarter years or half-year period, it shall so report to the President and he shall proceed promptly to proclaim a quarterly or half-year ceiling for each quarter- or half-year period recommended to him by the Commission, as provided under section 5(a). He shall proclaim an import quota for each quarter or half year under the same conditions set forth in section 6; and shall withdraw limitation under the same conditions as govern its withdrawal with respect to nonperishable and nonseasonal products. Imports during any quarter years or half-year periods found by the Commission not to cause or threaten serious injury to the domestic industry shall not be subject to a ceiling or a quantitative limitation. A new petition may be filed by the industry or other interested party after the lapse of one year from the date of the Commission's previous report to the President.

REGIONAL DIVISIONS

(c)(1) If imports of the article are concentrated in one or more regional areas of the United States, the Commission shall calculate the share of domestic consumption supplied by such imports on a regional basis. The region or regions absorbing the preponderance of the imports shall be defined by State boundaries according to the market pattern, and the region or regions so defined shall be treated as consumers of the article in question in the same proportion of total national consumption as the population of the region bears to the total population of the United States. The share of domestic consumption supplied by imports shall then be calculated by each region by alloting imports among the regions according to the marketing pattern, as established by investigation of the Commission and the testimony of competent witnesses.

(2) If the share of domestic consumption within any such region supplied by imports meets one or more of the criteria set forth in section 4 of this Act, or if the Commission finds serious injury or a threat thereof under section 5(b) of this Act, the Commission shall report accordingly to the President in the regular order of procedure as established in this Act. The President shall treat regional ceilings as if they were national in scope and proclaim the ceilings and any quantitative import limitations or any increase in the duty in the same manner as set forth in section 7 or 8 of this Act, whichever is applicable.

STATISTICAL ASSISTANCE FROM SECRETARY OF COMMERCE

SEC. 11. The Secretary of Commerce shall upon the request of the Tariff Commission supply such import statistics as the Commission may need in order to carry out the provisions of this Act. He shall maintain current statistics on the importation of any article for which import ceilings or quantitative limitations may be established under this Act, and on the domestic production of such articles. The Tariff Commission shall be guided by such statistics on carrying out

the provisions of sections 4 and 7 of this Act, supplemented as may be necessary by statistics from other governmental departments or agencies.

SEC. 12. The Tariff Commission shall inform the President of import trends of the articles for which import ceilings have been established under this Act. It shall notify the President of any such changes in the share of domestic consumption supplied by such imports as will enable the President to impose or remove quantitative limitations under section 7 of this Act.

CATEGORIES OF RELATED ARTICLES

SEC. 13. Any ceilings or quantitative limitations established under this Act may be divided into categories of closely related articles and allotted by country of origin on a representative historical basis during the most recent ten-year period: *Provided,* That the imports of the combined categories do not exceed the import quota limitation proclaimed by the President, and that they may be divided into quarter- or half-year periods. If separate categories are not pertinent to the safeguarding of the domestic industry concerned, total imports of the article may be allotted by country of origin on a representative historical basis during the most recent ten-year period: *Provided further,* That 5 per centum of the total quantity may be reserved for allocation to such countries as were not significant exporters of the article to this country during the historical period, if application for allocation of the reserve is made by one or more of such countries, and that such allocation shall be made in the calendar year after the application is received but in no case sooner than six months after its receipt. Only such part of the total quota, not to exceed 5 per centum thereof, shall be allotted to the applicant country or countries as they may reasonably be expected to fill. The remainder or unallocated portion of the 5 per centum reserve, if any, shall be prorated among the existing supplying countries.

ADMINISTRATION OF THE ACT

SEC. 14. This Act shall be administered by the Tariff Commission. In discharging its obligation the Commission is authorized to seek assistance from other departments and agencies of the Government and they shall furnish the Commission such relevant and pertinent statistical data as it may request, having regard for the time limitation placed on the Commission by this Act.

DESCRIPTION OF PROPOSED IMPORT-CEILING LEGISLATION

The proposed trade legislation is designed to provide domestic industry, agriculture and labor with a remedy against the adverse effects of an undue rise in imports on industrial growth, employment and profits. It is in effect an Escape Clause, revised to assure the actual availability of a remedy to industries that have suffered or stand to suffer serious injury from rising imports.

The legislation is therefore not open to any industry unless imports have made a serious market penetration.

The bill lays down two sets of criteria for determination of the question of serious injury or a threat thereof. One is for use when sufficient statistical evidence is available for the Tariff Commission to determine what share of the market (i.e., of domestic consumption) is supplied by imports. The other is to be followed when the statistical evidence is not good enough to permit the calculation of the share of the domestic market being supplied by imports.

In the first of these two instances, which is to say, where the share of the market supplied by imports can be determined, a 10% penetration of the market will be interpreted as representing serious injury, if absolute imports have doubled since 1960. A *threat* of serious injury, on the other hand, will be assumed if not less than a 7½% penetration has been made by imports.

The year from which to measure the trend of imports in terms of the share of the market (penetration) supplied by them is 1960, or the ten more recent years, whichever is less.

In either approach, any industry, labor union or trade association alleging serious injury would file a petition before the Tariff Commission, even as in the past under the Escape Clause or for Adjustment Assistance. The Tariff Commission would make a preliminary survey to determine whether available statistics make it possible to determine the share of domestic consumption supplied by imports (market penetration). Should this result affirmatively the Commission would proceed to determine the share of domestic consumption supplied by imports since 1960, as just stated.

If the available statistics were inadequate to make possible such a finding, the Commission would nevertheless proceed to make a finding with respect to injury, but under different guidelines. The bill under these circumstances calls for an examination of the probable adverse effects of rising imports on growth of the industry, expansion of the industry, level of profits, and the trend of employment.

Upon a finding of serious injury or a threat thereof the Commission would in this type of proceeding recommend an increase in duty to the President or an import limitation, that in its judgment would prevent or remedy the injury. The duty could not be placed at a level higher than 25% of the 1930 rate; and no quantitative limitation (import quota) could reduce imports below the average of the two most recent years.

If the President were opposed to putting the Commission's recommendation into effect he would send his reasons to Congress, and if either house by a majority vote of those present and voting sustained him within 90 days, the Commission's recommendation would be set aside. Otherwise it would be put into effect.

IMPORT CEILINGS AND QUANTITATIVE LIMITATIONS

The most distinctive part of the legislation lies in those cases in which the share of the market supplied by imports can be determined. In those cases the Tariff Commission would determine the level of imports that could be admitted into the country without going so far as to impose administrative limitations on them, and this level would be the ceiling. Only if imports subsequently should break through such a ceiling in their upward surge would an administrative limitation be imposed. This need not happen if the exporting countries took care to avoid it.

It is thought that in most instances in which injury from imports occurs or threatens, statistical evidence of the share of domestic consumption supplied by the imports is adequate. The Commission could then proceed on the basis of recommending ceilings to the President instead of recommending a tariff increase, if the facts developed in hearings and investigation demonstrated deep enough a market penetration by imports to justify an affirmative finding for a ceiling under the criteria laid down in the law.

The President would *proclaim* such ceilings upon a finding by the Tariff Commission of the share of domestic consumption supplied by imports of the product or article in question if this share were above the 10% penetration level, thus meeting the criteria of serious injury (7½% in the case of a threat of serious injury).

The Commission would thereafter keep the President informed of the trend of imports in terms of the share of domestic consumption supplied by them, in all instances in which a ceiling had been proclaimed. Should imports fail to rise above the ceiling level no actual administrative quantitative limitation would be established. Only if imports should rise above the ceiling *for a period of six consecutive months* (i.e., above 50% of the ceiling for a whole year) would the President impose the limitation.

By controlling their exports to this country, the foreign countries could avoid triggering the imposition of an administrative quantitative limitation (import quota). If after such a limitation were imposed imports for a whole calendar year should fall below the ceiling, the President would rescind the administrative quantitative limitation (import quota).

The ceiling for each article for which one had been established would be revised each year to adjust the quantity to any increase or decrease in domestic consumption, thus permitting imports to grow in proportion to the domestic consumption of the article. This proportion might be 10%, 12%, 20% or whatever had been found by the Tariff Commission to be the ceiling as prescribed in the law for the particular level in each case according to the extent of market penetration.

No quantitative limitation would remain in effect over 5 years if it were imposed upon a finding of serious injury, and not over 3 years if it were imposed upon a finding of a threat of serious injury. After a year subsequent to the ending of the quantitative limitation, the industry in question could petition the Tariff Commission for a new ceiling.

NEW CONCEPT

The concept of a ceiling on the share of the market that would be available to imports is relatively new. The further provision that imports would be allowed to expand as domestic consumption might expand introduces a flexibility into quantitative limitations on imports that is very rare and would go far to remove the usual objection to import quotas on the ground that they would place trade in a straitjacket. Indeed a further element of flexibility is introduced by allowing an interval of a year or more for reestablishment of a new ceiling, after 3 or 5 years.

The principal virtues of the proposal lie in the limited nature of the cutback in the level of imports if any; the avoidance of an actual administrative limitation on imports if the exporting countries do not trigger one; the exclusion of industries that have not experienced injury from increased imports arising subsequent to a tariff reduction or reductions under one or more trade agreements, and the flexibility already mentioned.

As an effective remedy for injury from trade agreements concessions with a minimum of objectionable features the proposed approach would be unique.

(Mr. BETTS asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BETTS. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. I want to commend the gentleman for bringing this subject to the floor of the House this evening. I join him in his concern and the concern of many other Americans over the very serious situation which confronts us with respect to imports into this country.

We in the agricultural Midwest are

now being told that action may be taken to provide for greater imports of beef. We all know that beef is high on the retail counters of this country, but there is no reason for encouraging and permitting greater importations of beef, because there is no shortage of beef. At least, we have no information that there is a shortage of beef in this country. The farmer is not profiting as he should in the production of meat animals even though the price to the consumer is high.

This situation needs attention. I say again I am pleased that the gentleman has brought this subject to the floor of the House this evening.

I include for the RECORD the following article:

TRADE STATISTICS—A CONTINUING DISTORTION

(By O. R. Strackbein)

The Department of Commerce continues to issue trade statistics that give the public a false impression of this country's standing in foreign trade. According to the official statistics issued by that Department recently, we continue to enjoy an export surplus, although it is a mere shadow of its former dimensions.

The Department of Commerce does the public no favor by clinging to its misleading form of trade-balance reporting.

The fact is that in point of competitive trade we are running a serious deficit. For years we have incurred *balance of payments* deficits but have looked to our *trade balance* to offset in great part our debits in the other transactions. Now the bleak facts must be faced. We lost our trade surplus position several years ago. This fact has yet to be officially recognized.

The stubbornness exhibited by the Department of Commerce can be attributed principally to a desperate desire to prevent the facts of our trade policy from becoming public knowledge.

Public officials, virtually all the media of public communication, and those charged with the conduct of our foreign relations, have become so accustomed to singing the praises of the so-called reciprocal trade program that anything to the contrary is not acceptable to them. Therefore the truth must at all costs be suppressed, as it has been these past several years.

The chickens, however, are coming to roost in such great flocks that the reality of our very weak competitive position in the world will break through one day soon; and we will pay heavily for our refusal to face the facts in time.

A brief review of how our self-deception has been practiced will not of itself open the door to a correction but it may make it more difficult henceforth for the Department of Commerce to continue the scandalous and indefensible policy of using statistical reports to conceal and obfuscate the facts rather than serving the public with the true trade balance, however unpalatable this may be.

It has been the official practice of the Department of Commerce to issue monthly, quarterly and annual reports on foreign trade sunny side up. By including in our exports the shipments made under Foreign Assistance, Food for Peace, and subsidized shipments of cotton and wheat, our total exports are made to look better than they should by $2½ to $3 billion per year. Yet such shipments did not reflect an ability to compete in foreign markets, nor did they represent trade in the true sense of the word. Private foreign trade flows only into markets in which we are competitive. Governmentally subsidized or financed sales are made regardless of our ability to compete. It is not a matter of trade at all, but of world politics.

Our *import* statistics, on their part, do not show what the imported goods actually cost us. Rather, they show what they cost on the other side of the water, leaving out ocean freight and insurance. Nearly all the leading trading nations of the world publish their import statistics on the basis of landed cost.

By clinging to our antiquated system of reporting imports our official statistics show our present annual level of imports at about $3 billion less than their landed cost.

Add the overvaluation of our exports to the undervaluation of our imports and we have a discrepancy in the magnitude of some $5 to $6 billion per year at our present trading level.

What has been and continues to be the purpose of such distorted trade statistics? One purpose has already been mentioned. It was to make our trade position look good, so that cheerful reports could be issued to the public.

What then was the genesis of that desire? It was to sustain the freer-trade philosophy that has so long beguiled our State Department and other blind followers of Adam Smith, and which serves the interests of importers and exporters. If our competitive position could be made to look good, the cry for further tariff reductions could be justified. Otherwise it would fall on deaf ears and would be questioned, as it should be.

Last but not least, our professional economists, nearly all of whom were spoon-fed the pap of free trade in our colleges and universities, could never admit that they had uncritically accepted ideas expounded by the British economists of the eighteenth and nineteenth centuries when free trade was good economic gospel for England. Nearly all our professional economists are old-style, free-trade oriented and emotionally-bound expounders of a theory that is nowhere actually practiced, least of all in our domestic economy. The free market, which is the basis of free trade, was discarded in this country after the 1930 Depression beyond resurrection. Very inconsistently the supporters of regulation and control of the domestic economy support freer trade internationally. It is in such an atmosphere that the false trade statistics are condoned and defended.

In 1966 S.J. Res. 115 was introduced in the Senate with the purpose of bringing about a corrective modification in the manner of reporting our exports and imports, to the end that the true competitive status of this country in world markets would be reflected in at least one version of our balance-of-trade reports.

Hearings on the Resolution were held on August 31 and September 1, 1966 by the Committee on Finance of the Senate. As a result of the hearings and the appearance of representatives of the Department of Commerce the Resolution was not pursued upon assurances received by the Committee from that Department to the effect that the intent of the Resolution would be carried out voluntarily.

Now, nearly three years later, the Department continues to issue its trade statistics as before the hearings on the Resolution. Its regular monthly, quarterly and annual press releases on the balance of trade continue exactly as before. The only concession made in fulfillment of its promise is contained in a quarterly publication of a special set of tables in a monthly report known as FT 990 published by the Department of Commerce.

One of these two tables shows separately the exports of goods shipped under the Foreign Assistance Act and Public Law 480. So grudging, however, is this publication of the bare bones of the statistics that the resulting total for "commercial exports," i.e., stripped of these governmentally-originated shipments, is not shown. The user of the report, if he wishes to determine the net exports, must make his own calculations.

The other table purports to show imports enhanced by a multiplier described as bringing the f.o.b. imports to a c.i.f. basis. In order to provide this additional information a sampling test of imports was made. This resulted in a multiplier of 108.3 applied to bring the imports to a c.i.f. level. A separate column in the table in FT 990 does show the enlarged 1968 import total, rising from $33.114 billion to $35.86 billion, i.e., up 8.3%. (FT 990, Dec. '68) However, this 8.3% is itself a low factor, as will be shown later. Nevertheless later this low percentage was reduced to 6.9%.

The response of the Department has thus been deficient in three respects:

(1) The Report (FT 990) is not distributed to the public with benefit of a press release, such as regularly accompanies the issuance of the monthly, quarterly and annual trade balances on the old basis. It is simply a report distributed to a small number of subscribers. So far as publicity on the trade balance calculable on the new basis is concerned, FT 990 might as well not exist.

(2) Another deficiency lies in the manner of the presentation in FT 990. To repeat, no new trade balance is shown to reflect the result of stripping exports down to private commercial transactions, and valuing imports on their landed value. Only the "makings" are shown. Users of the Report must make their own calculations if they wish to arrive at a trade balance that would really reflect the competitive performance of this country. By contrast, under the old method of reporting the purported surplus is regularly set forth in the press releases.

(3) The third objectionable feature of the report lies in the use of the low multipliers of 8.3% or 6.9%, as already related. The 8.3% enhancement factor, as already noted, was itself very low if it is compared with other measures. Now a 6.9% factor is substituted.

The Tariff Commission had already found a factor of 10% to bring the f.o.b. values to a c.i.f. basis. In its report of February 7, 1967 it made a comment indicating that the difference between c.i.f. and f.o.b. imports was indeed appreciably broader than the 10% found from its sampling of some 13,000 shipments for the year 1965. The report said (p. 1, third paragraph):

"The value used by most foreign countries for duty and statistical purposes includes not only freight and insurance charges, but additional costs (such as buying commissions), which are not ordinarily included in U.S. values. It is not feasible to collect reliable statistics on these additional costs on imports into the United States, *but they are known to range from an insignificant amount to as much as the charges for freight and insurance, or even more.*" (Emphasis added)

The low percentage used by the Department of Commerce (i.e., either 8.3% or, now, 6.9%) is therefore of questionable validity toward bringing the c.i.f. and f.o.b. to a comparable basis with the statistics of other countries. Quite surely even the 10% found by the Tariff Commission is low in view of the "other charges" that its survey did not take into account, as stated in its report.

The 1968 trade balance would be affected appreciably (1) if the Department of Commerce's own statistics were used in casting a balance, and (2) still more if the Tariff Commission's 70% were applied and (3) yet more if the other charges indicated by the Tariff Commission were included.

(1) Using the Department's statistics as shown in unfinished form in FT 990 for March 1969, pp. IV and VII, the following trade balance would be obtained for the year 1968:

[In billions]

Total exports, as officially reported	$34.661
Less: Military aid	.573
Less: AID shipments	*1.200
Less: Public Law 480	1.178

*Not given in FT 990 on the grounds of its not yet being available. Assuming AID to be at a level of the average of the 3 preceding years, a fair enough assumption, it would have been slightly over $1.200 billion in 1968.

If we assume that AID was at the level of $1.200 billion in 1968, we arrive at competitive commercial exports in that year of $31.710 billion or $2.951 billion less than the $34.661 billion publicized by the Department of Commerce.

1968 imports were estimated on a c.i.f. basis by the Department at $35.546 billion (FT 990, Mar. '69). This level was achieved by multiplying the official imports ($32.251 billion) by 106.9%. The enhancement was $2.294 billion.

Even on the basis of the Commerce Department's own calculations the surplus that was publicized to the country and to the world, i.e., one of $1.410 billion, would have become a deficit of $3.83 billion if net exports were matched against c.i.f. imports (i.e., net exports of $31.710 billion compared with c.i.f. imports of $35.546 billion).

The discrepancy between the Department's publicized statistics and the present calculations based on FT 990 was therefore $5.246 billion (the $3.83 billion deficits plus the $1.410 billion surplus.)

(2) If the Tariff Commission's 10% factor were used, c.i.f. imports in 1968 would have been $36.576 billion. The deficit would then be found to be $4.866 billion in place of $3.83 billion as it was when the $6.9% factor was used. The difference between such a deficit and the surplus of $1.410 reported by the Department of Commerce would have been $6.276 billion.

Summarizing the foregoing for 1968:

Surplus as shown by Department of Commerce, $1.410 billion.

Deficit if c.i.f. imports enhanced by 6.9% are compared with "net exports," $3.836 billion.

Deficit if c.i.f. imports enhanced by 10% are compared with "net exports," $4.866 billion.

With a deficit in competitive commercial trade at a magnitude of some $4 billion, compared with an officially reported surplus of $1.410 billion, the Department of Commerce's stance brings into question the quality of the Department's honesty.

The importance of the difference in the two sets of balances to considerations of foreign trade policy can hardly be exaggerated. If the United States is in a weak competitive position in international trade our trade policy should be determined by that fact rather than basing it on the assumption, as it has been, that we are in a strong competitive position in the world.

(Mr. GROSS asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. BETTS. I would like to say I appreciate the remarks of the gentleman. I know of his interest and concern. I can share his concern, also, because the people in Ohio are in the same position as the people in Iowa. I am very happy to know that he is for this legislation.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. BETTS. I am happy to yield to the gentleman from Missouri.

Mr. HALL. I certainly want to commend the gentleman, a distinguished member of the Committee on Ways and Means, for bringing this bit of research and the studious, prudent judgment he has distilled therefrom to the floor here today. I will read with great personal interest his bill. I want to commend others who are taking the well today to discuss the impact of imports on our presently laid bare high standard of living in this Nation. I have long felt that the precipitously passed reciprocal trade and tariff act of 1962 has been the root of evil as far as our loss of standards not only in agriculture is concerned but in the broiler market, which we saw flee away early in 1963 at the rate of some $56 million balance of trade in favor of the United States. One can go on down the list through foreign imports such as glass, sheet steel and, not least of all, the shoe industry in America, which is the most outstanding part of our Nation. I am privileged to represent multiple small shoe factories. There is good economic unity there. Like the watch industry, though, with Elgin and others, it has disappeared across the length and breadth of the country. Textiles are another important item which we subsidize in all directions in order to try to maintain our standard of living. The reason why I say the Reciprocal Trade and Tariff Act, which I was one of 60-odd who voted against it——

Mr. BETTS. I would like to interrupt the gentleman to remind him that I was among those 60.

Mr. HALL. I am glad that the gentleman was, but positions were not taken on it at the time. In the interests of free trade we have laid bare and unclothed, naked, the standards of living and higher and higher spiraling wage factor we have, and certainly the cost of production. The thing about a protective tariff is that it can be measured and calculated by all concerned whether they are importers or exporters. If the cost of an article depends on its production, including the cost of labor plus the delivery cost and plus some protective tariff, it is at least honest and overt and is not subject to the machinations of some hastily arranged common market and variable tariffs and control of currencies. Indeed we are in a dangerous situation as far as our currency controls or the international monetary exchange system is concerned at the present time. No single thing added to this, as the gentleman from Ohio has so succinctly pointed out, as much as the impact of imports. I would certainly be interested in his suggestion not only that the present administration take a leaf from the recommendations to the Tariff Commission—which none of the past three have, to my knowledge—but also those dealing with the percentage of imports which will be levied and protected. If this does not happen, our people in labor will have to do what the labor organization did in Norway in 1958, that is, take an across-the-board cut and stop the spiral of wages in order to increase their exports from that nation and also increase their employment. It worked in Norway. I happened to be there that summer. I watched it with a great deal of interest, and I think the time is rapidly coming, as I said before, when we must face up to this situation.

Again, Mr. Speaker, I thank the gentleman from Ohio for yielding and I commend him and wish to associate myself with his remarks as expressed here today.

Mr. BETTS. I thank the gentleman from Missouri for his support.

Mr. KEITH. Mr. Speaker, each of us represents a district which contains industries being pressed by imports. In my own district several important industries are yearly losing greater and greater portions of the domestic market to imported goods. These are specifically the footwear, textiles and fisheries industries. In recent years, the fisheries have been driven into a position of fighting almost hopelessly for survival. Today imports of edible fish supply some 58 percent of total fish consumption in this country. The shoe industry has already lost close to 30 percent of the domestic market to imports. By 1975, if the present trend continues, this figure will be well over 50 percent. The story of textile imports is already well known.

Obviously, in the case of these industries and others, a peril point has been reached. The time has come to decide whether we want to rescue these industries or whether we want to see them die. In my view, we cannot allow them to be driven out of business. We cannot deprive the public of their services and production and we cannot sit idly by while the jobs of thousands are periled.

If the cause of this penetration were simply inefficiency, there would be little jusification for our decrying the growth of imports. However, Mr. Speaker, there is a better, less obvious, explanation for this peril to vital domestic industries. Our economy is based on a high standard of consumer income, and this in turn calls for worker compensation high enough to buy the products of our expanding economy. Our minimum wages are higher than the maximum wage in most other countries. Yet our industries must compete with goods from these nations which are produced at wage rates which would be unlawful in the United States. In order to overcome this discrepancy in wages, our industries would have to be up to five times as productive per man-hour. Unfortunately, our technology is just not advanced enough to overcome this wage differential. This is especially true as competing nations have adopted our production methods and introduced similar machinery of a highly productive nature. Additionally, the inflation caused by the war and high Government spending has made our domestically manufactured products less competitive.

Our responsibility in the face of this deteriorating situation is clear: We must see to it that our industries are not unmercifully battered by imports from nations which are free of the burdens under which our industries are operating. A very reasonable measure of restraint such as that provided by the fair international trade bill is all that we need. It provides for ceilings on imports at reasonable levels and would have the effect of allowing the country to enjoy the benefits of a high level of world trade while avoiding the unnecessary destructive elements of such trade.

The fair international trade bill strikes a just compromise between the extremes of completely free trade and isolationist protectionism. Its automatic triggering

provisions respect no special section or industry. The bill provides for imports to join in the growth of the American market in an equitable manner. For these reasons it is a moderate and just proposal which I commend for the consideration of my colleagues.

Mr. BOW. Mr. Speaker, I would like to emphasize in specific and concrete terms one very important advantage of the proposed bill. This bill would at last make it possible for certain defense-essential industries which are inundated by excessive imports to obtain the kind of relief they require to continue to exist as healthy and reliable source of supply for national defense production. To use as an example, Mr. Speaker, a defense-essential industry with whose plight I am very familiar—the ferroalloys industry—this bill could make the difference between this country's continuing to have a ferroalloys industry and its eventual disappearance from our national economy.

The ferroalloys industry is engaged primarily in the production of ferromanganese—an essential ingredient in making steel; ferrochome—which is used, among other things, for making stainless steel and superalloys for major space age applications; and silicon ferroalloys—which are used in aluminum alloy castings, high-temperature lubricants and other special-purpose products.

As is readily apparent, even from my brief and oversimplified description of the various ferroalloys products, this is clearly an industry which supports many of the most important facets of our national defense effort. Indeed, in 1964, the then Office of Emergency Planning made the determination "that the ferroalloy industry is an essential part of our mobilization base." Such a classification is hardly surprising, Mr. Speaker, since, as I have already pointed out, conventional and stainless steels, sophisticated alloys, and many forms of aluminum and other nonferrous products cannot be produced without one or more of the various ferroalloys.

Despite the obvious importance of ferroalloys to our national defense, this industry is today being destroyed by imports, and there appears to be no effective governmental mechanism available to save it. It is true that the industry has applied to the Office of Emergency Preparedness for relief under section 232 of the Trade Expansion Act of 1962—the so-called national security clause. The history of this provision offers scant encouragement, however, since relief has been granted in only one instance in 13 years. This poor record of administering section 232 is even worse than it seems when it is remembered that the Congress amended this provision in 1958—with the specific intention of strengthening it and making relief more readily available—and yet no relief has been granted in any case since that time. Thus, unfortunate as it may be, Mr. Speaker, I am not optimistic about the chances of the ferroalloys industry obtaining relief from imports from the executive branch under any existing legislation.

Unless we act now and provide some form of statutory protection, at least for important and essential industries, we may find that in addition to being confronted with economic distress, we will have a seriously impaired mobilization base.

A classic case history of the kind of impairment that can occur is provided by the ferroalloys industry.

Here is an industry which today, because imports have skyrocketed over the past few years, faces a domestic market for its more important segments in which between 35 and 45 percent of consumption is supplied by foreign products.

Here is an industry which, to stay competitive with low-cost imports, has been forced to reduce domestic prices to uneconomic levels, averaging 35 percent below 1960 price levels.

Here is an industry where profits have declined almost to the vanishing point, and where production capacity and employment have been static despite substantial increases in domestic demands.

Here is an industry where the estimated return on capital expenditure for new and more efficient furnaces is as low as 1.2 percent, thus making it practically impossible to carry out needed modernization of equipment.

Finally, Mr. Speaker, here is an industry where plant shutdowns, which began in the 1960's, still continue today, creating unemployment and economic loss in various areas scattered throughout this country.

This process of attrition must be stopped to avoid a serious threat to our national security. Essentially, what is needed is reasonable assurance to the ferroalloys producers that they can stay viable in the future—a future which is now too speculative to justify the producers making the capital expenditures needed to improve their deteriorating competitive position. The current unfavorable trends can be reversed only by affirmative governmental action to impose reasonable limitations or controls on ferroalloy imports.

A CASE HISTORY

While I have described in rather general terms the present state of the ferroalloys industry, let me be more specific and give the case history in greater detail.

Right at the beginning I want to set the record straight that the grave situation in which the ferroalloys producers now find themselves is not one of their own making. The bulk of ferroalloy imports come from foreign facilities which in great measure were built in the interest of supplying our U.S. national stockpile requirements during the 1950–61 period. However, by 1963 the Government had ceased its stockpile purchases—resulting, predictably, in substantially increased imports for the commercial market. In other words, with the foreign producers having expanded their ferroalloy capabilities far beyond their own domestic requirements—thanks largely to U.S. Government encouragement—they came inevitably to look upon the U.S. marketplace as a dumping ground for their excess capacities.

The resulting damage to the domestic ferroalloys industry is illustrated graphically by the following comparisons: In 1961, U.S. Government imports of ferromanganese products for the stockpile were 183 million pounds as against 186 million pounds imported commercially; by 1963, there were no Government imports and commercial imports had risen to 266 million pounds. Similarly, U.S. Government imports of chromium products in 1961 totaled 60 million pounds as against 17 million pounds imported commercially; by 1963, with no Government imports, commercial imports had jumped to 41.6 million pounds.

It thus appears that, because of a U.S. stockpiling program which helped build them up, foreign producers now are capable—in addition to supplying their own needs—of supplying our entire domestic market for high-carbon ferromanganese, and substantial portions of the domestic requirements of other ferroalloy products.

FOREIGN COST ADVANTAGE

Mr. Speaker, these overseas producers have a significant cost advantage over domestic ferroalloy makers in several areas—especially their cheaper labor rates, and lower unit costs resulting from capacity or near-capacity operations. And many of these imports are coming increasingly from countries such as South Africa and India, where costs are very low. Even in the more developed ferroalloy exporting countries such as Japan and West Germany, labor rates are considerably lower than in the United States. Since labor costs for ferroalloy products average approximately 24 percent of total plant cost, this is a significant advantage for foreign producers.

Moreover, the declared value of ferroalloy imports has declined steadily for most items from 1960 through 1968. As a result, domestic prices have been forced down to seriously depressed levels—dropping by an average of about 35 percent from 1960 through 1968.

To be able to stay even remotely competitive, the domestic producers have made substantial reductions in their own ferroalloy prices. Even so, however, there remain price differentials between many domestic and imported alloys of from $15 to $25 per ton. It is thus clear that domestic producers in most cases cannot sell at the current prices of the imported products and maintain anything approaching a reasonable margin of profit.

PROFITS DIP DANGEROUSLY

This invasion of low-cost foreign ferroalloys, together with the depressed domestic price levels, has had, Mr. Speaker, a predictably drastic effect upon the earnings and future prospects of the domestic producers. The average profitability, after taxes, of the domestic industry as a whole has declined from about 7.7 percent of sales in 1965 to approximately 4.7 percent in 1968—which is not an acceptable return in this industry. Several individual producers actually suffered losses on their ferroalloy production during one or more of the past 8 years. For the manganese alloy segment, the industry's average profitability figures are even more alarming—from 7.1 percent in 1965, to an estimated 3.1 percent in 1968, with an actual net loss in 1967.

This serious decline in earnings has been due in large part to increasing costs

of wages, related services, and supplies—along with the uneconomic prices which, as I have already pointed out, the domestic industry has had to charge to compete with lower-priced imports.

These profit levels are dangerously low in view of the return needed to encourage further capital investments for innovation, research, modernization, new furnaces, and the like. They are also low in comparison with the profitability of comparable industries.

Actually, Mr. Speaker, the most disturbing factor in this whole picture is the unfavorable trend, the steady decline in profits since 1965 on an overall basis. This trend, projected into the future, is a major deterrent to the kind of capital expenditures the ferroalloys industry needs to schedule for normal health and growth.

The conditions in the industry which I have described, Mr. Speaker, have effectively prevented domestic shipments and capacity from keeping pace with the demands of the expanding U.S. market for ferroalloys. As an example, the U.S. available market for manganese ferroalloys has grown by about 30 percent—that is increasing by some 267 million pounds between 1960 and 1968. During the same period, imports increased by about 240 million pounds. Thus, despite a substantially expanding market since 1960, domestic ferromanganese producers enjoyed only a negligible share of this expansion.

An additional factor is the rising tide of steel imports, which naturally contain foreign-produced ferroalloys. This development obviously lessens selling opportunities for U.S. producers.

Concurrently, since 1960, employment in the various segments of the domestic industry has had little or no growth—in sharp contract to conditions in related industries such as steel, automobiles, and agricultural equipment. With imports taking larger and larger shares of the U.S. available market for various ferroalloy products, the result is a net loss of U.S. workers. In effect, jobs that normally would have been provided by domestic industry have been and are being exported.

To state the obvious, Mr. Speaker, the present picture of the ferroalloys industry is not a pretty one, and it is getting worse. For the past several years, as I have indicated, important segments of the domestic ferroalloys industry have not kept pace with the tremendous expansion of the U.S. market. Imports have been increasing and profits declining, despite substantial efforts and expenditures by the U.S. producers to modernize facilities and otherwise improve their competitive position.

NEW DEVELOPMENT HAMPERED

The result of all this is that the domestic ferroalloys industry faces the future with increasing uncertainty. In particular, the adverse trends inhibit commitments of the funds necessary to support research, new technology, and similar development programs needed in the years ahead to keep this industry dynamic and competitive.

For example, a pro forma operating and revenue statement for a new, modern, standard ferromanganese furnace, starting from scratch, would show an investment totaling about $18 million on which the expected return after taxes would be only about 1.2 percent. Few if any producers are able to justify such an investment under today's conditions.

Domestic producers are also confronted with increased capital expenditures for environmental control. Ferroalloy furnaces usually cannot be successfully enclosed; expensive measures must be taken to remove or control the emissions which they generate in order to comply with increasingly strict governmental standards of acceptable air quality. These costs, when added to the capital costs of the facilities themselves, further reduce returns on investment.

The U.S. ferroalloys producers are thus in a serious dilemma. On the one hand, if they do not add new capacity or continue their modernization programs, the snowballing effect of their declining participation in the U.S. ferroalloy market will be accentuated in favor of imports. On the other hand, they are finding it ever more difficult to justify the further capital investments needed to remain viable and competitive. In most cases, the producers will have no practical economic choice under present conditions but to operate present furnaces until they are obsolete—at which point the country will have become largely dependent upon foreign sources for its ferroalloy needs.

PLANT SHUTDOWNS

The dilemma faced by the domestic ferroalloys producers has already caused some of them simply to shut down their plants, and either go abroad with their production, or put their resources to better use in some other line of production. These plant shutdowns were particularly prevalent in the early 1960's when a number of domestic ferroalloy plants found themselves unable to remain competitive in the face of the increasing number of low-price imports.

Unfortunately, another round of plant shutdowns now seems to have begun. For example, E. J. Lavino—the Lavino Division of International Minerals & Chemical Co.—closed down its ferromanganese production in April. This decision was dictated by "continuing shrinkage of the available U.S. ferromanganese market caused by the high levels of imports." As a result, some 20 percent of the U.S. noncaptive capacity for high-carbon ferromanganese is no longer available.

This decision by Lavino is the predictable result of the increasing pressure of low-cost ferromanganese imports on domestic prices and profits. For example, the average value of high-carbon ferromanganese imports dropped some 13.2 percent in 1968 as compared with 1967. The only realistic alternative for domestic producers under such conditions is to keep lowering their own prices at the expense of adequate profitability—or, as Lavino has done, to close down their domestic production.

Mr. Speaker, I am seriously disturbed by this rapid deterioration of a critical domestic industry which has been allowed to take place over the last few years. In wartime emergency where access to foreign supplies is likely to be greatly reduced, or even cut off, the increased needs for ferroalloys for steel and other vital defense items can be met from only two sources—Government stockpiles, and from what remaining segments of domestic industry might still be in existence.

NATIONAL SECURITY AT STAKE

The present adverse import trends, however, if not checked, will make it more and more difficult for domestic producers to maintain viable operations for many ferroalloy products. The vital question then is whether, if we do not maintain a healthy domestic industry of some minimum proportions, the stockpiles and nondomestic sources of these products will be sufficient in times of emergency for national security purposes.

Any reliance on the stockpile would have to assume the continuing existence of a viable domestic industry that can expand its capacity within a relatively short period before the stockpiles are exhausted. For the reasons already indicated, Mr. Speaker, I feel that the adverse economic trends affecting major segments of the domestic industry today, and particularly for the future, do not justify such an assumption. The recent announcement of Lavino's closing down its ferromanganese production facilities bears this out.

To be sure, the present Government stocks of ferroalloys serve to reduce the mobilization base—domestic industry capacity—considered to be needed at the beginning of any emergency. But in most cases these ferroalloys represent less than a 1-year supply under conditions of increased wartime demand, assuming imports were cut off. Consequently, for a continuing emergency these stockpiles should not be considered as taking the place of a healthy domestic industry in being.

In this connection, it should be noted that the 3-year stockpile of ferroalloy ores obviously does not meet the problem, since these ores must first be processed into the various ferroalloy products before they can be used. In other words, the value of the ore stockpile in time of emergency is obviously dependent upon a viable domestic producing industry with the capacity to convert it into alloys before exhaustion of the ferroalloy stockpiles. Unfortunately, however, the existence of a large stockpile of ores has been used by some as a kind of smokescreen to disguise the real nature of the problem as it relates to the need for a minimum domestic industry in the interest of our national security.

Mr. Speaker, I am convinced that the only way to prevent further weakening and deterioration of the defense-essential ferroalloys industry is for the Government to take firm action in the form of import limitations to control imports. An increase in duty rates would have little effect, and would be inconsistent with our trade policy. But an import quota system, on a resonable percentage-of-consumption basis, would permit both domestic producers and importers to share equitably in the expanding U.S. market. Thus, Mr. Speaker, I favor leg-

islation which will insure the continued existence of industries, such as ferroalloys, which are an integral and critical part of our defense production system.

Mr. BERRY. Mr. Speaker, I cannot remember how many times in the past I have warned about the increasing menace of imports if we insisted on successive tariff reductions. Nevertheless there was a counterinsistence that we should slash our tariffs and reduce other trade barriers; and this counterinsistence prevailed.

Today this country finds itself in a very uncomfortable trade position. The development of this position was hidden for years by the issuance of misleading trade statistics by the Department of Commerce, and even today, although the virtual disappearance of our export surplus is conceded, the gravity of our competitive weakness continues to be concealed. This is done, as is only beginning to be known, by padding our exports by the inclusion of our shipments of goods under Public Law 480, foreign aid, and so forth. These shipments, of course, do not reflect a competitive advantage on our part but rather the willingness of our taxpayers to pay for goods supplied to other countries for their benefit.

I am not concerned with the foreign aid policy at this point. I am merely pointing to the distortion of our trade statistics by the practice of including these shipments as exports. It gives us a highly optimistic view and is therefore misleading. The fact is that so far as competitive exports are concerned we are running a serious deficit compared with imports. If we should value our imports on what they cost us laid down at our ports, or c.i.f.—cost, insurance, and freight—instead on their value at the port of export overseas, which is our practice, the trade deficit would be still higher, or in the neighborhood of $5 or $6 billion.

In recent times, beginning in 1967, even this concealment has not prevented monthly trade deficits from appearing from time to time, especially in 1968. Also the annual so-called surplus fell below $1 billion in 1968, and bids fair to do so again this year. This shrinkage has occurred even though the statistics issued by the Department of Commerce still treat foreign aid and similar shipments as true exports and still tabulate our imports on the basis of their foreign value rather than their value laid down at our ports of entry.

Mr. Speaker, this unconcealable shrinkage in our trade surplus has taken away the cushion that our trade surplus previously provided us against the deficit caused by foreign aid and other outlays that came to the surface in the form of a heavy balance-of-payments deficit. Now we no longer have this cushion. We really did not have a cushion previously. We merely deceived ourselves by the form of accounting we used. This practice should be ended so that we can better assess our real trade position and then shape our trade policy in keeping with the reality of the situation.

Over a number of years the Department of Agriculture prided itself on the rising agricultural exports we enjoyed. This also was largely a self-deceptive form of self-congratulation. The record of our agricultural exports of the past 5 years does not suggest a bonanza. The record was as follows:

Agricultural exports

	Million
1964	$6,067
1965	6,096
1966	6,676
1967	6,761
1968	6,312

The bulges in 1966 and 1967 were the result of crop failures in wheat in Russia and other countries. In 1968 exports subsided to $6.3 billion or only 4 percent above 1964. Meantime total exports of all products increased from $26.3 billion in 1964 to $34.2 billion in 1968, an increase of 30 percent. In other words our agricultural exports did little better than hold their own in value from 1964 to 1968; and since prices increased appreciably per unit, the total quantity exported no doubt actually declined.

Imports of farm products have increased more since 1964 than exports, as the following table shows:

Imports of agricultural products

	Million
1964	$4,096
1965	3,986
1966	4,454
1967	4,453
1968	4,656

Agricultural imports increased 11½ percent.

Thus agriculture has been rather sluggish in its export achievement.

Compare the increase in agricultural exports and the increase in total exports from 1964–68, 4 percent and 30 percent, respectively, with the increase in total imports and we see the true contrast that reflects the weak competitive position of this country:

Increase in agricultural exports, 1964–68	4%
Increase in agricultural imports, 1964–68	11%
Increase in total exports, 1964–68	30%
Increase in total imports, 1964–68	77%

Here we see that total imports have grown 2½ times as rapidly in the past 5 years as total exports; and 19 times as fast as agricultural exports.

The most rapid rise of all in imports occurred in manufactured goods.

These trends say a great deal that should be taken into account in shaping our trade policy. Until now the whole emphasis has been on reducing the defenses against rising imports. We have reduced the average tariff incidence on imports by a full 80 percent in the past 35 years. Always the emphasis was on reducing barriers to trade, as if free trade would bring us into the land of milk and honey.

Mr. Speaker, it has not worked out in that fashion.

Competitively we are on the run. Today even if we count among our exports the products and commodities that we give away and tote up our imports, not on the basis of what they cost us, but on the foreign value before they pay ocean freight and insurance—even on that basis we are barely breaking even. If we made up our accounts to show our competitive trade, we would show a deficit of $5 to $6 billion.

We need a new approach, and I know of nothing better than the fair international trade bill, which would establish ceilings on those imports that would otherwise have nothing in their path to stop them from taking full advantage of the competitive advantage they derive from low wages—a level of wages that would not pass muster under our laws by a long margin.

I introduce this bill along with others who are convinced that our trade policy needs to take into account the results of the past policy, and to make the necessary modification.

Mr. CEDERBERG. Mr. Speaker, I am pleased to join with my colleague (Mr. BETTS) in introducing legislation which is designed to protect our American manufacturers from the great influx of foreign imports. I have continuously been made aware of the injuries that have resulted from the competitive impact of these imports in my district.

A major chemical producer in my district reports that it has gone out of the methionine business. Methionine is an amino acid food supplement which is used as a dietary supplement in animal nutrition. This company was the only producer in the United States, but discontinued production because the imported product was being sold for less than the American production cost.

Costs are lower overseas, not because they have more advanced technology or better processes, but because their labor costs are less than our minimum wage scales. In fact, if these products were to be produced in this country at the foreign labor costs, they could not be shipped in interstate commerce because of the low wages paid.

Competition based on low foreign wages has already usurped a large portion of the American market in sewing machines, typewriters, cameras, and electronic devices such as small radios and television sets. It is making substantial inroads in automobiles and steel and in various of the more sophisticated chemical and medicinal products.

The time has come for this Congress to establish a new trade policy based on the current situation and not one that looks to the conditions that prevailed when the Trade Act of 1934 was passed.

Mr. WHALLEY. Mr. Speaker, last year I introduced legislation very similar to the fair international trade bill which has been introduced by a number of Members today.

There is not much that I could add to what has already been said. The principal elements of our present position in world trade may be summarized as follows:

First. The competitive position of this country has weakened to a dangerous degree in recent years, especially within the past 4 or 5 years. Our share of world exports has declined. The increase in imports has been two and a half times as great as the increase in our exports. A growing share of our imports is in the form of finished goods, while the share that is in the form of raw materials is shrinking. This to say, we are im-

porting more and more of those goods with a full labor content as compared with those, such as raw materials, that have had the least amount of labor expended on them.

Second. Our production costs have risen to a level that makes us less and less competitive as we seek to sell abroad in competition with foreign goods that are produced with much cheaper labor.

Third. The productivity of industries in the industrial countries has risen dramatically, thus giving a sharper bite than ever to the lower wages they pay.

Fourth. We have successively reduced our tariffs over the years, thus removing what there was by way of an offset against the low foreign wage costs per unit of production.

Mr. Speaker, we need a new approach, one that will prevent imports from crowding our own producers out of our market, as they are doing increasingly in one industry after another. At the same time such legislation should recognize the benefits of a maximum level of fair trade.

That is the intent of the trade legislation introduced here today. I am happy to join in the introduction.

Mr. HARVEY. Mr. Speaker, like so many arrangements in human affairs, free trade cannot be a one-way street. You cannot have one trading partner steadily reducing its tariff barriers to the point of near-extinction, as the United States has done, while other partners contrive through various means to maintain protection of their home markets.

Our trading partners of the free world, particularly the nations of the European Economic Community and the United Kingdom, have paid considerable lip service to free trade, but in actual practice they have continued to shield their own industries and workers.

First of all, at the various conferences on tariff revision, they have never reciprocated our reductions with comparable reductions of their own. For example, in the Kennedy round, the United States agreed to a 50-percent reduction in chemical tariffs; the Common Market nations and the United Kingdom cut theirs by only 20 percent. Throughout the whole history of negotiations under GATT, the United States has regularly, at each conference, given more in the way of tariff reductions than our trading partners overseas.

Second, whenever the situation seems to require it, our foreign trading partners have not hesitated to raise nontariff barriers to protect their own industries. In the last 2 years, West Germany has raised her border taxes by an amount that more than offsets her total tariff reduction under the Kennedy round. The United Kingdom responded to a recent balance-of-payments difficulty by imposing a 10-percent excise tax on all imports. The Common Market nations have taken extraordinary steps to block imports of American agricultural products which they consider are disadvantageous to their own producers.

If these nations cannot bring themselves to make their trade with us more free, we at least can see to it that it is made more fair by providing reasonable ceilings on the share of the American market available to imports. I am happy to add my support to the fair international trade bill.

Mr. BRAY. Mr. Speaker, I may say that it has come as no surprise to me that this country has lost its competitive standing in the world of trade.

Three things are principally responsible. One has been the drastic reduction of our tariff during times when the effects could not be tested. The State Department went right ahead with its sharp knife, cutting tariffs in conference after conference with other countries, without waiting to determine the effects of its previous actions.

The second cause of our faltering competitive position is to be found in the higher costs of production saddled on our producers and manufacturers through a variety of legislative enactments. Other countries have also put some burdens on their industries but not at all to the same degree. Also they do not have as powerful labor organizations engaged in bargaining for wage increases as we have. The result is that we are committed to a high national income by our consumers, the vast majority of whom are workers, if the output of our farms, mines, and factories are to find a market.

Goods made with much lower wages abroad can and do undermine our industries and take an ever-increasing share of our own market away from our industries. At the same time we find it more difficult, for the same reason, to sell abroad.

In order to overcome this difficulty our industries have been investing tens of billions of dollars abroad, hoping thus to sell those markets from within rather than from here. For the future this means less exportation from here and more imports. Already we are in a deficit position in our trade. Our imports substantially exceed our competitive exports, that is, exports other than those generated by foreign aid and other governmental programs.

The third difficulty contributing to our weak competitive position is found in the great technological advancement of our competitors. Our boasted lead in productivity over other countries on which we relied to offset their lower wages, is shrinking because of the foreign technological progress.

Briefly, these combined factors have put us into a new ball game so far as trade policy is concerned.

I believe, Mr. Speaker, that the fair international trade bill which is being introduced today offers a fair and reasonable modification of existing trade policy. I not only am glad to join in introducing it, but urge its favorable consideration by the Ways and Means Committee and adoption by this body.

Mr. SAYLOR. Mr. Speaker, I am cosponsoring today the international trade bill because I firmly believe that something must be done to avoid further serious erosion of American industries.

I do not have to repeat what has already been said in some detail; namely, that this country is in a weak competitive position in world markets and in the face of imports here at home. This illogical position has been concealed in the form of statistical reporting by the Department of Commerce that makes our trade position look better than in actuality.

There is no question that many of our industries—among them steel, automobiles, textiles, glass, chemicals, and so forth—cannot compete with unrestricted imports. It is not true that this competitive weakness is the result of the inefficiency of our industries. Our industrial capacity is still the beacon of other countries, but we no longer keep pace as we once did because other countries have greatly improved their production methods by installation of modern machinery and equipment. Our technological lead has been narrowed, and may be expected to erode further. At the same time the wage gap remains wide.

Many of our industries have invested heavily overseas in order not to lose foreign markets, but in doing so they shrink markets for our exports. Initially these investments increase our exports of machinery and equipment, but this will also change. The trend is running against us. Total imports of all products have increased 77 percent since 1964, while total exports increased only 30 percent, far less than half as much. For instance, imports of machinery from 1964–68 increased 190 percent while that exported increased only 36 percent.

Mr. Speaker, we need new job openings in this country, and plenty of them, in the years ahead. When we move away from a war economy, our industries will be hard pressed to hire the many hundreds of thousands of new workers who will be looking for work. If our industries are sorely beset by imports they will be unable to respond as they will be expected to do and we will be engulfed by unemployment.

The legislation now being proposed is designed to meet this problem, and it would do so effectively with the least disruption of trade. In fact, in all instances it would permit an increase in imports—not a wild surge—but an orderly rise from year to year in proportion to the expansion of domestic consumption.

Only those imports that had already made a considerable penetration of our market and which had increased substantially since 1960 would be placed under a ceiling, and then only after application to, and a hearing by, the Tariff Commission. Thus the approach would be in retail rather than wholesale fashion.

A ceiling on imports would be established only in instances in which an industry could qualify. It would be a percentage of domestic consumption, such as 10, 20, 30 percent or higher, as the case might be, and depend on how deep a penetration the imports had already achieved. Unless there had been an undue spurt in the past year or two, the attained level of imports in the most recent year would become the ceiling without a rollback. Thereafter, imports could grow with the increase in consumption in this country.

A more moderate proposal can hardly

be advanced—no other country offers a program so reasonable. Only those who refuse to come to the rescue of our industries or only when they were demoralized could object to the proposed approach.

Actual import quotas, as has already been explained, would be placed in effect only if imports should break through the ceiling for a period of 6 months. If imports then again dropped to the level of the ceiling or below it for a year, the quota would be removed. In any event, no ceiling or quota would remain in effect for a period exceeding 5 years. A year would then elapse before another ceiling or quota could be established.

Mr. Speaker, import quotas have been given a bad name. They are regarded in some quarters as perhaps worse than tariffs. No doubt this impression gained ground during those years when other countries applied import quotas that resembled embargoes. Yet, a quota might be liberal in its restraint on imports, depending on its provisions.

A quota would, of course, be severe and open to objection if it should cut back imports from, let us say, 5 million units to 1 million or 2½ million. It might even be regarded as too restrictive if it cut back to 3 or 4 million units; but a quota that either called for no cutback or only 5 or 10 percent, could not be regarded in the same light, especially if it provided for growth of imports in the oncoming years equal to the growth of consumption in this country.

To attack such a quota as unreasonable or as gross interference with economic development would simply represent the view that imports should enjoy the right of eminent domain in this country, as if they enjoyed a right superior to that of our own producers and that the latter should step aside for imports. I do not believe that such an attitude can be justified, nor do I believe that the American people agree with it.

I say that the approach contained in this legislation would provide a happy solution to the import problem. I hope that all who have an interest in our foreign trade policy, including those in the legislative and executive branches of this Government, take time to study this bill and what it means. If they have objections, I believe they will withdraw them upon careful study of the bill. In any event, Congress should take steps now to resolve the monumental problem we continue to face.

Following is an excerpt from the CONGRESSIONAL RECORD of August 5, 1969:

DESCRIPTION OF PROPOSED IMPORT-CEILING LEGISLATION

The proposed trade legislation is designed to provide domestic industry, agriculture and labor with a remedy against the adverse effects of an undue rise in imports on industrial growth, employment and profits. It is in effect an Escape Clause, revised to assure the actual availability of a remedy to industries that have suffered or stand to suffer serious injury from rising imports.

The legislation is therefore not open to any industry unless imports have made a serious market penetration.

The bill lays down two sets of criteria for determination of the question of serious injury or a threat thereof. One is for use when sufficient statistical evidence is available for the Tariff Commission to determine what share of the market (i.e., of domestic consumption) is supplied by imports. The other is to be followed when the statistical evidence is not good enough to permit the calculation of the share of the domestic market being supplied by imports.

In the first of these two instances, which is to say, where the share of the market supplied by imports can be determined, a 10% penetration of the market will be interpreted as representing serious injury, if absolute imports have doubled since 1960. A threat of serious injury, on the other hand, will be assumed if not less than a 7½% penetration has been made by imports.

The year from which to measure the trend of imports in terms of the share of the market (penetration) supplied by them is 1960, or the ten most recent years, whichever is less.

In either approach, any industry, labor union or trade association alleging serious injury would file a petition before the Tariff Commission, even as in the past under the Escape Clause or for Adjustment Assistance. The Tariff Commission would make a preliminary survey to determine whether available statistics make it possible to determine the share of domestic consumption supplied by imports (market penetration). Should this result affirmatively the Commission would proceed to determine the share of domestic consumption supplied by imports since 1960, as just stated.

If the available statistics were inadequate to make possible such a finding, the Commission would nevertheless proceed to make a finding with respect to injury, but under different guidelines. The bill under these circumstances calls for an examination of the probable adverse effects of rising imports on growth of the industry, expansion of the industry, level of profits, and the trend of employment.

Upon a finding of serious injury or a threat thereof the Commission would in this type of proceeding recommend an increase in duty to the President or an import limitation, that in its judgment would prevent or remedy the injury. The duty could not be placed at a level higher than 25% of the 1930 rate; and no quantitative limitation (import quota) could reduce imports below the average of the two most recent years.

If the President were opposed to putting the Commission's recommendation into effect he would send his reasons to Congress, and if either house by a majority vote of those present and voting sustained him within 90 days, the Commission's recommendation would be set aside. Otherwise it would be put into effect.

IMPORT CEILING AND QUANTITATIVE LIMITATIONS

The most distinctive part of the legislation lies in those cases in which the share of the market supplied by imports can be determined. In those cases the Tariff Commission would determine the level of imports that could be admitted into the country without going so far as to impose administrative limitations on them, and this level would be the ceiling. Only if imports subsequently should break through such a ceiling in their upward surge would an administrative limitation be imposed. This need not happen if the exporting countries took care to avoid it.

It is thought that in most instances in which injury from imports occurs or threatens, statistical evidence of the share of domestic consumption supplied by the imports is adequate. The Commission could then proceed on the basis of recommending ceilings to the President instead of recommending a tariff increase, if the facts developed in hearings and investigation demonstrated deep enough a market penetration by imports to justify an affirmative finding for a ceiling under the criteria laid down in the law.

The President would proclaim such ceilings upon a finding by the Tariff Commission of the share of domestic consumption supplied by imports of the product or article in question if this share were above the 10% penetration level, thus meeting the criteria of serious injury (7½% in the case of a threat of serious injury).

The Commission would thereafter keep the President informed of the trend of imports in terms of the share of domestic consumption supplied by them, in all instances in which a ceiling had been proclaimed. Should imports fail to rise above the ceiling level no actual administrative quantitative limitation would be established. Only if imports should rise above the ceiling *for a period of six consecutive months* (i.e., above 50% of the ceiling for a whole year) would the President impose the limitation.

By controlling their exports to this country, the foreign countries could avoid triggering the imposition of an administrative quantitative limitation (import quota). If after such a limitation were imposed imports for a whole calendar year should fall below the ceiling, the President would rescind the administrative quantitative limitation (import quota).

The ceiling for each article for which one had been established would be revised each year to adjust the quantity to any increase or decrease in domestic consumption, thus permitting imports to grow in proportion to the domestic consumption of the article. This proportion might be 10%, 12%, 20% or whatever had been found by the Tariff Commission to be the ceiling as prescribed in the law for the particular level in each case according to the extent of market penetration.

No quantitative limitation would remain in effect over 5 years if it were imposed upon a finding of serious injury, and not over 3 years if it were imposed upon a finding of a threat of serious injury. After a year subsequent to the ending of the quantitative limitation, the industry in question could petition the Tariff Commission for a new ceiling.

NEW CONCEPT

The concept of a ceiling on the share of the market that would be available to imports is relatively new. The further provision that imports would be allowed to expand as domestic consumption might expand introduces a flexibility into quantitative limitations on imports that is very rare and would go far to remove the usual objection to import quotas on the ground that they would place trade in a straitjacket. Indeed a further element of flexibility is introduced by allowing an interval of a year or more for reestablishment of a new ceiling, after 3 or 5 years.

The principal virtues of the proposal lie in the limited nature of the cutback in the level of imports if any; the avoidance of an actual administrative limitation on imports if the exporting countries do not trigger one; the exclusion of industries that have not experienced injury from increased imports arising subsequent to a tariff reduction or reductions under one or more trade agreements, and the flexibility already mentioned.

As an effective remedy for injury from trade agreements concessions with a minimum of objectionable features the proposed approach would be unique.

Mr. PELLY. Mr. Speaker, I thank the gentleman for yielding. I wish to reiterate what I said to this House September 24, 1969, when I introduced my bill, H.R. 13975, to encourage the growth of international trade on a fair and equitable basis. This legislation simply restores to the House of Representatives its consti-

tutional responsibility to regulate foreign trade and at the same time provides ample protection so that there would be no adverse effect on imports unless it was determined a particular product was causing undue economic harm to an American industry.

My bill, H.R. 13975, as I noted in my remarks September 24, would be of special help to the fishing industry which now suffers greatly from foreign imports that now represent more than 70 percent of domestic consumption.

Another example of aid to an American industry is found in my bill as it relates to steel plants. One steel plant in my district was closed down because of the adverse effects of imports.

Mr. Speaker, I speak as one who strongly supports trade between nations, but at the same time I feel our high living standards must be protected against the effects of dumping of foreign products into the American economy.

Mr. REIFEL. Mr. Speaker, I rise in support of the so-called Betts-Dent omnibus bill because it will bring some relief, although not near enough, to our mink ranchers in South Dakota which is one of the 15 major mink-producing States in our country.

A once proud and independent mink ranching industry, proof of native American inventiveness and hard work, now lies almost paralyzed from an invasion of cheap foreign imports that has demoralized domestic markets and adulterated the prestige image of mink as a high sign of success and elegance.

Because his domestic markets lie totally exposed to duty-free entry, which, with inflation tend to suck in excessive production from abroad, the American rancher has pleaded with Congress for 3 years to erect some kind of barrier, a quota based on domestic consumption, which would at least stabilize trade conditions and allow for reasonable living conditions.

In the last decade imports have more than doubled. Import volume which in 1958 totaled 2.6 million rose like a cloud of locusts to peak at 5.7 million in 1966. In those years imports captured 11 more percentage points of domestic consumption until they had grabbed off 53 percent of a domestic market which the American rancher actually created and then built with his own promotional funds. Remember that mink is native to North America and the invention of mink ranching and all its mutations is likewise the proud accomplishment of American agriculture.

Mink was set over on the free list in the Tariff Act of 1930. The concession was granted when mink was a mere curiosity from fur trappers. Through the years this classification was carried from one treaty to another without ever giving the slightest consideration to the economics of mink ranching as a budding new agricultural industry. These deaf ears of government have resulted in disaster for the American rancher. His prices have broken more than 33 percent, forcing the sale of his crops the last 3 years largely below cost of production and, since 1962, 56 percent of our domestic producers have been annihilated. This decimation continues as assets and credit dry up in a last ditch stand to stem the unfair foreign competition, a competition, again, based on a far lower standard of living and far lower labor costs.

The American rancher has been reasonable in his request for protection. He has asked Congress, in effect, to stabilize the status quo, allowing imports to share in the growth of the market in the same percentage. In the 90th Congress 86 Senators and Congressmen from 30 States responded to his call for help with cosponsorships and companion bills.

Looked at simply as part of the vast army of proud and independent producing citizens of the United States, is the mink ranching industry to be yet another sector of our economy which is to be sacrificed to a stuffy and inflexible trade policy on overdeference to our trade partners in the free world? Are these agricultural producers and their families and their employees now to be liquidated and their investment in free America cancelled, to join the stream of undesirables flowing in ever greater numbers from the countryside into our already overcongested city turmoil? What price welfare.

GENERAL LEAVE

Mr. BETTS. Mr. Speaker, I ask unanimous consent that all Members may be entitled to revise and extend their remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. GRAY). Is there objection to the request of the gentleman from Ohio?

There was no objection.

IMPORTS

The SPEAKER pro tempore (Mr. GRAY). Under a previous order of the House the gentleman from Pennsylvania (Mr. DENT) is recognized for 60 minutes.

(Mr. DENT asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. DENT. Mr. Speaker, first, let me say that I thank my colleague, the gentleman from Ohio (Mr. BETTS) for not only being a cosponsor of the legislation which we have both introduced today, but for his efforts in calling it to the attention of the House.

While we do not believe it is cure-all legislation, it is a step in the right direction. It is our hope that we can get the legislation before the House so we can work out a more equitable solution to this serious problem.

Mr. Speaker, I want to point out, while the gentleman from Iowa is still on the floor—he mentioned briefly the imports and the threat of the importation of beef as well as the fact he mentioned the prices of beef were higher in the marketplace—I might say they are higher in the marketplace and they are higher in comparison to the beef imported, beef we get in this country.

Mr. Speaker, there is no distinguishing label put on the beef, as to whether it is from the Argentine or from some other South American country or Central American country or any other country. So, when an American housewife goes in to buy beef, particularly good beef and chuck and the so-called lesser cuts in the shoulder below the steaks, the beef is never labeled. So, the housewife is buying beef and complaining about the American farmers' price on what she is paying for the beef. But, she is being fed a great deal of foreign beef at these high prices that the American market must demand for its beef.

Mr. Speaker, another little incident that might interest the gentleman from Iowa is the fact that while on one of my travels on one of the so-called congressional junkets, I learned that our own State Department advised the Argentine beef producers as to how to get around the hoof and mouth disease, a prohibition which we had against the importation of beef from the Argentine. They told them that they would not be stopped from shipping beef into the United States—that the embargo would not be effective if they boiled the beef. So, they boil the beef and send it up here. I understand that 90 percent of all TV dinners which are served in this country are made from the boiled beef coming up from the Argentine or cooked beef coming up from the Argentine.

Mr. Speaker, the gentleman from Missouri (Mr. HALL) mentioned the fact that the Common Market was hastily thrown together and also mentioned the fact as to how we have made compacts with it and how adverse they have been to the American economy.

Well, let me just tell you that the gentleman from Missouri was absolutely right.

In South America we created the LATCOM—Latin American Common Market, and the real and only thing that LATCOM has done is to make it possible by embargoing U.S. goods and by high tariffs to prevent U.S. products from going into Latin America and allowing the flow of low-cost goods over the border and lower duties on products of one Latin American country going to another. They have opened the door for American industry to leave the United States to go down into Latin America and to produce for the Latin American countries, under an umbrella that protects them against their own products made in the United States from being sold.

I was in Chile and I went into a Gillete Razor plant. They are producing razors for the whole of the Latin American countries and all of the Southern Hemisphere and not one blade is being shipped from this country any more into that country.

We went into Brazil and into the RCA plant, where 550 people are busily engaged in making tubes to send back to RCA in the United States for the introduction into their American-made RCA television sets.

I have here a little information on televisions that I was going to put into the RECORD at a later point, but it is very interesting to note that on a trip to Japan we went into the Sony plant, and they showed us a new type of color television, but they showed us the finished product. We were not allowed to go into the production rooms. We could

not go into the inner chambers to see what they were doing. We had to stay in the office.

One of my colleagues, who is sitting on the floor now, was sitting with me while they lectured us and talked to us and kept us busy washing our hands with hot towels and wiping our brows with hot towels, and feeding us all kinds of hot lies.

Finally they passed out a cold drink. I remember my colleague said:

Say this is good. What is it?

He said:

We import that from the United States. It is 7–Up.

We were trading a glass of 7–Up for 700,000 TV tubes—that is a big deal.

This entire matter is one that has been neglected by Congress because either we are blind or we are stupid. I am praying that we are blind. I hope we are not stupid, because no nation can survive in a free trade world where the economies are not balanced.

When a high price nation such as ours, paying wages of anywhere from three to 10 times as much per hour—without fringe benefits even being considered in the matter—tries to compete in the open market of overproduction it has to lose, and we are losing.

Mr. Speaker, there are a few hard facts that we dare not ignore if we are to have a trade policy that will meet our needs in a world competitive situation that has undergone serious changes in the past 10 years.

First. Our competitive weakness has been growing in recent years.

This development should not only not come as a surprise but should have been expected. Once our foreign competitors saw that our system of production was adaptable to their economies even though they did not have the mammoth market that the United States represented, it was a foregone conclusion that we faced a different world of trade from the old.

The transition to modern technology in the industrial countries of Europe and Asia, more particularly West Germany and Japan, brought a growing advantage in the form of lower costs of production. If new and up-to-date machinery was installed, as it was in these bombed-out countries they had the advantage of greatly increasing the output per man-hour. Even though wages were up, there was still an advantage if they did not rise as rapidly as productivity.

Some economists have said that wages rose more rapidly abroad than here from 1950 on. What they meant was that wages had gone up more in proportion than in this country; and I would not deny that. However, that is not the question. If wages in Japan went from 20 cents per hour to 40 cents, it represented a 100-percent wage increase. Average hourly wages in our manufacturing industries between 1950 and 1960 rose 57 percent, according to tables appearing in the Statistical Abstract, published by the Department of Commerce. Nevertheless, in terms of cents per hour the increase was 81. In other words the increase in hourly wages in this country was greater than the whole hourly wage in a number of other countries.

Since 1960 wages in this country had risen another 38 percent by March 1969, going from an average of $2.26 per hour to $3.13 per hour, including overtime. Yet, even though the increase was only 38 percent, the actual rise was 82 cents per hour, so that once more the increase in hourly wages from 1960 to 1969 was higher than the total average hourly wage in most other countries.

While we have enjoyed an increase in the hourly output per employee, this growth has not matched that experienced in other industrial countries. The statistics are available in the Statistical Abstract through 1966. Table 1255 of the Abstract of 1969 shows that we have been outpaced very substantially by Japan, Italy, France, and West Germany. As I say, modern machinery was coming on stream in those countries since 1950. The comparison can be made from this table:

GROWTH RATES OF OUTPUT PER EMPLOYEE

Years	Japan	Italy	West Germany	France	Canada	United States
1950–60	7.7	5.3	5.9	4.6	2.1	2.1
1960–66	8.1	6.4	4.1	4.5	2.4	3.2
1950–66	7.8	5.7	5.2	4.6	2.2	2.5

From this table it is clear that productivity abroad rose more rapidly from 1950–66, in fact more than twice as rapidly in the other leading industrial countries, as in this country. The Japanese rise was three times as rapid as in this country.

Yet our average hourly wages increased from $1.44 in 1950 to $3.13 in 1969, or $1.69 an hour. A wage of $1.69 an hour is hardly known even in the higher reaches of wage in any of these other countries. Yet that was how much our wages increased from 1950 to 1966.

Does it not stand to reason that while productivity in our principal foreign competitors rose more than twice as much as in this country while our average hourly industrial wages increased more than the total hourly wages in those countries—I say does it not stand to reason that our competitive situation has changed greatly in recent years?

The foreign technology was well on its way to close the gap between them and us, but the wage gap remained broader in dollar and cents than it was.

This does not mean that we are not still the leader in productivity in our manufacturing establishments; it does mean that this lead has greatly narrowed. The reason is quite simple. We helped the other countries technologically through foreign aid, and followed this by many billions of dollars in foreign investment. This meant the wholesale introduction of our methods of production in other countries and the inevitable narrowing of our technological lead.

The combination spelled nothing more clearly than the loss of any competitive lead that we had in many lines of products. Today we are running a deficit in our exports over imports in a long line of goods. Were it not for machinery exports, chemical exports and a few other items, such as aircraft, we would have a really ghastly trade deficit. I will give you a few.

1968 EXPORTS AND IMPORTS

[In millions of dollars]

	Exports	Imports	Deficit
Meat and preparations	$162	$746	$584
Fruits and nuts	303	437	134
Vegetables	161	215	54
Woodpulp	255	432	177
Ores and metal scrap	586	1,008	422
Petroleum and products	460	2,345	1,885
Textile and leather machinery	208	308	100
Softwood lumber	128	491	363
Paper and manufactures	545	976	431
Iron and steel mill products	582	1,962	1,380
Textiles, other than clothing	522	963	441
Clothing	176	855	679
Nonferrous base metals	601	1,812	1,211
Automobiles, new	972	2,782	1,810
Total	5,661	15,332	9,671

We see a deficit of over $9 billion in our trade in a wide variety of products. Our lead in a few lines cannot hide this very poor showing in this broad spectrum. We will ignore this situation at our peril.

Here we see the bare bones of our lean trade condition. Except for a few products we are in a heavy deficit position. Even in our great specialty; namely, machinery, our lead is narrowing because of the sharp rise in machinery imports. Much of our machinery exports have, of course, gone into plants we have built abroad as subsidiaries of our own companies. Some of these exports will boomerang further as they are already doing. The more we manufacture abroad the goods we previously exported the more will our foreign markets shrink as we supply those markets from our foreign factories. We must expect this trend to grow and to come to a head with an even greater deficit.

I need hardly repeat that our official trade statistics have concealed our trade deficit since it made its appearance several years ago. The table presented above includes in our exports the goods that we shipped under foreign aid and other grants and form of assistance. The deficit would be yet worse if the exports were confined to private competitive trade.

Second. Another hard fact that must be kept in mind if we are to legislate wisely on trade is that our foreign investments do not offer a solution. For a while they stimulate our exports of machinery and equipment but, as already observed, we are breeding our own competition. Our labor will bear the brunt, not our capital, which can go abroad and find employment.

Third. Not least of the hard realities we must face if we try to overcome the cost-of-production gap that has gone so strongly against us, is the heavy displacement of workers that is an inevitable by-product of further mechanization and automation. Production cost simply cannot be reduced materially without displacing an alarming number of workers. The experience of the coal industry is an example that cannot

be forgotten. It has been estimated that if steel is to become competitive with imports the employment of some 200,000 workers, through all the stages of production, including ore mining, must be sacrificed.

Those consumers who clamor for low-priced imports should not forget that they voted in the majority for the laws that have placed heavy cost burdens on industry. We simply cannot have social welfare, heavy defense outlays and much else unless we pay for them. These things do not come free. A consumer who looks for bargains from abroad should ask himself whether he, honestly, would like to work for a foreign level of wages, salary or other income. If not he would be constrained to look askance at bargains in the form of imported goods that can be offered as bargains only because they were produced at a level of wages this same consumer would scorn for himself and that at the same time would be illegal in this country.

It is my great pleasure to submit this statement on a subject which is of great importance to the Nation. Today you are concerned with imports of shoes; however, the general subject of imports has been my concern for many, many years.

In 1966 and 1967, the General Subcommittee on Labor, of which I am the chairman, held extensive hearings on the impact of imported goods on American industry and employment. During the course of those hearings, we determined that the effect these imports had on unemployment among American workers was considerably greater and the situation more serious than we had suspected. In some industries, including our large steel, glass, and textile industries, jobs were being lost in very large numbers.

Wages in America are considerably higher than wages paid in other countries. The trade union movement, the extremely high productivity of the American worker, and Federal policy in the form of the Fair Labor Standards Act, are all responsible for this. Indeed, we have the highest minimum wage required by any nation, and, I might add, it will almost certainly rise in the years to come.

Obviously, the United States cannot affect the wage and hour standards in other countries and there is no apparent way to subject the producers of imported goods to the same penalties imposed against domestic producers who violate our wage and hour requirements. Because of the much lower labor costs of foreign producers, their goods preempt American goods in the marketplace. The result of this to the U.S. economy is the loss of jobs. Labor-intensive industries, such as the shoe industry, are particularly vulnerable to such pressures.

When jobs are lost as a result of the disruption caused by imports, the workers may be able to adjust by a painful process of reeducation and relocation, but the communities they leave behind cannot recover so easily. The closing of plants and ensuing loss of employment seriously undermines the economic base of these communities and all services suffer as a result. As a community's tax base deteriorates, so does its educational facility, police protection, and health facility.

The evidence presented at our hearings in 1966 and 1967—and, Mr. Chairman, the situation has worsened since then—was so conclusive that our committee recommended, and the House passed, a bill which would have prevented the indiscriminate importation of goods into this country. The bill would have established a procedure where the Secretary of Labor would investigate to determine whether the importation of a product was undermining the public policy expressed in our minimum wage law. Any interested party, including a community itself, could have requested such an investigation. The Secretary would then report to the President who could take appropriate action.

Let us take a look at the problem in the shoe industry. This year shoe imports for the first two quarters is 12 percent ahead of the same period last year, totaling 108.3 million pairs. That is 37 percent of the shoe output of the United States. When you consider total supply of shoes for the United States, 27 percent of all shoes in this country are foreign made. Mr. Chairman, I venture to say that if the bill reported by my committee had become law, I am certain we would not have the problems in the shoe industry we are now experiencing.

During my entire career in Government I have been pointing out the perils of doctrinaire adherence to the principles of free trade. As I see it, restrictions on the importation of shoes and of many other goods is essential. Jobs are at stake here. The U.S. Government should not allow unfairly competitive goods of any sort to displace American workers. I only ask that the same rules which apply to American producers selling in the U.S. market, apply equally to foreign producers selling here.

I have before me here tonight a group of telegrams, and I only just took one, because my community knew I was going to speak here, and I want to read this one which says:

GREENSBURG, PA.,
September 29, 1969.

Congressman JOHN H. DENT,
Washington, D.C.

DEAR CONGRESSMAN JOHN DENT: We urgently request that you use all the influence at your disposal to urge Congress not to allow the reduction of tariff on sheet glass being imported into the United States. Needless to say thousands of workers and business men in Pennsylvania will be faced with economic chaos, if the sheet glass industry is allowed to be scratched off as expendable. Lower tariffs will result in the complete loss on an entire American industry and bring about the chaos.

Respectfully yours,
GLASS CUTTERS LEAGUE OF AMERICA,
LOCAL NO. 10, JEANNETTE, PA.

This happens to come from my own hometown. And there is another one from another town in my district from the mayor, in which the two last remaining glass plants in Pennsylvania are now working part time. One plant is not working at all. It seems to me all they are doing is cutting glass that I am suspicious might be coming from foreign countries.

I can talk about this problem, and I could go into the economics where they say that competition makes jobs, it creates an incentive to automation, automation creates jobs.

Let me take coal. Coal was the lifeblood of my community. At one time we had 500,000 coal miners—500,000—and we started to bring in cheap residual oils, waste oils from the oil producing countries. At that time they had not been able to refine oil down to get as many gallons of gasoline, and gasoline was the money product, so they had lots of waste oil. So they shipped that into this country in the ships, they brought it over here and sent it out, and sold it at any price whatsoever. And they reduced the price of B.t.u.'s of heat to such a point that the coal industry could not possibly compete.

Now, let us see what it takes to compete with cheap products. The coal industry now is producing the cheapest B.t.u.'s of heat in the world, but it is doing it at the loss of over 365,000 jobs.

In order to meet the competition from foreign countries, we had to create the greatest mechanized industry in the whole world in the coal industry.

So we lost 365,000 jobs and only 135,000 coal miners are left in the United States producing 50 percent more coal than 500,000 did.

That is exactly what is happening in steel. That is what is going to happen in every industry in this country. We have cheapened the quality of everything we sell to the American people because we cannot compete wagewise and we cannot put the labor into it to make it good—and it takes labor to make things good. We cannot do it and therefore we are cheapening the quality while these low-wage countries are increasing the quality of everything they sell.

I saw an advertisement last night. It was a Volkswagen advertisement. It showed where an automobile, a Volkswagen that was bought about 6 years ago at $1,800 was selling today in the second-hand market for $1,200, while an American car in the same situation was only bringing $600. Why? Because we have had to cheapen our labor that we put into our product and we have cut out our quality in the product.

We are doing it in shoes. Let me tell you about shoes.

Let me read this information for you:

FACT SHEET ON LEATHER AND VINYL FOOTWEAR

1. Footwear imports are increasing at an alarming rate, while exports are insignificant.

Year	Imports		Exports	
	Pairs	F.o.b. value	Pairs	F.o.b. value
1955	7,810,000	$13,571,000	4,639,532	$14,362,113
1960	26,617,000	53,257,000	3,244,316	9,399,731
1965	87,632,000	118,478,000	2,491,038	7,829,566
1968	175,438,000	328,543,000	[1] 2,417,290	[1] 8,076,142

[1] Estimate.

2. Growth of domestic footwear manufacturing has been almost halted by imports. U.S. footwear production for the first four

months of 1969 is off 9.5%. Output for 1969 is now estimated at 595 million pairs, or only 10 million pairs more than in 1955.

3. Footwear imports for 1975 have been projected to reach 468 million pairs.

A. This would be 48% of an estimated consumption of 987 million pairs of footwear in 1975.

B. This would amount to 90% of an estimated domestic production of 519 million pairs of footwear in 1975.

4. The imbalance in footwear trade is caused mainly by the wide wage differential existing between the U.S. footwear industry and those in foreign countries. Average hourly labor costs for 1968 including fringe benefits are estimated as follows: U.S., $2.62; Italy, $1.04; Japan, 58 cents; and Spain, 56 cents.

5. Footwear imports mean a growing loss of job opportunities in the U.S. footwear manufacturing industry. In 1968, 64,200 job opportunities were lost because of footwear imports. By 1970, imports are expected to eliminate 80,500 job opportunities; and by 1975, they could mean a loss of 168,600 job opportunities in footwear manufacturing.

6. The U.S. footwear manufacturing industry employs many unskilled workers from groups where unemployment is greatest. With a decline in domestic production and employment as imports grow, the industry will offer no opportunities for jobs as critical unemployment problems mount.

7. Steel and cotton already have voluntary bilateral quotas. Wool apparel and manmades have been promised voluntary quotas by President Nixon. We understand and support the appeals of the steel and textile industries for import relief. The need for import relief in the footwear industry is no less pressing.

Commodity	Growth			Net profit after taxes to net sales (percent)		Market penetration—Imports as a percentage of apparent domestic supply		
	1958	1968	Percent increase	1958	1968	1961	1966	1968
Gross national product [1]	[2] $447.3	[2] $860.7	+92.4					3.8
Total industrial products [1]	[3] 93.7	[3] 165.3	+76.4	4.2	5.0			
Steel [4]	[3] 87.8	[3] 134.6	+53.3	5.4	4.5	3.0	10.9	[5] 16.7
Textile mill products [6]	[3] 94.3	[3] 151.3	+60.4	1.6	3.1			
Wool products						13.3	21.6	25.5
Cotton products						4.7	10.0	10.4
Manmade-fiber products [7]						1.5	3.5	4.3
Apparel and related products [8]	[3] 95.3	[3] 149.9	+57.3	1.0	2.4			
Wool apparel						3.9	8.5	[5] 7.5
Cotton apparel						3.2	6.2	[5] 8.1
Manmade-fiber apparel						.8	2.7	[5] 4.4
Manmade fibers [4]	[3] 89.6	[3] 365.0	+307.4		[3] 4.8	5.9	9.0	[5] 11.0
All footwear [9]	[10] 587.1	[10] [11] 645.9	+10.0	[12] 2.1	[13] 3.2	7.6	13.1	21.4
Shoes except slippers [9]	[10] 516.5	[10] 539.0	+4.4	(14)	(14)	(14)	(14)	(14)

[1] Economic Report to the President, January 1969.
[2] In billions.
[3] Indexes.
[4] Survey of Current Business.
[5] NFMA estimates based on U.S. Department of Agriculture and U.S. Department of Commerce official statistics.
[6] Federal Reserve Board.
[7] Includes continuous twisted, but not untwisted, filaments. U.S. Department of Commerce excludes the latter to assure comparability with cotton and wool products which contain yarn, fabrics, and apparel. If the untwisted filaments were included in manmade products, import penetration figures would be somewhat higher.
[8] Average based on financial statements of Allied Chemical Corp., Celanese Corp., and Monsanto Co.
[9] Current Industrial Reports, "Shoes and Slippers," U.S. Department of Commerce.
[10] Millions of pairs.
[11] 15,000,000 more pairs were produced in 1968 than shipped to customers.
[12] NFMA survey of 125 representative footwear manufacturers.
[13] Preliminary

I do not know what is happening in the rest of the United States, but in my State of Pennsylvania, which is the largest shoe manufacturing State in the Union, we have lost 35 percent of all the employees who ever worked in a shoe factory and it is coming to a point where we have a population of 200 million people and we now have less people working in the shoe industry than when we had 50 million Americans.

If you think that with this kind of trade policy this country can possibly survive, let me read you this. This shows the difference between hourly wages in the American steel industry and other countries:

DISPARITY BETWEEN HOURLY EMPLOYMENT COSTS IN AMERICAN STEEL INDUSTRY AND STEEL INDUSTRIES OF SELECTED COUNTRIES ABROAD

[Wage employees only]

Year	United States	West Germany	Disparity, U.S./W.G.	Belgium	Disparity, U.S./ Belgium	France	Disparity, U.S./ France	Italy	Disparity, U.S./Italy	Luxembourg	Disparity, U.S./Lux.	Netherlands	Disparity, U.S./Neth.	Japan [1]	Disparity, U.S./Jap. [1]
1967 [2]	$4.76	$1.97	$2.79	$2.12	$2.64	$1.65	$3.11	$1.83	$2.93	$2.11	$2.65	$2.33	$2.43	$1.22	$3.54
1966 [3]	4.63	1.91	2.72	1.99	2.64	1.56	3.07	1.69	2.94	2.06	2.57	2.15	2.48	1.08	3.53
1965	4.48	1.81	2.67	1.83	2.65	1.48	3.00	1.61	2.87	1.95	2.53	1.96	2.52	.97	3.51
1964	4.36	1.68	2.68	1.62	2.74	1.40	3.08	1.58	2.90	1.72	2.76	1.76	2.72	.88	3.48
1963	4.25	1.59	2.66	1.45	2.80	1.30	2.95	1.43	2.82	1.62	2.63	1.58	2.67	.80	3.45
1962	4.16	1.51	2.65	1.33	2.83	1.21	2.95	1.21	2.95	1.49	2.67	1.47	2.69	.74	3.42
1961	3.99	1.37	2.62	1.26	2.73	1.11	2.88	1.04	2.95	1.47	2.52	1.40	2.59	.68	3.31
1960	3.82	1.21	2.61	1.22	2.60	.99	2.83	.98	2.84	1.41	2.41	1.08	2.74	.62	3.20
1959	3.80	1.12	2.68	1.13	2.67	.91	2.89	.90	2.90	1.31	2.49	.95	2.85	.57	3.23
1958	3.51	1.06	2.45	1.09	2.42	.85	2.66	.86	2.65	1.32	2.19	.94	2.57	.54	2.97
1957	3.22	1.01	2.21	1.08	2.14	.86	2.36	.80	2.42	1.28	1.94	.90	2.32	.54	2.68
1956	2.95	.90	2.05	.98	1.97	.96	1.99	.79	2.16	1.15	1.80	.82	2.13	.48	2.47
1955	2.72	.83	1.89	.89	1.83	.85	1.87	.70	2.02	1.02	1.70	.74	1.98	.43	2.29
1954	2.51	.75	1.76	.83	1.68	.75	1.76	.68	1.83	.95	1.56	.63	1.88	.41	2.10
1953	2.45	.72	1.73	.81	1.64	.73	1.72	.65	1.80	.95	1.50	.57	1.88	.38	2.07
1952	2.32	.69	1.63	.82	1.50	.72	1.60	.64	1.68	.98	1.34	.53	1.79	.35	1.97

[1] Estimated by American Iron and Steel Institute.
[2] 1967 data for European countries from Siderurgie (ECSC), 1968—No. 6.
[3] 1966 data now available from Siderurgie (ECSC), 1967—No. 6.

Note: Amounts in U.S. currency.

Source: European Coal and Steel Community, American Iron and Steel Institute and industry estimates. Iron Age, Apr. 6, 1967.

You can see from those figures that the wages in 1952 in the U.S. steel industry was $2.32 an hour, in West Germany $.69 an hour, and in Japan $.35.

Today the U.S. steelworker makes an average wage of $4.76 an hour, in West Germany they make $1.97 an hour, and in Japan $1.22 an hour.

In Japan they have the most modern type of steel mills that the world has ever seen. They were ahead of us in the BOF plants and we are just now trying to catch up with the BOF plants. The government there allows them to amortize their plants and they allow a full amortization of the plants before they pay a cent of taxes. When an American company builds a new steel plant, they have to amortize it over a 30-year period. By that time the plant is antiquated and so old that they cannot keep up with modern production methods. But they say, "You can modernize your equipment and you can compete."

But by the time they do modernize and are able to compete, you will have no steelworkers.

Let me point this out to you with reference to the exchange in steel.

Last year the difference between exports and imports of steel cost the United States 147,000 steelworkers' jobs.

Steel is landed in the United States from Europe for $25 less a ton and from Japan for $40 less a ton and from Italy at $35 less per ton.

What are we trying to get to? A whole Nation where no one works and where everybody lives on relief and we have to depend upon foreign countries for our clothes, shoes, sustenance, and foods. The day will come when we will even have to buy coffins from foreign countries because we will not have enough carpenters here to build them.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman.

Mr. GROSS. Mr. Speaker, I want to commend the gentleman from Pennsylvania (Mr. DENT) for the presentation he is making with reference to this problem.

I agree with the gentleman completely in what he has said.

I am sure the gentleman has seen the publicity attending the purchase of—I do not know how many millions of dollars

of pipe from Japan for this pipeline to be installed in Alaska to move the oil in Alaska. I have forgotten how many million dollars some American company is spending with the Japanese for that pipe.

Earlier the gentleman mentioned the Latin-American Common Market, what we are expected to do, and we have had the subject up in the Foreign Affairs Committee. What we are expected to do is to organize and, above all else, to finance the Common Market in Latin America. But, of course, we are not to be members of the Common Market. That may be an awfully good thing. I do not know as to that part of it.

But what we are being called upon to do is to finance the establishment of the Common Market in Latin America.

I thank the gentleman for yielding.

Mr. DENT. I thank the gentleman from Iowa very kindly.

At this time I am going to relinquish the floor to the rest of my colleagues. But, first, I should like to read these figures to you to establish in your minds the lies being told to the American people by the Department of Commerce, and the lies that have been told over the years, to the point at which it demands and should have an investigation by the Congress.

For example, U.S. imports from Japan in iron and steel in 1968 were $812,112,000. We exported at the same time $4 million worth to Japan.

In machinery and transport equipment we imported from Japan $1,220,000,000 worth of products, and we exported to Japan $636 million.

In miscellaneous manufactured articles we imported from Japan $885,892,000 worth, and we exported to Japan $143,152,000.

We exported $79,000 worth of shoes and imported $228 million worth.

I can say to you Members of Congress that, if that is the way we are going to do business, someone will go broke, and it will not be Japan.

Mr. GAYDOS. Mr. Speaker, I represent a district in the heart of the Pennsylvania steelmaking industry—the Mon Valley of the 20th Congressional District.

Steel is something we practically live and die by. The steel market is our economic weather barometer. When it is good, times are. But the slightest slump in the market causes tremors in nearly every home. Family belts are tightened just in anticipation of something worse to come.

The importation of steel products has touched off more than one such tremor. The latest incident occurred during the summer recess. Word was spread one of our major plants faced a fall shutdown and the effect of steel imports on the domestic market was cited as the reason.

Local labor leaders became alarmed and contacted me, demanding some action be taken to curb this threat to their livelihood. I was able to get in touch with the chairman of the General Subcommittee on Labor, JOHN H. DENT, and a meeting was held with the steelworkers shortly after the Congress reconvened.

I wish I could report it produced concrete results, Mr. Speaker, but it did not. We could offer the labor leaders little encouragement because we are bound by the wait-and-see attitude adopted by our State Department early this year when it entered into voluntary arrangements with several foreign steel producers.

This arrangement—and I emphasize the fact foreign producers are not bound by any agreement—was conceived after a number of bills were introduced in the House placing quotas on foreign products. Members of the House were demanding such action because steel imports had grown from 11.5 million tons in 1967 to 18 million tons in 1968.

Under the State Department's voluntary arrangements, steel imports are to be held to approximately 14 million tons this year. But we will have to wait until next year to see if the foreign producers honored their word.

Since this arrangement is temporary—a 3-year experiment—and because it is the first year it has been tried, I would expect the foreign manufacturers to stay within their limits in 1969. But 14 million tons of steel is still a lot of steel, no matter how it is stacked.

Two of the major suppliers—Japan and the European coal and steel community—manufacture about 80 percent of the total steel imported into the United States. They have expressed their intention to limit their exports to 5.75 million tons each this year. The remaining 20 percent of the import total is supplied by countries which have not entered into the voluntary limitation plan.

These voluntary arrangements, I again repeat, are not binding agreements. They are only statements of intent. The responsibility for adherence to the limits rests with Japan and the European coal and steel community.

I contend, Mr. Speaker, this puts the United States in the vulnerable position of having to rely upon the word of foreign producers at a great economic risk to our citizens. I question the value of these voluntary limitations and firmly believe they were developed as a means of forestalling quota legislation in the Congress.

Japan and the European coal and steel community have expressed their intention not to change the product mix too greatly. Nevertheless, the possibility arises higher priced products will be exported to this country, resulting in a higher dollar volume although the producers remain within their self-imposed tonnage quotas.

These voluntary quotas could be circumvented by diverting exported steel through countries which have not entered into the limitation plan. In fact, these "nonagreeable" nations could take advantage of all the voluntary participants and cut themselves a larger slice of the U.S. domestic market pie.

Mr. Speaker, my fears may be unfounded but certainly the facts which created them are not. Let us take a look at some of the factors which have converted this Nation from a great steel exporter to an even greater importer.

First, the availability of steelmaking facilities in foreign countries has increased in recent years. Second, the production costs in many of those countries are far below the United States. The labor cost in the United States is about $59 per ton. Compare this to $29 per ton in Western Europe and only $18 per ton in Japan.

Also, several foreign producers provide their steel manufacturers with incentives, such as governmental subsidies or tax breaks, and at the same time protect their own domestic market.

In 1957, this Nation exported 5.3 million tons of steel and imported only 1.2 million tons. Just 10 years later the picture had changed drastically. In 1967, America exported 1.7 million tons and imported 11.5 million tons. That figure went by the boards last year when a record 18 million tons of steel came into this country from foreign markets.

Here is another interesting and disturbing statistic. Since the end of World War II, the U.S. share of world steel production dropped from 61 to 26 percent. What about our competitors in this market? Japan increased its share tenfold, Italy tripled its, and Russia doubled its.

What does that mean in dollars and cents? Mr. Speaker, in 1967, this Nation lost $2 billion in foreign sales and $122 million in tax dollars. To Pennsylvanians, it meant a loss of $412 million in sales and $29 million in badly needed tax dollars.

I do not mean imports should be reduced to zero, which is what the above figures are based upon. They cannot be. But neither can they be permitted to increase uncontrollably, glutting our domestic market and creating adverse economical conditions on the Nation and its steelworkers.

Steel imports must be curbed. I am not content with voluntary arrangements which can be circumvented by various trade tricks and trade routes. I want more positive assurance the jobs of the Nation's steelworkers will receive the protection they deserve against the flood of foreign products.

Mr. FISHER. Mr. Speaker, I have stood on this floor many times to oppose the trade policy of the past 30 years. Many voices were raised against the eagerness of the State Department to dismantle our tariff and to expose our industries to import competition. The theory was that we could readily compete with the low wages prevailing abroad because we were so much more productive in our factories and on our farms than our foreign competitors. We could easily compete because we were technologically so far ahead of our rivals across the seas.

We could pay much higher wages and yet come out with lower unit costs because our workers, operating modern machinery, could produce much more per hour than the workers in Europe and the Far East. To a degree this was true; at least in a number of instances. We had no trouble competing in steel, in textiles, in automobiles, sewing machines, footwear, oil and many other items because we led the rest of world in mass production and the use of the assembly line.

Today, Mr. Speaker, all that is changed. We no longer enjoy the comfortable lead in productivity that we did a generation ago. We can no longer pay wages from three to five or 10 times as high as our competitors and still depend on our productivity lead to assure our ability to compete.

No, Mr. Speaker, times have changed, as we hear so frequently. Other countries have seized on our technological wonders and they have installed the most modern machinery and equipment. No longer are the production line and mass production an American monopoly. These have been embraced by the other industrial nations, so that their productivity per man-hour no longer lags so far behind ours. This fact has put an increasing number of our industries on the offensive, and many of them have seen imports taking an ever deepening bite of our market. Only recently imports of lamb have leaped skyward; also imports of man-made fibers and textiles. Steel and automobile imports, and of footwear, to mention only a few, have broken through the now virtually nonexistent barriers and have captured a growing share of our market.

We now have little left in the way of a tariff that would halt this heavy encroachment on our market. Yet the problem to which the tariff addressed itself is still there; nor will it go away.

In 1962 the Congress passed a trade bill that should never have seen the light of day. It contained a provision for adjustment assistance so that was to come to the rescue of industries or even companies or individual labor unions if they should suffer from imports. In the first place the very philosophy that supported the idea of adjustment assistance was wrong.

Mr. Speaker, our industries were to move over to make room for more imports, as if imports had some kind of inherent virtue that should give them the right-of-way over American farmers, producers, and labor. Our industries were to find new lines of products if they could undersell them for no better reason that their payment of wages of a level that would be illegal in this country. Our labor was to be retrained and even sent to other localities or regions if they were pushed out by imports.

Mr. Speaker, this was, in all good sense, a madness that now seems strangely ridiculous to say the least. Why did we, who helped the other countries to higher productivity by a number of forms of assistance, also owe them, not merely a market but the uncontested right to evict our industries and displace them? This was surely a form of extremism that looks very much out of place today.

It is to our industries and their output of commodities to which we must look to sustain our economy, and it is to them we must look for our tax base. What a naive philosophy then that said we could erode these industries by throwing their markets open willy-nilly to imports of products that, were they made in this country, would not be allowed to cross our State lines.

The Trade Expansion Act of 1962 has, let us be thankful, expired. In fact it expired 2 years ago; and I do not know anyone who laments its passing. Nevertheless it left behind a heritage that it behooves us to examine.

Our duties were cut heavily once more, up to 50 percent in numerous instances, and about three-fifths of the reductions are yet to be put into effect. So far as tariffs go we will have moved over 80 percent toward the borders of free trade since the trade program was first launched in 1934.

Other countries did not follow suit; but let us not fool ourselves: even if they had done so our competitive weakness would have prevented us from taking advantage of their generosity. We are priced high in too many lines of goods to find a market for them abroad if they are goods that are also produced abroad. We still have an advantage in a few products, such as machinery, some few electronic goods, aircraft and crude chemicals, plastics, and so forth. In nearly all else we are lagging badly.

This is not a healthy situation. Even in the case of machinery imports are coming up rapidly, so that haven may soon disappear.

Mr. Speaker, it is not alarmist to say that we owe it to our country, its industries and workers, to modify our trade policy, and to do it soon. The notion that our exports are not sprightly because of our home prosperity, fueled by a war economy, will not bear analysis. Several other countries; namely, Japan, West Germany, Canada, and Italy have also experienced an era of expansion and prosperity but their exports have not faltered like ours. Why should they when their wage levels together with their productivity assure them of a sufficient competitive advantage to penetrate, hold and expand their foreign markets?

Because of our having been wed to the supposed attractions of free trade our eyes have been welded shut against the developing competitive realities of recent years. It is time we pried these eyes open once more so that reality can be seen it its true form.

Mr. Speaker, I am convinced that the legislation proposed here today, the fair international trade bill, which I am happy to join in introducing, will, if enacted, meet the needs of our industries and agriculture without relinquishing such good as may have come from the trade program. I do not say that it was wholly bad. I say only that it was intemperate and did not sufficiently take into account the developing competitive realities by which we are now beset.

I hope that the concept and the practice of establishing flexible ceilings over imports that would otherwise cause untold damage will be adopted. I commend it to this House.

A FAIR INTERNATIONAL TRADE BILL

The SPEAKER pro tempore (Mr. GRAY). Under previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 15 minutes.

Mr. SIKES. Mr. Speaker, I have long felt that our foreign trade policy needs a thorough reexamination and redirection if it is to help America's industry and agriculture rather than to place them increasingly in jeopardy.

We have basked too long in the sunshine generated by cheerful official reports on our foreign trade. For years we have been led to believe that all was well on the trade front, that we were selling abroad much more than we were importing and that this fact should lay to rest the complaints about rising imports.

To those who said we had priced ourselves out of foreign markets the response was that such a fear was without foundation. That we were fully competitive abroad was amply demonstrated by our handsome export surplus.

Even today official reports from the Department of Commerce continue to tell us that we are still running an annual surplus, although a few monthly deficits have been reported in the past year and a half. Actually, Mr. Speaker, our deficit, so far as competitive commercial trade is concerned, is now measured in the billions of dollars, ranging from $3 to $6 billion, depending on the basis of calculation. This is quite different from the claim of a continuing surplus, even if greatly shrunk.

If we simply subtract the shipments that we make under foreign aid and similar programs, which are paid for in whole or in good part by our taxpayers, the deficit in 1968 and this year will be in the magnitude of about $3 billion. This simply means that we are importing about $3 billion more in the form of actual imports that compete in our marketplace than we export in goods that make their way abroad because they are competitive in foreign markets. We enjoy a surplus only if we include as exports the goods that move under Government programs in the form of grants in aid, subsidies and sales for foreign currencies. The latter are in the main goods that we would not sell abroad if we charged the regular going market price for them. Therefore the volume we ship under these programs does not reflect our competitive power, and should not be reported as regular exports by the Department of Commerce. Yet they are so reported by that Department. This represents a distortion of our competitive position in the world.

Further, Mr. Speaker, if we should value our imports on the basis of what they actually cost us, as nearly all others of the large trading nations do, rather than on their foreign value, as we do, the cost of imports would be at least 10 percent higher than they are shown in the Department of Commerce reports. On the basis of a little over $30 billion of imports in 1968, the total value would be some $3 billion higher than our official trade statistics show them. Thus would our deficit be swelled from the $3 billion already mentioned to about $6 billion.

This is the true measure of our competitive standing in the world; but these bare figures do not tell the whole story. It is worse yet. The sharp rise in imports of the past few years has come largely in the form of manufactured goods, especially consumer goods.

This rise has gravitated toward the goods that incorporate the full complement of labor as contrasted with raw

materials, which have the least amount of labor applied to them. For example, our imports of crude materials, inedible, except fuels, increased only from $2.75 billion in 1960 to $3.35 billion in 1968. This was an increase of 21.8 percent.

There was not so much advantage in importing these goods because they contained only one or two steps of cheap labor in their production. Foreign goods offer a better bargain the greater the number of stages of production through which they pass. Semiprocessed goods contain more cheap labor than the raw materials. Finished manufacturers contain yet more cheap labor and would therefore be expected to offer the best bargain to us.

It is not surprising, for this reason, to find that imports of finished goods increased much more than imports of raw materials. The low foreign wages create a better bargain in the form of finished goods, which incorporate a maximum of such labor.

Compare the rise in imports of machinery and transport equipment—including automobiles—with the imports of raw materials to which we have just now paid our attention, and the contrast will be very striking.

In 1960 imports of machinery and transport equipment were $1.46 billion, which happened to be only a little less than half of our imports of all raw materials, just mentioned. The value rose to $7.99 billion in 1968. This was more than a fivefold increase, compared to a 21-percent increase in the imports of raw materials. Machinery imports, exclusive of transport equipment, rose from $724 million in 1960 to $3.77 billion in 1968. This was also a little more than a fivefold increase.

"Other manufactured goods" also made a spectacular rise. They went from imports of $4.75 billion in 1960 to $11.50 billion in 1968. Among these goods, textiles and clothing registered strong rises. Textile imports rose $400 million during this period, and clothing rose by $550 million. Footwear imports more than doubled. Iron and steel imports rose over fourfold.

I do not wish to dwell too long on statistics, but the trend of import and export statistics does tell a dramatic story. Anyone interested may turn to tables 1212 and 1213 in the 1969 Statistical Abstract of the United States, published by the Department of Commerce.

With the exception of machinery and transport equipment, chemicals, and a few sophisticated items such as computers, our exports of manufactured goods do not make very cheerful reading.

True, our exports of machinery and transport equipment doubled from 1960 to 1968, but let us recall that imports of these items increased over fivefold. Our machinery exports, leaving out automobiles and aircraft, also doubled; but imports, as I have noted, increased five times over. We still export more machinery than we import, but if the trend continues to run in the same direction as in the years since 1960 we will soon find machinery imports exceeding our exports. We have had a boom in the exports of electronic computers. We enjoyed a ninefold increase in exports, but the total was still below $500 million in 1968.

Mr. Speaker, aside from the handful of bright exceptions, we are in a deficit position with respect to most product classifications. These include iron and steel, automobiles, textiles other than clothing, clothing, paper and manufactures, rubber goods, nonferrous base metals such as copper and aluminum, typewriters, sewing machines, footwear, petroleum, meat, consumer electronic goods, clocks and watches, wood and lumber, and woodpulp. The following table will show the imports and exports of most of these goods in 1968:

1968 IMPORTS AND EXPORTS

[In millions of dollars]

	Exports	Imports	Deficit
Paper manufactures	545	976	431
Iron and steel mill products	582	1,962	1,380
Clothing	176	855	679
Textiles, other than clothing	522	963	441
Nonferrous base metals (copper, aluminum, etc.)	601	1,812	1,211
Rubber manufactures	188	276	88
Wood, shaped or simply worked	151	558	407
Woodpulp	255	432	177
Petroleum and products	460	2,345	1,885
Meat and preparations	162	746	584
Sewing machines (1966)	31	76	45
Total	3,673	11,001	7,328

Aside from the imports of manufactured goods there are some consumer goods that have experienced a severe impact from imports. In fisheries over half of our market is supplied by imports. In the case of fruit and vegetables, imports are rising rapidly, tomato imports in particular, and strawberry imports are creating a very serious problem for our growers.

We can readily see the gaunt ribs of our lean competitive standing in the world. The goods shown in the table above are nearly all manufactured goods. Imports in 1968 exceeded exports of these goods by 3 to 1, even though imports are tabulated on their foreign value rather than c.i.f.—cost, insurance and freight—which represents more nearly their real cost to us.

Our deficit in these goods was $7.3 billion or twice as high as our exports.

I ask you, Mr. Speaker, is this not a dismal picture? Mind you, these exports include foreign aid and similar governmentally assisted exports.

To say that this record is balanced by our high exports of machinery and chemical materials, and a very few other items, is to close our eyes to a very serious situation.

There have been those who have pointed to our agricultural exports as another redeeming feature. Let us take a glance at this claim.

Five years ago, that is, in 1964, our agricultural exports were $6.34 billion. In 1965 they fell to $6.22 billion, then jumped to $6.88 billion in 1966. They dropped to $6.38 billion in 1967 and to $6.22 billion in 1968. This was the same level as in 1965. During this same period, from 1964 to 1968, exports of all goods increased from $26 billion to $34 billion or by 30 percent. Agricultural exports declined slightly.

Moreover, agricultural exports benefit most of all from AID shipments, food for peace, and so forth. Quite clearly agricultural exports have been no help in recent years toward improving our balance of trade. While total exports gained 30 percent our agricultural exports fell off.

Meantime total imports rose from $18.7 billion in 1964 to $33.2 billion in 1968. This was not very far from a 50 percent increase.

Mr. Speaker, the effort of the Government to conceal the true state of our foreign trade and to keep from the public the fact that we are competitively weak in the world—indeed, dangerously so—seems incredible, and yet every month the Department of Commerce continues to disseminate these misleading trade statistics.

If we are to legislate wisely in this field we must face the facts that reflect the true state of affairs. We are competitively weak simply because we have high costs of production compared with many other countries. It would be surprising indeed if our exports should exceed our imports under these circumstances. It would also be surprising under these circumstances if our imports had not grown more rapidly than our exports in recent years.

It has become commonplace to see explanations of the more rapid rise of imports. They say that because of our economic expansion in recent years and brisk demand for goods we have sucked in voluminous imports while our industries have not had so much interest in exporting. Yet such was not the effect produced in Japan, West Germany, and Italy. They too have experienced great industrial expansion. Why should they not have followed the alleged American pattern? To the contrary, they sold more and more abroad even as their imports also expanded.

No; the answer is that the prices these countries were able to quote to their export markets were attractive to those markets. Our prices on the whole were less attractive because of our higher costs. Therefore these three countries outdid us in export expansion. Japan turned from a net importer from this country to a net exporter by over a billion dollars in 1968; and the trend continues.

If our prosperity had a dampening effect on our exports why did not prosperity in Japan have the same effect? In the case of West Germany the same thing happened but to a little lesser degree. The same goes for Italy.

All these explanations and apologia are diversions from the plain truth of the matter. This is that we are competitively weak. The clear facts would be overwhelming if they were permitted to come out; but the Government will not permit this so far as they can control it. The metropolitan press, often so zealous about suppressed public information, appear to be wholly content to see the facts of our trade balance suppressed.

What then can we do in the Congress?

Mr. Speaker, a bill I have introduced, and which many of my colleagues have also introduced, will go far toward meet-

ing the situation with the least friction or backfire.

It would simply lay the groundwork to prevent an unreasonable increase in imports in the years ahead.

How would it do this?

It provides for ceilings to be established over imports if in the past 10 years particular industries have been injured seriously by imports or threatened with such injury. The bill itself lays down the conditions that would constitute serious injury and thus justify the imposition of import ceilings.

These ceilings would be established one by one and only after public hearings by the Tariff Commission, upon application made by individual affected industries or labor groups. The President would proclaim the ceilings upon certification by the Tariff Commission.

No import quotas would be imposed unless and until imports should exceed the established ceilings for a period of 6 months running. This means that if the countries exporting a particular product to us took care not to breach the ceiling no import quota would be imposed. Such a law has been in effect with respect to meat; and during the 5 years of its effectiveness it has not been necessary to invoke the import quota.

The ceiling itself would be established as a percentage share of domestic consumption supplied by imports. This might be 10, 15, 25, 40 percent, or whatever the penetration has been during the most recent year or the average penetration during the 3 most recent years plus 10 percent.

There would therefore be little or no cutback on the attained level of imports. Beyond that, in succeeding years imports would be allowed to expand in the same proportion as domestic consumption.

The overall effect of the legislation would be to recognize the high level of imports attained in recent years as something we can live with, unless, as in a very few instances, imports shot up rocket-like within the past year or two. Even then the ceiling could not cut back to the level of the 3-year average. Ten percent would be added to that average.

Mr. Speaker, all sorts of things will be said to the effect that this legislation would put imports into a straitjacket. That is precisely what it is designed not to do. Much study and thought has gone into the shaping of this legislation. I think it is fair to say that no other nation has as liberal a trade policy as this bill would provide.

I think it behooves all of us who recognize the value of trade but who also want to protect the economic stability of own own country to support needed legislation of this type. We have waited about as long as we dare for administrative action to insure a greater measure of protection for American industry and American workmen from ruinous foreign competition. It has not been forthcoming. Now it is time for Congress to act.

Mr. BETTS. Mr. Speaker, will the gentleman yield?

Mr. SIKES. I am happy to yield to my distinguished friend, who has so ably discussed this matter earlier.

Mr. BETTS. I thank the gentleman. There is one item which I do not think is in the RECORD tonight. I would like to ask this question of the gentleman: Is it not true that in practically all our tariff negotiations, after tariffs are reduced, our competitors immediately find some trade barrier that no one ever thought of before and apply it so that it offsets every advantage we had received from trade negotiations, so far as reducing tariffs are concerned? Has that not been the case?

Mr. SIKES. Unfortunately, that has been happening in instance after instance. It is an extremely unfortunate picture. We have not seemed to be able to show the fortitude and the determination to overcome this type of thing. It certainly is one that the attention of the American people should be directed toward.

Mr. BETTS. I thank the gentleman.

Mr. BARING. Mr. Speaker, the trend of imports in recent years has borne out what a number of us have been saying during past consideration of trade legislation. We warned against intemperate tariff reduction but no one paid us any attention.

Today the facts can no longer be hidden. Even the padded statistics issued by the Department of Commerce can no longer conceal the brutal facts. The Department is reduced to preventing the facts from looking as bad as they really are.

Mr. Speaker, as others have noted, our imports have increased over 75 percent since 1964—going from $18 billion to $33 billion—while our exports moved up only 30 percent, going from $26 billion to $34 billion.

The other countries, the leading industrial ones, have been overrunning our market at will. Japan, Canada, and West Germany have turned their trade deficits with us into fat surpluses. Even our present method of presenting these trade figures cannot hide this fact.

Of course, what still appears to be a moderate surplus in our exports to the whole world is in reality a huge deficit, in the magnitude of $5 or $6 billion. That this is a serious matter is no longer questioned; but what is proposed to be done about it is, to use the vernacular, peanuts. The State Department would propose an easing of the adjustment assistance provisions of the present law. This easing would be designed to make dying less painful for our industries and their workers.

Mr. Speaker, I ask why we should raise imports such a level of priority over our domestic industries that our industries must bow out and find other fields of production, and labor must be prepared to be retrained and pull up stakes to go elsewhere to find employment. I ask, Mr. Speaker, who has endowed imports with such an untouchable status that our industries, farmers, and workers must bow before them and say "After you, your Majesty"? Whose idea was this in the first place? Can anyone believe that it came from any source other than the State Department? In order to make their work easier they want to be able to sell American industry down the river. This they have been doing quite successfully over the years.

I join in the introduction of legislation that would take the escape clause out of the clutches of the State Department. "Oh," it will be said, "the State Department is out of it now. The function belongs to the President alone." Let me say that the influence of the State Department, so far as can be observed from the outside, has undergone no shrinkage in trade matters. It is true we now have an office known as that of the President's Special Representative for Trade Negotiations; but the philosophy of the incumbent, Mr. Carl Gilbert, as expressed freely in the past on trade matters, is indistinguishable from that of the State Department. Before his appointment he was the president of the free-trade oriented Committee for a National Trade Policy.

The fair international trade bill, which I join in introducing, would put a brake on the competitive slide of many of our industries that have faced sharply rising import competition from abroad. We can hardly expect to have a $14 billion increase in imports in 4 years without inflicting great damage on our industries that produce these goods. If we move away from a war economy we will feel the effects directly and immediately. Today there is still some cushioning, but this should not fool us.

Mr. Speaker, I need not go into the mechanics and provisions of the bill. This has already been done. I do say that I give the bill full support as representing a much-needed change from what has gone before. I urge its consideration and adoption by our Committee on Ways and Means.

Mr. FREY. Mr. Speaker, as a Congressman representing Florida, a leading producer of fruits and vegetables, I am deeply concerned about the import trend of recent years. The tariff on fruit and vegetables is very low and does little to impede the rising import trend.

One of the principal items of concern is tomato imports from Mexico, which coincides with our own growing and harvesting season in Florida.

It is not difficult to understand the difficulty our growers face, particularly if we keep in mind that wages in Mexico are about one-fifth of those paid American farmers, and even less in some cases. Mexican farm workers average a little over $2 per 10-hour day.

No doubt we get more production per man-hour than is achieved in Mexico, but not at such a ratio as would be necessary to offset the wage differential. We would need to have an output roughly five times higher than the Mexican production in order to be able to compete. Such a ratio is out of the question. Even an output of 2 to 1 in favor of our industry would not overcome the difference in wages.

The outlook is therefore not encouraging. In addition, Mexico will no doubt bring additional acreage into production. Florida and other growing areas in the United States would be left with whatever market remained after Mexico had sold its supply.

Fresh tomato imports have grown from 258 million pounds in the 1964–65 season to 456 million pounds in the 1968–69 season. This represents an increase of 76 percent.

This happened even though in the past season limitations on the size of tomatoes that could be imported were imposed under section 8(e) of the Agricultural Marketing Act of 1937. But imports still increased 27 percent in the 1968–69 season over the 1967–68 period.

Mr. Speaker, heavy imports are not at all confined to fresh tomatoes. Fresh strawberry imports have also skyrocketed, rising 732 percent since the 1964–65 season. Cucumber imports increased 210 percent, eggplant 273 percent, peppers 123 percent, and squash 233 percent.

The fair international trade bill, if passed, would open the way to the establishment of controls on imports while still permitting their growth in proportion to the growth of domestic consumption. This bill is being introduced in the House by Congressman BOB SIKES, dean of the Florida delegation. I hope my colleagues will carefully review this bill in light of the serious problems faced by growers throughout the country.

Mr. ABERNETHY. Mr. Speaker, the time has come to reassess our trade policy. Our trade agreements program was adopted in 1934, 35 years ago. Under it, we have made drastic reductions in our tariff, to the point where it is down some 80 percent from the level at which it stood when we started.

In the course of these tariff reductions, we have exposed a number of our industries, both small and large, to a type of low-wage competition they cannot withstand. In many instances the foreign advantage is so great that our higher productivity simply cannot overcome the competitive disadvantage derived from foreign wage levels that would be illegal in this country.

No doubt the trade program helped increase our total trade; but I can tell you that it has not been uniform in its benefits. On the whole, imports have grown more rapidly than our exports. Since 1964, 5 years ago, through 1968 our exports increased only 30 percent while imports grew 80 percent, or well over twice as fast.

In recent years the American cotton industry—highly important to the national economy—has witnessed a tremendous shrinkage in U.S. raw cotton exports. In the cotton year of 1959–60 our exports were 6.06 million bales, while exports in the cotton year 1967–68 were down to approximately 4.2 million bales. The downward trend continued through the 1968–69 year when exports plunged to a lowly 2.6 million bales.

Largely because of this decline, cotton acreage in this country has also dropped, declining from 14.5 million acres in 1960 to about 11 million acres in 1968.

During the past 10 years, imports of textiles and apparel have increased manifold, while exports have declined. Imports exceed exports by far. These imports have seriously affected the economy of our entire textile industry, the entire apparel industry, and the entire cotton belt, particularly in my State where both cotton farming and the manufacturing of wearing apparel is so important to the employment and economy of my people.

We see imports also surging in other goods, such as footwear and work gloves. Both are being hard hit. Work glove imports continue to rise and pose a very serious threat to our domestic industry. This is not a large industry but it is very important to the communities in which the manufacturing plants are located. Some are located in my district. Imports of work gloves are from areas of the world where wages are so far below ours that our manufacturers cannot begin to match the prices offered by the importers.

The imports of leather palm work gloves, made of leather and canvas, have grown so steadily during the past 5 years that in 1968 they represented 34.8 percent of the domestic shipments of the same gloves. And this trend has continued into 1969. Imports of these gloves during the first 7 months of 1969 are 88 percent higher than they were during the first 7 months of 1968. When will this abnormal growth be halted? Back in 1964, these gloves came into our country at the rate of 12,006 dozen pairs per month. During the 12 calendar months ending with July 1969, they were imported at the rate of 95,408 dozen pairs per month. This represents an increase in imports of almost 600 percent in less than 5 years while the domestic production of these same work gloves has remained practically unchanged.

I might add here, Mr. Speaker, that gloves have been imported and offered for sale to the American consumer that are not properly marked and identified as being foreign made. In one particular instance we found that the foreign-made identification was stamped far down the inside of a finger compartment of the gloves. This represented a deliberate attempt to hide the fact that the gloves were foreign made. Such violated the law both in fact and in spirit. It was an attempt to perpetrate a fraud on the American consumer and American glove manufacturer. Such instances as these require more policing on the part of our enforcement authorities.

Mr. Speaker, I have served under the last six Presidents. All of them came into office with a commitment to provide reasonable protection against these cheaply made goods coming into the country. We did not ask them to close the doors of our ports to all foreign made textiles, wearing apparel, gloves, shoes and other foreign made goods which have had such a disastrous effect on American jobs. We only asked that the gate not be allowed to stand wide open and that we have our share of our own market. Unfortunately, all of these Presidents have yielded to the pressures of the foreign-minded policymakers in the State Department who just do not concern themselves with the impoverishment of American workers and the bankrupting of American industry.

President Nixon is on record and committed to make some adjustments in these imports. Secretary of Commerce Stans has made some strong efforts in that direction. He has been in serious negotiation with foreign manufacturers. But we have yet to see effective results.

As yet, we have not given up on Mr. Nixon and Mr. Stans. But unless they place a heavy foot on the "free traders" in the State Department, we will find ourselves with no relief and the effort will produce that which it has produced in the past—a whole lot of nothing.

Mr. Speaker, for the reasons that I and Members from other areas have mentioned, it is imperative that we revise our trade policy. We should set reasonable limits on the acceptable market penetration by imports to prevent them from overrunning our industries.

In closing, I suggest in all sincerity that our trade program has not been very good for us. On the contrary, it has actually been a drag on our economy. It has bred poverty in numerous American towns and cities where the textile, apparel, shoe, glove, and other industries and cotton growing are so important.

The fair international trade bill, which is being introduced today, will accomplish our objective without doing harm to a reasonable growth of imports. I am glad to join in the cosponsorship of this bill.

Mr. FUQUA. Mr. Speaker, I wish to associate myself with this legislation and am introducing the fair international trade bill. I do this with the conviction that it will open the way to halt the overrunning of our market by imports with no end in sight other than the ruin of the afflicted industries.

I am particularly concerned at the present over the trend of fresh vegetable imports, and among these, especially over the imports of fresh tomatoes.

Mr. Speaker, I am sure that no one in this body objects to a reasonable volume of imports of products that compete with industries or agriculture in this country. There is, however, justified and proper concern when the imports continue to climb and reach the point of imperiling the very livelihood of those dependent on our own industries or farm crops.

Imports of fresh tomatoes have grown some 75 percent in a 4- or 5-year period and have reached a volume of over 450 million pounds. This import penetration represents high pressure on domestic producers, for one principal reason: these tomatoes are grown principally in Mexico where wages are far below those that prevail in this country. Our hourly wage is not far below the daily wage in that country. The discrepancy is at least 5 to 1, which is to say, our growers pay wages at least five times as high as the growers pay in Mexico.

Mr. Speaker, we are subject to minimum wages and other cost-increasing burdens that the Mexican growers do not bear. Therefore our growers are helpless so far as cost-reduction goes, unless they adopt drastic labor-saving devices. This, of course, means unemployment. Already tomato-picking machines have been adopted and more mechanization

may be expected. Unfortunately this recourse to labor-saving machinery is also open to our foreign competitors; and should wages rise appreciably in Mexico the use of such machinery could be extended.

Mr. Speaker, as legislators we pass laws that increase the cost burdens of our industries and take away their competitive options. Then we wonder why our producers cannot compete with imports from countries that do not burden their producers to a similar degree. It is not a fair imposition on our producers to raise their costs, reduce their tariff and then expect them to compete. Not only is it unfair, it creates an impossible situation and works at cross purposes with the very domestic policies that we uphold.

We launch a war on poverty and then adopt a trade policy that leads to unemployment, because that policy exposes our industries to a type of competition that does not contribute to the support of our domestic policies.

Mr. Speaker, I believe that the fair international trade bill which is being introduced today will undo the unfairness that has been perpetrated against those of our industries that are confronted with sharp and rising competition from foreign sources.

I have given special mention to tomatoes; but tomatoes are not alone. Other vegetables and fruits are moving into a similar difficult position. Beyond that there are of course numerous products of industry that are also imperiled. We can no longer wink at this growing problem in the hope that it will go away. We must act.

Mr. SLACK. Mr. Speaker, I am happy to join with those who have introduced the fair international trade bill. Last year I introduced similar legislation, together with many other Members. The legislation did not move beyond the Ways and Means Committee.

Mr. Speaker, the situation with respect to import competition has not improved. It has worsened. The need for legislation is more pressing now than it was. It is clear now that many industries have no good defense against low-wage imports. Tariffs have been stripped to the point of ineffectiveness in many if not most instances.

Yet the fact is that the great increase in foreign productivity, not accompanied by an equal increase in wages, has produced unit prices much lower than those attainable in this country. Our productivity has, of course, also increased; and we lead the world in productivity per man hour. That, unfortunately, is not the point. We are no longer far enough ahead of our competitors in productivity. When our foreign competitors installed up-to-date machinery their productivity jumped astoundingly, because the machinery replaced more antiquated methods of production. When we renewed our plants, a process that goes on all the time, we mostly replaced obsolescent machinery with better machinery. We did not reap as great a boost in output per man-hour as did the other countries. At the same time our wages did not stand still either. Foreign wages rose, sometimes more than ours in terms of percentage; but what is a 5- or 10-percent wage increase based on a 50- or 75-cent wage, or lower, compared with an equal percentage increase based on $2 or $3 or more per hour?

We all know or should know that employee compensation is by far the heaviest cost element in the total cost of production. What then can we do to become competitive with imports other than going to the employees and saying to them that we must reduce labor costs as a means of meeting import competition?

Now, Mr. Speaker, we do not have to ask ourselves how far any suggestion to reduce wages would get. Even a wage standstill is not in the cards. Therefore the only recourse would be more mechanization or automation. This is a way, and today the only way, in which to reduce the company payroll.

In West Virginia we know something about cost reduction as a means of remaining or becoming competitive. In no other place have the repercussions of the herculean efforts of the coal industry to remain competitive hit so hard as in West Virginia. The distress caused by the relentless mechanization of the coal industry represents one of the darkest spots in American economic history.

Mr. Speaker, in 15 years, beginning around 1950, the output per coal miner was more than tripled. This meant that two out of every three coal miners lost their jobs—340,000 of them. The number of workers fell from 482,000 in 1950 to 142,000 in 1965.

The reduction in the cost of production thus brought about was sharp enough to make coal competitive throughout the world. It also made it possible to compete with oil and natural gas. Even so our exports have not held above the 10-percent level of total output. England does not permit its importation. West Germany has a strict quota limitation. Japan and Italy both offer moderate markets.

Here we have a forbidding example of what it takes to become competitive. If costs must be sharply reduced in order to compete with imports we know that our workers will take the consequences in the form of heavy job losses.

Not only that, Mr. Speaker, but sometimes, indeed in many instances, machinery of sufficiently higher output than the existing machinery, simply is not available. It has perhaps not been invented or perfected. We must then simply see our industry contemplating the loss of its home market while being unable to export.

Or, if our industries do have available more modern machinery and install it, other countries also have access to such machinery. If they install it we are right where we were before, except that we have displaced our workers without becoming competitive.

It is because a growing number of our industries face an outlook such as this that we need legislation that would establish import ceilings of the kind provided in the fair international trade bill.

We have in West Virginia several industries that are very vulnerable to imports—such as steel, glass and glassware, pottery, chemical products, and so forth. We wish to preserve these industries and to develop them. We want still other industries. We need them to overcome after so long a time the effects of coal's becoming competitive. If we do nothing to keep imports in bounds we will be fighting a losing and hopeless battle.

I feel very strongly that we cannot continue to let imports have the right of way over our own industries and their employees without courting further disaster. In Appalachia we have had enough of that.

It is with a great hope of finally achieving a remedy that will work without doing any significant damage to imports, that I join wholeheartedly in introducing the fair international trade bill.

GENERAL LEAVE TO EXTEND

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE INTERSTATE TAXATION ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California (Mr. TUNNEY) is recognized for 60 minutes.

Mr. TUNNEY. Mr. Speaker, the Senate Finance Committee is presently considering the Interstate Taxation Act. It is my belief that this legislation would seriously damage Federal-State relations by unduly curtailing the free exercise of a State's taxing power by imposing an unnecessary and inflexible Federal standard of taxation.

The impact of Federal standards would be particularly severe in California. In view of this I was surprised to read an article in the September 21 Washington Star by Senator GEORGE MURPHY, of California, endorsing the Federal Interstate Taxation Act as the only solution to the problem of multistate taxation of foreign corporations.

This proposed legislation would impose upon the States a uniform Federal taxation formula which would have the effect of substantially reducing California's taxing power over large interstate corporations. This would come at a time when the State and local governments are desperately searching for additional tax revenues. This loss of revenue would have to be made up somewhere. This can only mean additional State and local taxes for California residents. Thus, California consumers and businessmen are being asked to pick up the burden now borne by the large interstate corporations. The result is unconscionable.

I voted against the Federal Interstate Taxation Act when it was before the House of Representatives. I hope that the Senate carefully considers the detrimental aspects of this legislation to State and local governments when hearings are held.

There is no doubt that a problem exists with regard to multistate taxation.

However, the States themselves have recognized this and are in the process of ratifying the multistate tax compact which would establish uniformity in multistate taxation by the States themselves.

Presently 18 States have ratified the compact, 10 have become associate members, and two have applied for associate membership. I believe that the States should be given the opportunity to solve this problem without Federal interference. Senator MURPHY, in his article of September 21, says:

> The difficulty with this is that completion of the pact is a time-consuming process, and not much headway has been made to date on such efforts.

On the contrary, the States are working to ratify this compact. Yet why should they continue to labor in this area when Congress is, at the same time, moving to impose Federal uniformity.

Thomas Jefferson once said:

> It is not by the consolidation, or concentration of powers, but by their distribution, that good government is affected.

Of course, when uniform standards of equity are required the Federal Government has a duty to act. I see no compelling reason at this time for the Federal Government to step in and usurp State and local taxing power.

Senator MURPHY's position in support of the Federal Interstate Taxation Act is in direct opposition to the following:

The California State Board of Equalization.

The State of California Franchise Tax Board.

The County Supervisors Association.

The California Retailers Association.

The California State Chamber of Commerce.

The California Manufacturers Association.

The League of California Cities.

The Western Governors' Conference.

The Los Angeles Chamber of Commerce.

I urge Senator MURPHY to reconsider his decision and to urge his colleagues to allow a State solution to this matter and avoid not only usurpation of revenue powers but a revenue loss to California of $16,500,000 annually. In addition, the legislation would cause massive shifts and changes in California's tax system which would create considerable apprehension concerning sources of revenue at a time of great economic growth. The importance of a stable tax structure is apparent when one considers that corporation tax on income and sales and use taxes which are affected by the proposed Federal act, produced $2.2 billion in revenue in 1968. This is 54.4 percent of California's general fund revenue which is the revenue used for meeting the needs of California's rapidly growing population.

In addition, almost $402 million per year is collected for counties and cities from State-administered local sales and use taxes. The Interstate Taxation Act would place California businesses at a competitive disadvantage with large interstate corporations. California sales and use tax laws presently provide that an out-of-State retailer shall collect the use tax if he has an office, warehouse, representative, agent, salesman, canvasser, or solicitor in the State. The Federal law would exempt interstate retailers unless they maintain a business location in California or regularly make household deliveries in the State. Many corporations make sales in California without maintaining a fixed place of business or inventory within the State.

This problem is illustrated by two examples: First, a firm engaged in the sale of books, magazines, and record albums, has agents located in California who operate from their homes. These agents solicit orders which are filled and shipped from a point outside the State direct to the purchaser. If this proposal becomes law, this firm would be discharged from further tax liability on $7,500,000 of annual sales, on which it now pays $375,000 in taxes. An affiliated corporation of this firm does maintain offices in California. It would be an easy matter to direct all publications of a nontaxable nature through the corporation maintaining an office in the State, and all taxable publications, and other items of a taxable nature, through the corporation with no office in the State. Thus, the enactment of this legislation would clearly provide the opportunity for tax avoidance in this case.

Second, a large publishing firm which presently maintains several small sales offices in California, but does not carry an inventory within the State, need only close these small offices and require their sales personnel to operate out of their homes in order to avoid State taxes.

This firm annually pays $400,000 to California in State and local sales and use taxes. Under the Interstate Taxation Act, an out-of-State seller could have an unlimited number of salesmen in California and could still avoid sales and use taxes by foregoing the rental or ownership of real property in the State.

California-based businesses are thus placed at a substantial disadvantage. Out-of-State businesses that could take advantage of the Interstate Taxation Act made taxable sales of almost $4 million in California in 1968. A great many of these firms would thus go untaxed if the Interstate Taxation Act becomes law. California residents are asked to incur these additional tax burdens so that the large interstate corporations may operate in California's marketplace tax free.

The Advisory Commission on Intergovernmental Relations has said in its 10th annual report this year:

> Federalism seeks to enhance national unity while sustaining social and political diversity. The partnership approach is the only viable formula for applying this constitutional doctrine to late twentieth century America. Yet, this approach can succeed only if all of the partners are powerful, resourceful, and responsive to the needs of the people. The alternative is a further pulverizing of State and local power, and consequent strengthening of the forces of centralization.

I feel this legislation presents to the Congress an opportunity to either "pulverize" State and local incentive or to encourage it. I would hope that the Senate will consider this aspect of the issue with great care.

PRIME MINISTER GOLDA MEIR, OF ISRAEL, ADDRESSES THE NATIONAL PRESS CLUB

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York (Mr. ROONEY) is recognized for 30 minutes.

Mr. ROONEY of New York. Mr. Speaker, the United States was honored this past week by a state visit of the Prime Minister of Israel, Her Excellency, the Honorable Golda Meir. It is no secret that Mrs. Meir was here on a mission of vital interest to her country—among other things the obtaining of arms to enable Israel to withstand the outrageous incursions of Arab terrorists and to once again, if need be, show her Arab neighbors the folly of full-scale war. It is a tragic fact of life in the Near East that this country, Israel, which seeks only peace and security, has three times in her short lifespan of 21 years had to go to war to insure not only these inalienable rights but also to insure even survival.

But Mrs. Meir came to this country last week seeking arms not for vengeance or territorial expansion; she sought what her country needs to live. Time and time again during her visit Mrs. Meir made it unmistakably clear that Israel wants peace. I hope her Arab neighbors carefully digested her statements, for peace is available. Let us hope it can be cemented at the bargaining table and not nurtured through the blood of the battlefield. While she was in Washington, Mrs. Meir addressed an unusually large gathering at a luncheon in her honor at the National Press Club and the club's president and chairman of its speakers committee, Messrs. John W. Heffernan and John P. Cosgrove, respectively, told me that it was one of the proudest moments in the club's 60-year history. I could not agree more for I make no bones about the fact that I am and always have been an unabashed apologist for Israel, if, indeed, one is needed for this great country and her valiant people.

Mr. Speaker, it was a great honor to be a guest at the National Press Club luncheon for Mrs. Meir and to renew a friendship of long standing. Mrs. Meir's remarks at the luncheon were extemporaneous and directly from the heart. I recommend their reading to my colleagues. The following is the guest list and the transcript of her remarks:

GUEST LIST AT LUNCHEON IN HONOR OF HER EXCELLENCY, THE HONORABLE GOLDA MEIR, PRIME MINISTER OF ISRAEL, NATIONAL PRESS CLUB, WASHINGTON, D.C., SEPTEMBER 26, 1969

GUESTS OF HONOR

Her Excellency, the Honorable Prime Minister, Mrs. Golda Meir.

Lt. Gen. Yitzhak Rabin, Ambassador of Israel.

Honorable John J. Rooney, United States House of Representatives.

Dr. Ya'akov Herzog, Director General, Prime Minister's Office.

Mr. Moshe Bitan, Assistant Director General, Ministry of Foreign Affairs.

Mr. Shlomo Argov, Minister, Embassy of Israel.

Mr. Simcha B. Dinitz, Political Advisor to the Prime Minister.

Mr. Murray M. Chotiner, General Counsel, Office of the Special Representative for Trade

Negotiations, Executive Office of the President.

Mr. Rodger P. Davies, Deputy Assistant Secretary of State, Near Eastern Affairs.

Mr. Theodore Whall, Deputy Assistant Secretary of State for Israel.

Mr. Menachen Meir, son of the Prime Minister.

Brig. Gen. Israel Lior, Military Secretary to the Prime Minister.

Mr. Leopold V. Freudberg, Past President United Jewish Appeal, District of Columbia.

Mr. Avraham Avidar, Minister of Information, Embassy of Israel.

Miss Marjorie Hunter, President Women's National Press Club.

Mrs. Esther Tufty, President American Newspaper Women's Club.

Mr. Shaul Ben Haim, Press Counselor, Embassy of Israel.

Mr. Leo Bernstein, Past Chairman Ambassador's Ball for Bonds of Israel.

NATIONAL PRESS CLUB OFFICIALS

Mr. John W. Heffernan, President.

Mr. John P. Cosgrove, Chairman, Speakers Committee.

Mr. Michael Hudoba, Chairman, Board of Governors.

Mr. Kenneth Scheibel, Secretary.

Mr. Stan Jennings, Governor.

Mr. Ernest K. Lindley, Past Chairman, Speakers Committee.

Mr. David Garrison Berger, Vice Chairman, Speakers Committee.

Mr. Samuel E. Stavisky, Speakers Committee.

Mr. Anatole Visson, Speakers Committee.

Mr. Pat Munroe, Speakers Committee.

INTRODUCTION OF SPEAKER AND ADDRESS OF PRIME MINISTER MEIR

Mr. HEFFERNAN. Today, ladies and gentlemen, we honor a lady who is already something of a legend in her own lifetime. She is the 71-year-old grandmother of five, leading a people, who, perforce, have been and are primarily concerned with the grim prospect of war.

On taking office as Prime Minister of Israel in March of this year, she was understandably a little overcome. She said then: "I have always carried out the missions the State placed on me, but they have always been accompanied by a feeling of terror. The terror exists now."

But there is no exterior evidence of it. President Nixon attested to that last night when he was asked by a reporter at the White House dinner what she was like to deal with.

And his response was, "She is very strong. Strength is the word."

In addition, he confirmed that she had made quite a case for Israel's request for more jet planes from the United States.

The popular theory last March was Mrs. Meir would run a caretaker government until Israel's next election. But there has been no indication that she regards the post as temporary.

On the contrary, when a foreign correspondent at her first press conference as Prime Minister asked whom she would support at the next election later this year, she lifted her head and replied, "I didn't know there was any limit on my appointment." [Laughter.]

A new biography of Mrs. Meir, called "Golda Meir, Israel's Leader," by Marie Serkin, describes her as "no stopgap Prime Minister," and adds that she is, and I quote, "the strongest leader of Israel since Ben-Gurion."

While no one occupying the position of Prime Minister can be anything other than a tough politician, even though she is a lady, one of Mrs. Meir's defeated political opponents commented a short while ago: "She comes clomping along the road with that sad, suffering, drawn face. You rush to help her to your seat. She thanks you kindly, and the next thing you know, you're dead." [Laughter.]

I read that she is known in Israel as "our Golda." And the people respect her as strong-willed, forceful, and disconcertingly direct.

An observer of the Jewish scene commented about the other two powerful figures in Israel politics: "Yigal Allon has supporters, Moshe Dyan has disciples, but Golda has the votes."

A recent poll seems to have confirmed this opinion, since it showed 73 per cent of the Israeli people approving of Mrs. Meir's conduct in office.

She has a reputation for being uncompromising in her principles which include, by the way, the belief that even a Prime Minister should share the table with her chauffeur and her maid in true kibbutz style; also that even as Israel's first Minister to Moscow, she should still help with the washing up.

Our guest of honor, as you know, is no stranger here. She was born in Kiev in Russia and was eight when her family immigrated to this country and settled in Milwaukee.

Incidentally, Mrs. Meir, our guest speaker yesterday was the Secretary of Defense, Mr. Melvin R. Laird, who pointed out his own Wisconsin background and remarked, referring to your appearance here today, that this must be Wisconsin Week at the National Press Club. [Laughter.]

When she was 14, she ran away to join her sister in Denver until her parents agreed to let her study to be a schoolteacher.

And although it is often written about her that she is a schoolteacher, in fact I have been told that she never did any teaching. Rather, she joined the Labor Zionist Movement and at 23 embarked for Palestine with a reluctant, non-Zionist husband, Morris Myerson.

She spent two years on a kibbutz, and four years on what has been described as grinding poverty in Jerusalem.

Mrs. Meir Hebrewized, to coin a phrase, her name in 1956 and became an important member of the Jewish Agency, the organization which worked unceasingly and on occasion militantly for a Jewish homeland.

In 1946, the British officials in Palestine arrested most of the Jewish agency leaders and put them in jail, but Mrs. Meir was let free because of gentlemanly deference to her sex.

This amused many of those in the underground of those days, and there was a gag which said, "As long as Golda is outside, the only man in the Jewish agency is still free." [Laughter.]

There are some who think she's too old to take on the leadership of Israel. Her answer to that in March was, "Seventy is not a sin."

I'm told that at yesterday's luncheon given by Secretary of State William P. Rogers in the Prime Minister's honor, Mr. Rogers remarked that one of the issues which sometimes arouses speculation in this country was when there would be a woman President. He added that in Israel it was rather when a man would again become Prime Minister [laughter] to which Mrs. Meir was said to have replied that when the men came forward wanting to assume the Prime Ministership again, no doubt the women would help them. [Laughter.]

Mrs. Meir has a sister, Mrs. Clara Stern, living in Bridgeport, Connecticut, and Vera Glasser, whom I am glad to see here, and Marvena Stevenson, of the Knight newspapers, interviewed her just a few days ago. And one of the things she said of her famous sister was: "The most wonderful thing about her is that she hasn't taken on any airs."

It is my honor, ladies and gentlemen, on behalf of National Press Club, to welcome that lady, Israel's Prime Minister, Mrs. Golda Meir. [Standing ovation.]

Mrs. MEIR. Mr. Chairman, ladies and gentlemen, I suppose one should be polite and say thank you for this introduction, but I congratulate all of you that you still remain in your seats after all the terrible things that one would expect of me. [Laughter.]

As a matter of fact, I think that being Prime Minister of Israel—I don't know what it means to be Prime Minister of any other country—but being Prime Minister of Israel is an awesome and very difficult task for anybody, old or young.

And until the 28th of October, at any rate, when we have elections—and I understand that you people here were very kind to me, but you don't have the right to vote in Israel, so it won't help the results—(Laughter)—but until that day, at any rate, I carry this office and the burdens that go with it.

Friends, I know that you people here are not in need of information about Israel. As a matter of fact, you give much information to the world about our country and its problems, and so on. And I thought that the proper thing to do would be to give you as much time as possible to ask your questions, if you have any, and I suppose there are a few questions in the room, and so that it would give me the opportunity also, to the best of my ability, to answer.

I will take only a few moments merely to emphasize the main aspects of our policy, since the six-day war of 1967.

If I were to ask what was the main conclusion after the war, it was this, and still is:

We have decided that, as far as it lies within our power, and to the extent that it depends on us, this is going to be the last war that will be fought between the Arab States and us. [Applause.]

In 21 short years we have had three wars. And it is a fallacy to believe that between the wars there was peace. Between the wars there were border incidents.

It doesn't make a particle of difference how you call those that came across the borders, whether they are Fedayeen as they were before 1957, or whether they are Fatah of today. It doesn't make a particle of difference. The objective is the same, the methods more or less, and the reason for their coming over is to destroy, to kill, to burn, to destroy individual Jews in Israel in order to gain the ultimate result of the destruction of the State of Israel and its inhabitants.

And twice before, after the war of 1948 and after the war of 1957, we agreed to what I now say without any hesitation were makeshifts.

After 1948, it was the signing of armistice agreements with the hope that this is merely a temporary measure leading towards peace.

After 1957 it was my sad duty at that time, sad becoming sadder as the years went on, to announce before the United Nations March 1, 1957 a statement that contained hopes and expectations and aspirations that the arrangements that will be agreed upon by the United Nations—and this time it was to be not UN observers but UN emergency force. They would be stationed at Sharm-El-Sheikh, so that the freedom of shipping for Israeli boats will be safeguarded, and many other good things included in that statement, which was checked word-for-word, comma-for-comma, with the maritime powers in the United Nations, primarily with the Government of the United States at that time.

And I went home hoping for the best. And between 1957 and 1967 there were border incidents. There were what was called retaliations on the part of Israel. Over and over again we were called to order by the Security Council: Why do we retaliate?

The word in itself means something happens before.

And this is how life went on—until 1967, when we found that the Sinai Desert was packed full with the Army of Egypt, tanks and planes and guns and what-not, and in-

flammatory speeches from Nasser and the heads of the other neighboring States that, "This time it's going to happen. This is going to be the last war, because Israel will be no more."

And I think you, I'm sure, as part of many millions of people around the world were worried and feared that maybe this is the end, and what chance has Israel to stand up against all this overwhelming force that it will have to face?

And we found ourselves in those days at the end of May and the beginning of June alone—not without friends. Many friends. Many that worried about us. Many that almost eulogized us. We were "wonderful people, look what we have accomplished." And they worried—sincerely, honestly worried about us.

But we were alone.

If I may, since so many personal things were told about me, if I may say that three or four days before the war I went down to visit my daughter in a kibbutz down at the Negev, south of Beersheba, just to see her and the grandchildren, not being sure what would happen after a few days.

And I met with a group, and I said to them three things:

"I'm afraid there will be a war. There doesn't seem to be a way out. Nobody is going to help us. We're on our own. I'm convinced that we will win."

That, you know, is our secret weapon. We know that we have no alternative when war is declared upon us. We must win. Because every country that fights for its freedom and independence and is overcome by a foreign power is in a tragic situation.

But the people remain alive. They are never dispersed. And usually they go on, and the day comes when they have enough power to throw off the foreign occupation or occupationary power and are free and independent again.

This was true of our people twice before in our life, whenever we were overcome by a foreign power, once we were dispersed to all ends of the earth. But this time we knew that it's not only dispersion. This time it meant physical extinction of everybody that is in Israel, as it was declared by the leaders of the Arab States.

And I say very few expected that this time we can make the—and we did—miracle. We live in the land of miracles, and yet we are told in the Bible not to depend on miracles. And our miracle was men and women, young and old, who in the hours as the clock went on—the voices from our neighboring countries were listened to in Israel. As our Intelligence Service told us of the greater and greater massing of manpower and equipment in the Sinai Desert, there they were, spirit high, not fickle-minded, knowing what is bound to happen to them, depending entirely 100 per cent with fullest confidence upon their sons and daughters in the Army that they will fight to the end to safeguard the life and independence and sovereignty of the country.

And if this is a miracle, this miracle happened.

And this mass of equipment, this mass of army was thrown out of the desert, was thrown back from the Golon Heights where for 20 years Syrian guns were pointed directly on our farm villages in the valley.

And Jerusalem was reunited, Jerusalem that was taken in war in 1948, part of Jerusalem, with barbed wire put about it, and for 20 years we were not allowed to go to our Holy places—was reunited again, one city, Arabs and Jews all together.

And we said we were the attacked, but we were the victors, and we said to our defeated enemies, "Now, come, let us sit around a negotiating table without any pre-conditions. Let us now sit down and meet not in the battlefield but around the table. Let us negotiate a peace which will give Israel secure borders, recognized borders, and agreed borders."

From then on we have been I won't say in conflict, but at any rate in friendly discussions with our friends, not so friendly with our enemies, unfriendly discussions even with our friends: "Why is Israel so instransigent and obstinate and is so particular about the technique how peace should come around? Why do you insist that the Arabs must face you? Why do you insist on direct negotiations?"

Friends, this to us is not technique. It's not obstinacy. It's not intransigence. We are obstinate and intransigent only on one point really: we just want to remain alive, remain alive and independent—not a special luxury that Israel has invented for itself which no other people have, but the same as all other people. No more, but no less.

Why do we insist on this so-called technique? Because we believe what is essential is that there is a revolution in the minds of the Arab leaders. Until now their minds were focused on war and destruction. They must face up to this problem that they have tried war for three times and have failed. Now they must decide whether they like us or not.

And we don't ask them for a love declaration, but that they must acquiesce to our existence in the area to live with them. They will be there forever. We will be there forever. To live with us in peace—from our part, in cooperation.

And if they are not prepared to face us over a conference table, this means that this revolution has not yet taken place.

But this is their responsibility. They have to face this responsibility vis-a-vis their people, whose children starve for lack of food, whose children do not live more than a year in large numbers for lack of medical care, whose people have one of the lowest standards of living in the world—because everything is focused on war.

They have to face the responsibility vis-a-vis their people and say to them, "We have tried. We wanted to destroy Israel. We did not succeed. You people suffered. Therefore, now we are going to try peace."

And since in the quest of peace twice before after wars we agreed with a makeshift, observers, emergency force—And you know the story how the men and the emergency force just evaporated—not the fault of their own, but by order. They were there to keep the peace, but since there was a danger of war, therefore they were recalled to go home. And the Straits of Teheran, which had been promised us would be safeguarded for us, were closed. And everything that happened. And I don't want to take your time.

This is our policy. In short, we want peace with our neighbors, real peace. We believe that peace is necessary not only to Israel. It's not a present that the Arabs must give us. Because many people ask us, "What price are you prepared to pay for peace?"

We have paid prices in thousands of our young men. Sons like yours have given their lives for peace, not for war. No ambition to go to war in Israel. We have won all the wars. If there will be war again, we will win again.

But that is not what we want. We want our boys to live. This time we decided it must be the real thing. Nothing synthetic. No make-believe. This must be the real thing. This must be peace. And negotiated with our neighbors directly and signed by our neighbors and ourselves.

We haven't drawn maps. We found no sense in drawing maps and announcing what borders do we want. We have our ideas as the Arabs have their ideas. They heard some statements of individual members of the Cabinet.

And we are a democratic country. Everybody can say what he likes. There have been no government decisions on maps.

But I want to be honest. Many of us individually, maybe all the Cabinet or most of the Cabinet, have ideas about certain points here and there, though no votes have been taken, some things are self-explanatory.

But the Arabs have announced—Nasser and Hussein—to Mr. Jarring that the borders should be those of 1947. We find our neighbors always fighting for the borders that they have destroyed in war.

And many things have been said, and we say, despite that, everything can be put on the table. No pre-condition, neither from our side nor the Arab side. Let us sit down with a real desire for peace.

It won't happen in an hour. But we are confident that we can get up from the table with a peace agreement for all, because we are convinced that that is something that is needed by all in the area. Thank you. [Applause.]

Mr. HEFFERNAN. The transcript of Mrs. Meir's remarks, which were off the cuff, will be here available and at the Embassy after 4.00 p.m.

The first question, Mrs. Meir: In your talks with President Nixon, it has been reported that you are seeking additional jets. Did you get them?

Mrs. MEIR. In my shopping bag. [Laughter.]

I am not going to make a secret of the fact that in meeting with President Nixon, which I want to say here was a very pleasant, very friendly meeting, with understanding for problems. And if there are points that we do not agree upon, at least it's disagreement among very friendly governments.

I place before the President our problems, security problems, economic problems, and all I am prepared to say now, and all I think I should say at this moment is that there has been a policy followed by the United States Government of sensitivity to the balance of power in the Middle East.

This is the policy that is being followed now, and I have reason to believe that it will be followed also in the future. [Applause.]

Mr. HEFFERNAN. This question is against the background of the remarks I think made by Mr. Mahmoud Riad in New York. Do you think the Rhodes method of negotiations now reported to be under way in New York offer a good prospect for peace between Israel and the Arabs?

Mrs. MEIR. I hope that the fate of these Riad remarks will have better luck than his remarks in Denmark a year ago. He said something which sounded peaceful a year ago in Denmark and was immediately denounced in Cairo.

I think something came from Cairo yesterday that said any report of Mr. Riad's remark which means negotiations for peace, and so on, is nothing but an imperialist lie.

I don't know who the imperialist is in this case—whether the papers that report what Mr. Riad said or Mr. Riad that said it or anybody else.

But, at any rate, as far as we are concerned, and shortly after Mr. Riad had made this remark, in answer to a question of journalists in Philadelphia I said Israel's policy is as I stated a few moments ago—no pre-conditions, direct negotiations. And if Egypt is prepared, negotiations can begin immediately.

As far as the Rhodes method is concerned, anybody that will look into the record will find what happened. There were meetings, direct meetings with the delegations at that time. They met to elect Dr. Bunche as the Chairman. There were informal meetings. There were signatures on the armistice agreements by both parties.

So that when Dr. Jarring asked us many months ago are we prepared to meet with representatives of the Arab countries under his auspices, we immediately, without any hesitation, said yes.

We don't care what you call it—Rhodes method, Dr. Jarring's method, any method. We're not particular about names. We are very particular about substance.

If that's the case, if the Egyptian Government or other Arab Governments will send representatives to meet directly with us, under the chairmanship of anybody, Dr. Jarring or anybody that both delegations consent to, we are prepared to enter into direct negotiations.

We have said that before. We say it now. And we are prepared to implement that.

Mr. HEFFERNAN. If President Nasser should disappear from the scene, would the chances in your judgment for a settlement with Egypt be increased or decreased?

Mrs. MEIR. We really believe that people should not interfere with the internal affairs of other countries and other peoples. [Laughter and applause.]

Therefore, we do not plead guilty to electing Nasser to be the head of Egypt, and we have not been preoccupied in plans how to replace him. This is something entirely for the Egyptian people.

I could, out of friendship to the people in Egypt, wish that whether Nasser remains or whether somebody else takes his place that they are worthy of a leader who should worry more about their welfare and life than the destruction and death of other people. That is all.

But we have no plans and no thoughts about how long Nasser will be the leader of the people, when he will go, if he will go, and who will take his place. [Applause.]

Mr. HEFFERNAN. The question of occupied territories obviously occupies a very prominent place in people's minds here. They ask: "Are you willing to give any of the territory you now occupy if you can reach a settlement that you believe assures peace? And are you under U.S. pressure to withdraw from occupied territory?"

Mrs. MEIR. I'm very, very happy to say—to give an answer to the second question. No pressure whatsoever. On the contrary, full understanding on the part of the United States Government. As was expressed by the former Administration, former President, immediately after the six-day war. And the policy followed exactly also by the present President and the Administration. No pressure whatsoever. Understanding that we don't budge one inch before there is a peace settlement.

As to our giving up parts of the occupied territories, I only want to repeat what I said before. When government decided immediately after the six-day war that we wanted peace agreement and we want boundaries that are secure, recognized and agreed, we feel we have said everything. That means that we will sit down with our neighbors and discuss boundaries and we hope and are confident we'll come to an agreement on them.

We do not draw maps. We don't say, "This we will give up, and this we won't give up."

When the conference meets, on the table we will present our plans, and they will present theirs.

We think it's just playing a game that has nothing constructive in it—the drawing of maps—because maybe the tragic part of the conflict between the Arab countries and Israel is not on something concrete. Many peoples have had wars and conflicts on territories, for instance, or let us say the rights of waterways. This was something concrete. On that you can meet and compromise. Our tragedy has been that the conflict between the Arab countries and Israel is on a serious matter which you cannot compromise on.

They want to see us dead, and we are alive. We can't be dead a little bit and alive a little bit. [Laughter and applause.]

Therefore, it doesn't make sense to draw maps and say, "This we will give up and this we won't give up."

Did they want peace? Are they prepared to live with us in peace? Have they acquiesced to our existence? If they have, then we can sit down and everything is open for discussion. [Applause.]

Mr. HEFFERNAN. Why not put Jerusalem, Holy City to us all, under international control?

Mrs. MEIR. You know, the interesting thing about all suggestions is—it's not the fault of those that make these suggestions—but it just happens that everything has already happened before.

In 1947, the 29th of November, the United Nations, dealing with the Palestinian problem, decided on the partition of the then Palestine into a Jewish State and an Arab State with boundaries, and a decision that Jerusalem should be internationalized.

One does not necessarily have to be a Jew, but one has to know the Bible a little bit and the history of the Jewish people a little bit to understand what it meant for us to live to see a Jewish sovereign state without Jerusalem.

But this decision was taken after the Second World War when six million people, Jews, went to gas chambers, among them a million children. We couldn't save one, because we had no key to the gates of our country.

We believed—and we believe now—had we had a Jewish State during the War, certainly not all the six million, but some of them, would be alive with us today.

And with the prospect of having a Jewish State and the keys to this State will be in our hands, and therefore the gates will always be open to any Jew anywhere, we closed our eyes, didn't look at the borders, didn't look at the resolution of internationalized Jerusalem. We said yes.

And then the Holy City of Jerusalem, holy to everybody before the decision of the United Nations, but formerly belonging to the entire world—After it was decided that this city is internationalized, it means belonging to all nations. When Jerusalem was shelled from Jordan, nobody lifted one finger to defend the Holy City of Jerusalem except the Jews.

And because the Jordanian Army, well-trained and at that time manned by British officers—we don't hold it against the British today—we're stronger than we were at that time in Jerusalem, and Jerusalem was cut off from the rest of the country, they took the old city and expelled every single Jew, families who have lived for generation, destroyed all our holy synagogues.

For 20 years a Jew was not allowed to go to the Wailing Wall. The cemetery, the Mount Olives. The gravestones were uprooted, roads paved with those stones, parts of houses.

In 1967, on the 5th of June, in the morning, my predecessor, the late Levi Eshkol, through General Bull, sent a message to King Hussein, telling him, "If you don't come in to the war nothing is going to happen to you."

That is, that even on that day we didn't say to ourselves, "Ah, this is the chance to reunite Jerusalem."

But King Hussein received that morning not only a message from the Prime Minister of Israel but also received a message from the President of Egypt, and after the Egyptian Air Force was practically non-existent, he sent a message to King Hussein: "I have destroyed 75 percent of the Israeli Air Force. Come in." And he came in.

Interestingly enough, it is said that the same morning he sent a message to his friends in Syria and said, "Seventy percent of my Air Force is destroyed. Stay out." [Laughter.]

And poor King Hussein came in. And now he weeps. The old City of Jerusalem is gone. And he wants it back.

And if I may take a moment, when I saw him on television in the United States, when he appeared I think at this very pleasant and important forum, I was reminded of a story of a man who was up for murder. He murdered his father.

And he pleads with the Judge, "Have pity on me. I'm an orphan. [Laughter and applause.]

Mr. HEFFERNAN. This is a somewhat loaded question I think you will agree. If the very existence of Israel was in jeopardy, could and would Israel use a nuclear weapon?

Mrs. MEIR. There are so many "ifs" in this question. According to that, one would assume that we have it and the only question is will we use it? This is such an "iffy" and hypothetical question that it is not at all relevant.

So far I think we have done pretty well with conventional weapons. [Laughter and applause.]

Mr. HEFFERNAN. And what are the infringements of the cease-fire on the Suez Canal to which Israel is retaliating with the air strikes?

Mrs. MEIR. As you people know, the Arab States not only agree to the cease-fire but actually ask for it, and we naturally immediately agreed.

But cease-fire, to our very primitive way of understanding, means that both sides remain where they are, and no shooting—remain where they are until there is a peace settlement, and whoever has to move, moves according to an agreement reached by the parties.

What happened to us was the same as under the armistice agreements. Under the armistice agreements also it was not permissible for military forces or para-military forces to cross the borders or shoot across the borders, to declare war, or to—what's the word?—threaten war. Well, you know what happened. [Laughter and applause.]

I'm sure this applause is a compliment to our Ambassador who has managed to learn English in such a short time. This only shows that 50 years' living in the country I think naturally in Hebrew—except in arithmetic. [Laughter.]

Well, what our friends across the borders do, they sign a cease-fire, which ends the war, and then they begin shooting. Now that the war is over, they can shoot—with the assumption, of course, that Israel signed a cease-fire agreement.

And, of course, we have no intention of being so accommodating.

We honestly and sincerely—and I don't know English well enough to say more words in order to express our deep concern and desire that there should be absolute quiet on the borders.

We want peace. But until peace is arrived at, we want a strict abidance by the cease-fire agreement.

I assure you the moment that Jordan, Syria, Lebanon and Egypt will abide by the cease-fire agreement, there will be not one single bullet fired from Israel.

But if they go on shooting and shelling and sending over terrorists and laying mines and destroying—The fact that they haven't been so successful is not something that one can hold to their credit. They intended to be successful. It's to the credit of our men and women on this side of the border that they are not.

But if there is going to be peace, there must be peace and quiet on both sides of the border.

If there is going to be shooting and shelling, it's going to be on both sides of the border.

But the Egyptians nor the Jordanians cannot dare and ask that there will be shooting and if the Israelis retaliate they must dictate to us what arms we should use, where we should retaliate, when we should retaliate.

These are rules of a game that we are not prepared to accept.

So that as long as our friends on the other side of the border shoot and shell day and night, Israel is free and obligated in fulfilling its duty to its people to see to it—to use all means at our disposal in order to bring to bear upon our neighbors that either there will be quiet on both sides—and that is what we want—and if not, it will not be quiet on both sides. [Applause.]

Mr. HEFFERNAN. Someone asks for information behind the scenes about the fate of the two Israeli citizens detained in Syria. Presumably that is referring to those who were hijacked there.

Mrs. MEIR. This is really a very grave and serious matter. This is piracy and gangsterism at its worst. Hijacking a plane of innocent citizens and taking them by force. And, of course, it is an act of great heroism to point a revolver or to hold a hand grenade in a plane full of people. And what do you expect the pilot to do but follow those instructions? And taking innocent Israelis to a port of an enemy country, and there they are under arrest, now for about a month. They have no case against them. And there they are.

And I know that from various quarters and very high quarters in the world efforts have been made—and I am glad that efforts are still being made—to try to impress upon the Syrian Government that if it had no hand in the hijacking of the plane, certainly the moment that the plane landed on Syrian soil and they didn't immediately send all the passengers back to where they wanted to go, at that moment they have become accomplices to this terrible crime.

And this country has a special interest not only from a humanitarian point of view but these men came on an American plane.

May I say that one of these women was finally sent back. And I was rather put out with the Secretary General of the United Nations when he congratulated Syria or expressed his satisfaction that Syria really sent those women back. One of them was visiting her sister in California, and she had an El Al ticket to return home. And her sister said, "Oh, well, you know, El Al planes are very dangerous to travel. Call TWA." [Laughter.]

I don't want to say that TWA are not safe, but in this case it was bad luck for this woman that didn't go on an El Al plane.

But I mean the TWA and the United States I think have special interests, and I am very happy to say that they have exercised this special interest because if an American plane is not safe, what's going to happen?

When the El Al plane was hijacked to Algeria, people took it rather calmly throughout the world. There were other incidents. And nobody knows now whose plane is next—until we are prone to come to a moment when flying will be a very serious thing to do, a very dangerous thing to do.

We are still hoping that they will come to their senses and will allow these two men to go home. I hope this is so. I hope that the pilots and others that are concerned will do everything that they can do, and I know they are very active and very concerned about it.

After all, every pilot is personally involved in this. This may be the next trip he makes on any plane in the world.

I hope that a positive solution will be found and that these men must be allowed to go home. [Applause.]

Mr. HEFFERNAN. If I may, one political question, Prime Minister. Israel, it is said, is loaded with splinter parties. Will the future politics make a two-party system in Israel similar to the United States and Great Britain?

Mrs. MEIR. Well, this is what we would like to happen, but so far I think 16 parties have handed in their lists. I don't know whether all of them will be ratified, not because the commission under the chairmanship of a judge of the high court won't like the political parties but if it's not according to rule and so on.

Anyhow, this is what we would like to happen, but I don't know how soon this will happen.

But one thing I can say here is that instead of four labor parties having gone to the elections last time, there is one party of all the four groups that is going to elections. This means at least three parties less. And we hope that with this as an example, other closely affiliated political parties will find it possible and necessary even to merge and to reduce the number of parties.

With all the large number of parties in the country there is one very satisfactory element, and that is: We have no parties which are formed or lists that are formed according to the land of origin.

You know that among the over a million, 1,300,000, Jews that have come in to the country since the State of Israel was established, there were hundreds of thousands that came from Moslem countries, and for awhile we were afraid that this clash of this civilization that they brought with them, underdeveloped countries, some sixteenth, seventeenth century civilizations clashing with the civilization of the Jews that they found in Israel—that they would maybe find it necessary in self-protection to form lists according to their lands of origin.

This did not happen. This is one of the things that we think is one of our greatest achievements—not because there are no party lists but because there has been an absorption and a mixing of populations, so that I don't say there are no signs left, but at any rate we are a united people irrespective of where we came from. [Applause.]

Mr. HEFFERMAN. Before I ask the final question, Prime Minister, I would on behalf of the National Press Club and all correspondents here like to present to you this certificate of appreciation to Prime Minister Golda Meir.

(Presentation.)

Mrs. MEIR. Thank you very much. [Applause.]

Mr. HEFFERNAN. I would like also, Prime Minister, to express the hope that whether you win or lose in the next election you will come back to the National Press Club. [Applause.]

Mrs. MEIR. Very glad to.

Mr. HEFFERNAN. The final question. Your grandson, Gideon Meir, age 7, says you are the best gefilte fish maker in Israel. What is your recipe? [Laughter and applause.]

Mrs. MEIR. I was going to say that you people are so kind and gracious that this will be an extra reason for my being reelected so that I can come back again. But you say you'll have me back anyhow.

As for my grandson, I'm afraid he's not very objective maybe. I'm not very objective about him either. [Laughter.]

But this I can promise: If you'll have me back, in office or without office, I'll come here a day or two earlier and see to it that you have some.

Thank you very much. [Standing ovation.]

Mr. HEFFERNAN. Prime Minister, it is usually our custom to award to our speaker a necktie, the official necktie of the National Press Club. And I don't want this occasion to go by without making the presentation. But I would ask you if you would kindly present it to your son whom we have been delighted to see here today.

Mrs. MEIR. Thank you very much.

Mr. HEFFERNAN. But I have a second one for you, and I am going to take the liberty of asking you to present this to the next male Prime Minister of Israel.

Mrs. MEIR. It will be with me for many years. [Laughter and applause.] Thank you. [Standing ovation.]

IN THE FINAL ANALYSIS IT IS THEIR WAR

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York (Mr. LOWENSTEIN) is recognized for 10 minutes.

Mr. LOWENSTEIN. Mr. Speaker, it is now 8 months and 9 days since President Nixon's inauguration. It was said quite reasonably at the time of his inauguration that the new administration would need time to get its bearings, to determine a policy, and then to implement it. But it was thought at that time—also, I think, reasonably, in view of statements during the campaign and of the mood of the country—that the goal of the new administration's policy, whatever its details, would be the early termination of American military involvement in Vietnam, whether by the negotiation of an overall political settlement or by the withdrawal of American forces.

There is no way to know how many Vietnamese have died since the inauguration, but almost 10,000 more Americans have, and more than 56,000 have been wounded. More than 16.8 billions of the dollars of American taxpayers' money have been spent directly on the prosecution of the war. The cost in inflation, in domestic bitterness, in deferred and desperately needed programs in this country and elsewhere in the world, is of course, incalculable.

I was among the many Americans who believed that the Midway declaration meant that the United States intended to withdraw its Armed Forces from Vietnam on a set timetable over a relatively short period. I was prepared to support that approach, reserving the right to differ on details of the timetable. I believed that "Vietnamization of the war" was the rhetorical canopy under which the new policy would be sheltered. It seemed not unreasonable that, after 8 years and 7 months, $75 billion and almost 300,000 American casualties, the Government of South Vietnam should have been almost prepared, if not long since overprepared, to stand on its own feet in its own country.

Then I went to Vietnam. What I was told and what I saw there persuaded me that "Vietnamization" is in fact a canopy being hoisted to shelter—perhaps, more accurately, to conceal—our staying in, not our getting out. In effect, last year's heresy, which was supposed to be this year's policy, turned out to be this year's vocabulary. But the policy remained essentially last year's policy. The lyrics had changed, but the melody, if a dirge is a melody, lingered on.

I found no prominent American or South Vietnamese, military or civilian, who thought the present Government of South Vietnam would be able to maintain itself even in 2 or 3 years if our armed support were withdrawn. And the new South Vietnamese Cabinet, far from offering hope either for a negotiated settlement or for broader support for the present government, represented a further diminution of prospects for either. In the face of these facts, the notion that we should protract our military presence for any additional period of time seems to me utterly untenable.

What would we gain for the price we would pay for extending our presence? What would we have bought that would be worth the lives and resources spent?

We are told that if we pulled our armed forces out precipitately, the Saigon government would collapse. But it is going to collapse whenever we pull out our Armed Forces, should we not face the possibility of such a collapse now? I believe that when we face it, we will find we can live with it with a minimum of national discomfiture.

We have said for many years now—beginning with President Kennedy's comment in September 1953:

> In the final analysis, it is their war. They are the ones who have to win it or lose it. We can help them, we can give them equipment, we can send our men out there as advisors, but they have to win it, the people of Vietnam.

That we cannot fight this war to keep governments in power that do not have popular support; governments that do not respond to the popular will. We have been in this particular orbit, this very bloody orbit, for many years now, and it is time to come home.

It is time to stop saying, "If the Saigon government does not gain public support, if the Saigon government does not free its non-Communist prisoners and institute land reform, if the Saigon government cannot field a fighting force willing to take over the brunt of combat—if, in short, the Saigon government cannot sustain itself in power after all these years—then we should leave." Surely it is clear by now that the Saigon government cannot, or will not, do these things, and therefore it is time that we left.

I would as soon expect the Statute of Liberty to lower her arm as I would expect the Thieu-Ky government to accept a political settlement that would not keep itself in power. There is in simple fact neither the intention to negotiate itself out of power, nor the capacity to maintain itself in power unless the United States is to keep a substantial number of troops there in perpetuity.

So I am convinced that the national interests of this country require that we cease all offensive military action and initiate the withdrawal of our Armed Forces immediately.

We do not seek to "impose a solution" on the South Vietnamese by doing this; we seek to stop imposing a solution on them. We do not "violate our commitments" by leaving Vietnam; we demonstrate belatedly that we intend to keep them. We do not "lose face" by leaving Vietnam; we might, in fact, begin to regain some of the face we have already lost by our behavior there. We do not risk turning other independent nations in Asia into "dominoes" by leaving Vietnam; we risk turning them into "dominoes" by insisting on military alliances where they are of no use to us and provoke fears in others.

I do not know if the President has no policy or two policies, or if he has a policy in Washington that is being undercut in Asia. But I do know that to make our withdrawal contingent on the behavior of the North Vietnamese makes as a prisoner to the wishes of the Communists, and to make our withdrawal contingent on the behavior of the Saigon government is to make us hostage to that very group which loses most if we leave. Neither of these are acceptable as a basis for determining American policy. We must be neither prisoner nor hostage to either Saigon or Hanoi.

It is, therefore, especially disappointing when honest, troubling, and widely shared questions about national policy in Vietnam are disregarded, and those who seek to discuss them are impugned. Neither does such an attitude on the part of the President or his supporters add to the confidence of the American people in the way their affairs are being handled. I hope President Nixon will reconsider his response to questions and suggestions about the course we are on in Vietnam. I hope he will reconsider his explanation of that course. I hope he will reconsider the policies that have put us on that course, so he can carry out the promise of his inaugural address and become blessed as a peacemaker.

This at last is the Christmas by which American boys must be on their way home. If the President is unable to implement policies that will bring this about, the American people will have to break with their President on his conduct of the war. It will not be the first time that this will have happened in recent American history.

LEGISLATION TO AMEND THE RIVERS AND HARBORS ACT OF 1958

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 10 minutes.

Mr. MICHEL. Mr. Speaker, I am offering legislation today to amend the River and Harbor Act of 1958 to authorize the appropriation of $5,728,000 for the repair and modification of certain structures along the Illinois and Mississippi Canal in the State of Illinois.

I introduced similar legislation in the 90th Congress providing for the authorization of $10 million for this same objective, however the State of Illinois refused to assume title to the canal until there was a guarantee that the funds in this amount would be assured.

Since the change of administration in the State of Illinois, negotiations have been going on between the director of the department of conservation for the State, Mr. William L. Rutherford, and the district engineer for the Rock Island Corps of Engineers in Rock Island, Ill. Their discussions resulted in an agreement that this necessary repair and modification work could be accomplished with an amount of $6,528,000, $800,000 of which was previously agreed upon in Public Law 87–874, thus arriving at the figure called for in my proposal today of $5,728,000.

Every Member of this body is aware of the great need for recreational areas and with our ever-expanding population this need can only become more critical in the years ahead. If these funds are made available, it would provide the basis for eventual development of this canal into a recreational park that will be of great benefit to the citizens of central and western Illinois, as well as the many visitors who will have access to the park, since it will be adjacent to the new Interstate 80 route, which traverses the northern part of the State of Illinois.

The department of conservation under the dynamic leadership of Mr. Rutherford, has some exciting plans for this area, the most notable of which consists of negotiation for the acquisition of an Amish village at the intersection of Interstate 80, Illinois 88, and the Illinois-Mississippi Canal. Land acquisition is being pressed as rapidly as possible, with the hope of having an operational facility for the summer of 1970, and the advisory board of the department of conservation has asked Governor Ogilive to release $1 million to speed up this necessary land acquisition.

A letter from Mr. Rutherford to Colonel Gelini of the Corps of Engineers in Rock Island discusses in some detail the plans which the department of conservation has in mind, and also a delegation from Illinois visited the Pennsylvania Dutch country of Lancaster, Pa., earlier this year and their report provides some additional information as to just what exciting plans the State has for this area. I include the letter and the report at the conclusion of my remarks:

AUGUST 27, 1969.

Col. WALTER C. GELINI,
District Engineer, Rock Island District Corps of Engineers, Rock Island, Ill.

DEAR COLONEL GELINI: You should have received under separate cover a copy of the information I submitted to the Governor's Office and I hope very much that you have received a communication from him as urgently requested by me.

I do not want to burden you with a great mass of papers, but I enclose photocopies of some of our correspondence and our efforts, including the negotiations for the purchase of land which are under way right now for the so-called Amish Village at the intersection of Interstate 80, Illinois 88 and the Canal. We are committed to acquire 500 acres at the southwest side of those intersections as the practical starting approach that we talked about to commence real public use and understanding of the Canal. Our design people are working on this and also a design at Annawan, plus a toilet, small camping area, parking area, etc. near the intersection of the feeder canal.

It is our belief that two worthwhile camps for camping, hiking, cannoeing, rowboat and hopefully swimming pools on parcels of at least 500 acres each can start the new concept immediately. With the Amish Village having the strong and enthusiastic support of the religious community, we can add their fine foods, their wrought iron and blacksmith work, the buggy rides, and the bit of that quaint old Americana the minute the land is acquired. Our forestry people are prepared to commence planting of trees as soon as ownership and weather permits.

As you recall, the Amish people are a depressed area. They have been taken advantage of by many people and because they will not go to Court, need help. They are very hard working, clean, industrious people. They are also good cooks! We think we can combine some community betterment with a very interesting tourist feature and a first class clean park that will be talked about favorably. They will build a small barge to be moved by mules for children to ride in and can make a very interesting ex-

perience. We feel the first park along this route should be really outstanding.

We also hope to get funds released to build a swimming pool at these two sites, using the European concept. A large pool 4½ feet deep permits many more people to enjoy it and eliminates some of the problems of diving. By having a large area included with the pool, large numbers can enjoy the area without overcrowding the water. Europeans find 85 percent of the people are not in the water. Accordingly, the expensive part does not get overused if there is plenty of room for sunbathing, reading, eating, girlwatching, etc. Good Amish food served in a clean surrounding can make this a real special event quite different than a quick dip where the fence is within splashing distance of the water.

We are moving ahead with this and hope to make it happen no matter what. This, plus the intensive use of the 12 miles between the two sites will give a real public understanding of the potential. This will give us support at the legislative level to make development a reality enormously more likely than with the vague "iffy" master plans we have seen. With this approach, I am confident we can get the long range support to justify the steps that are now requested.

I will keep in close touch and will appreciate any suggestions or guidance you can give. My one hour date with the Governor is 2:00 p.m. on the 4th of September, I simply could not get it done earlier within his schedule.

Thank you again for your hospitality and

Kindest regards,

WM. L. RUTHERFORD,
Director.

REPORT ON AMISH VILLAGE PROJECT

The following members of the "Amish Village" project left Rock Falls, Illinois at 6:30 a.m. on February 5, 1969: J. Garretson, D. Headings, D. Headings, D. Headings, M. Cummings, T. Smith.

A chartered plane was acquired for this trip and we arrived at Harrisburg, Pa., at 11:15 EDT. The plane trip was a new experience for the Amish people and they were extremely interested in the different farmland patterns visible from that height. We rented an automobile and proceed immediately to Lancaster County to collect information for the proposed Amish project.

Our first stop was lunch at the Plain & Fancy Restaurant in Bird-In-Hand, Pa. One of the more interesting aspects of this restaurant was the fact that no printed menus were used as the menu was changed daily. The menu for this particular day consisted of beef patties (not a hamburger, but a special recipe of the house), potato patties, country ham, green beans, and dried corn (this is an Amish staple). The table was set with corn and pickle relish, apple sauce, apple butter, large blocks of creamery butter, and home-made bread. For dessert we had a choice of two pies—apple or shoo-fly and ice cream. The tables were quite large and as such allowed for more than one group or party to be seated and served at one time. The host or hostess introduced the other people at the table which gives you the opportunity to meet and converse with an interesting variety of people.

One thing that would be of interest as an additional operation to the Illinois project would be to offer some type of snack bar that was not available at the Plain & Fancy operation. I believe that it will be essential if we expect to handle a vast amount of people at this tourist attraction. We spent several hours at this location reviewing their operation and collecting information, photographs, etc., that would assist us in the project for Illinois.

We then proceeded to visit C. O. Nolt & Son and spoke with Jim Nolt at a flour mill using water power and at least 150 years old. Mr. Nolt was not Amish, but directed us to those that would be of help as he did a considerable amount of business with Amish families. We were interested in Amish people that participated in the tourist trade rather than those who "cashed in" on the Amish population of Lancaster County.

Our first visit was made to Mr. David Glick of Smoketown, Pa. Mr. Glick operated a bakery, jam and jelly manufacturing facility, produced a corn and pickle relish, packaged dried apple slices and operated a tourist attraction which included a visit to his farm on which the bakery was located and where he sold all of the tourist knick knacks. Most of these items such as plates, ash trays, and wall plaques are in some manner manufactured by Mr. Glick and his family.

Mr. Glick then invited us to spend the evening with him for dinner and he would explain in depth his operation. The dinner with Mr. Glick was served in "Amish fashion" which means the entire meal was eaten from one dish (this was most unusual to me). This is a dish that is about the size of a large plate but has a depth of one inch. This dish contained cold sausage, cheese, and tomatoes, hot egg/ham combination and in the center of this you added corn soup which was really the staple of the meal. When the main course was finished, dessert was served consisting of home-canned peaches, ice cream and cake.

It was Mr. Glick's opinion that if the tourist trade wanted to visit Amish families there was nothing wrong with the Amish community making a living from this endeavor. The Glick operation furnished all of the bread, apple butter, apple sauce, corn and pickle relish to the Plain & Fancy Restaurant and many others in that community. Mr. Glick indicated that during the summer months it was not uncommon for them to be visited by as many as sixty busloads of tourists each day and that in fact it accounted for a large part of their income and they were going out of direct farming this winter.

On occasion Mr. Glick had been criticized by the non-Amish members of the Lancaster Tourist Council because he failed to participate in their operation, of course his religion forbid this involvement and he would not object to the non-Amish making a living off of the tourist attraction but felt that they should realize that it was his people that made this all possible. The Amish people in general did not frown on Mr. Glick's involvement on the commercial level and he was strongly opposed to the members of the Amish community that posted signs saying "No visitors allowed or pictures taken" or those that turned their backs on visitors and his question to our group was "Did this represent good Amish teaching?"

We learned from our visit with Mr. Glick that all of the operations he performed could easily be duplicated here at "Amish Village". We would like you to take note of a recent photograph we took of the bakery just built by Plain & Fancy that shows what can be done with a complete tourist attraction; even during the dead-of-winter this bakery was doing a good business. Although Mr. Glick no longer furnished bakery items for Plain & Fancy, he had more than enough business from other restaurants to off-set this loss of volume.

After leaving Mr. Glick's we stayed that evening at the Deitsch Shier Motor Inn at Intercourse, Pa. The accommodations were outstanding and the motif of this type of architecture could be utilized very readily into our proposed plans at "Amish Village".

The next morning we visited the Intercourse Coach Shop operated by Mr. John Lapp. Mr. Lapp has done an outstanding volume of business with the tourist trade and also with local Amish families requiring horse-drawn coaches. Mr. Lapp also operates a museum that offers items for sale that would fit very nicely into our project and could be built by the Manlius operation and sold to tourists for their mantels or dens in homes of offices. Photographs are included of this man's operation. One of his biggest sellers is an antique (simulated) of an old fashioned telephone. He also has several wooden spoke buggy wheels that would be quite fashionable in a den. These are made with such care and painted so perfect that one would not want to place them outdoors as an ornament. Mr. Lapp had several pieces of unusual furniture plus a spinning wheel all of which were built for tourist consumption.

After leaving Mr. Lapp, we had an opportunity to visit an old fashioned covered bridge that might be of some value if we prefer to use this type of construction over the canal, say on a return trip from the barge ride by horse and carriage or possibly horseback riding.

We then made a visit to a sight where they were utilizing water power and the amazing part was the length of rod from the water wheel to the pump house which must have been at least forty rods. If we could divert some of the water on a small scale from the canal, this might prove to be quite enchanting for the tourist trade.

Our next stop was an Amish furniture plant building items for sale not only at the tourist level, but also to commercial buyers that sold these items at what we were told a considerable profit. This business was entirely operated by Amish people and their workmanship is excellent. We have taken several photographs of these furniture items and we also brought back a sample of this type of work (a foot-stool) that we are including with this report. Here again—all of this type of work can be done at Manlius.

Our final stop was an Amish operated business building iron-wheeled wagons for the Amish farmer. They also performed numerous shop repair jobs, all of which really does not have much value in our scheme. The interesting facet of this operation was the fact that all of the equipment was operated without benefit of electricity.

At this point we proceeded back to the airport and returned to Manlius.

Our visit assured us that we can build and perform an operation like Plain & Fancy and we should be able to return a very handsome profit on any investment.

Mr. RAILSBACK. Mr. Speaker, our natural resources, once so wonderfully described in our musical heritage as "America the Beautiful," are under attack by a fast-moving society which eats up natural beauty with an insatiable appetite. Every day more and more land is covered with tons of concrete and structures serving factories, roads, and masses of humanity, all contributing to contaminate the waters and air with ever increasing pollution. It is regrettable that we do not stop more often in our mad rush toward extinction of much of our land's natural beauty.

Over 10 years ago the Congress decreed that within the great State of Illinois lay an historic 75-mile-long canal area which was deserving of a better fate than the disrepair into which it had fallen. The U.S. Army Corps of Engineers, after a lengthy and detailed study of the Illinois - Mississippi—Hennepin—Canal, recommended that Congress authorize the repair and restoration of that canal area, and after due deliberation the Congress agreed. Now, 10 years later, the work is unfinished but hope is not gone. The State of Illinois has urged the Federal Government to turn over a repaired and restored canal area to the State for

operation and maintenance by the State government within whose boundaries it lies. We hear much about the failure of State governments to act and the resulting need for Federal takeovers. Here we have a case in which the Federal Government can turn over responsibility to a State which has sought such responsibility.

We have just received notification that the State of Illinois, in active consultation and cooperation with the District Corps of Engineers, has agreed upon a program involving final costs of $6,528,000 to the United States. Under this program, all highway and railroad bridges, hydraulic locks, fencing and other structures are to be renovated. The State of Illinois will then proceed with its project to create on this land a recreational area which will help preserve wildlife, and provide a place where families can picnic, fish, and boat in clear waters, free from the irritants of urban life and environment. It has been with a good deal of zeal and pleasure that I have fought for this project which will benefit the people greatly. On the first day of this Congress I introduced, with my colleague from Peoria (Mr. MICHEL), a bill to accomplish completion of this project. Now, with the advent of the agreement just reached, I am again happy to help introduce a bill to authorize the appropriation of funds to complete the transformation of this former eyesore into a useful, beneficial, and beautiful recreational area. I am hopeful that the Committee on Public Works can schedule early action on this bill.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members wishing to participate in the subject matter of my special order today be permitted to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMERICAN BAR ASSOCIATION SHOULD INVESTIGATE CONDUCT OF LAWYERS IN CONNECTION WITH TRIAL OF "CHICAGO EIGHT"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. PUCINSKI) is recognized for 30 minutes.

(Mr. PUCINSKI asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. PUCINSKI. Mr. Speaker, I have today asked the American Bar Association to commence an investigation immediately into the reprehensible conduct of four lawyers who have withdrawn from the trial of the Chicago eight with the view of bringing disbarment proceedings against them.

I have also asked the American Bar Association to commence a similar investigation into the conduct of some 150 lawyers who have converged on Chicago from all over the Nation to picket the courtroom of Judge Julius Hoffman who is presiding over the trial of the Chicago eight. These 150 lawyers should also be censured or disbarred for violating the canons of ethics of the American Bar Association.

As one Member of this House, Mr. Speaker, I do not intend to sit idly by and watch these lawyers use every device conceivable to wreck the conspiracy trial in Chicago. If the Government has a case, it will be tried in the orderly atmosphere of the court and before a jury, not in the streets in the midst of turmoil.

Mr. Speaker, I shall place at the conclusion of my remarks an article from this morning's New York Times describing the scandalous and shameful conduct of these lawyers who are officers of the court.

It is inconceivable and indefensible that these representatives of the legal profession who have descended on Chicago in such large numbers should openly and flagrantly flout the canons of ethics by organizing an ad hoc committee of lawyers to stop the trial. They do not deserve the prerogatives and privileges of American jurisprudence when they engage in tactics to frustrate the orderly process of the law.

They make a mockery of democracy and should be stricken from the rolls of the American legal profession which day in and day out in courtrooms all over this country gives living meaning to the democratic process.

I believe there is recourse for every conceivable grievance within the majesty of the law. I have sponsored the Legal Professions Development Act to provide legal aid to every American citizen who needs such aid. I have proposed the creation of neighborhood legal clinics to assure every American legal recourse for his grievances, if he cannot otherwise afford counsel.

Mr. Speaker, I have sponsored this legislation because I have confidence in the law. If those who are on trial in Chicago are innocent, they will so be found by the jury.

Compare the orderly processes of law in which we believe with the shameful behavior of the lawyers whom I am describing here today. Take the four who had withdrawn from the case by sending a telegram to the court, and after the contempt citations were withdrawn by the court, they had made a series of derogatory remarks about the court proceedings in the courtroom and the judge himself. Then, as the New York Times said this morning:

> Over the weekend, lawyers from throughout the country began pouring into the city to demonstrate against the judge's actions. This morning, lawyers from New York, San Francisco, Washington, Boston and other cities, as well as a delegation representing 13 faculty members at the Harvard Law School, were in and around the building. About 125 of the lawyers filed a friend-of-the-court brief today, terming Judge Hoffman's actions a "travesty of justice [which] threatens to destroy the confidence of the American people in the entire judicial process."

Actually, Mr. Speaker, it is these lawyers who by their reckless and scandalous conduct are the ones who are destroying American confidence in our due process.

Mr. Speaker, it occurs to me these lawyers do not reflect the behavior of responsible lawyers who believe in the majesty of the court.

If, indeed, there are any problems involved in this trial, there are a whole series of legal and appellate steps available to lawyers who believe the ends of justice cannot be served in this trial. But there is no defense for the willful and wanton attacks against Judge Hoffman by these lawyers.

I think it is important to take a look at the canons of professional ethics adopted by the American Bar Association. In the preamble and title I, it is clearly stated:

> PREAMBLE
>
> In America, where the stability of Courts and of all departments of government rests upon the approval of the people, it is peculiarly essential that the system for establishing and dispensing Justice be developed to a high point of efficiency and so maintained that the public shall have absolute confidence in the integrity and impartiality of its administration. The future of the Republic, to a great extent, depends upon our maintenance of justice pure and unsullied. It cannot be so maintained unless the conduct and the motives of the members of our profession are such as to merit the approval of all just men.
>
> No code or set of rules can be framed, which will particularize all the duties of the lawyer in the varying phases of litigation or in all the relations of professional life. The following canons of ethics are adopted by the American Bar Association as a general guide, yet the enumeration of particular duties should not be construed as a denial of the existence of others equally imperative, though not specifically mentioned.
>
> 1. THE DUTY OF THE LAWYER TO THE COURTS
>
> It is the duty of the lawyer to maintain towards the Courts a respectful attitude, not for the sake of the temporary incumbent of the judicial office, but for the maintenance of its supreme importance. Judges, not being wholly free to defend themselves, are peculiarly entitled to receive the support of the Bar against unjust criticism and clamor. Whenever there is proper ground for serious complaint of a judicial officer, it is the right and duty of the lawyer to submit his grievances to the proper authorities. In such cases, but not otherwise, such charges should be encouraged and the person making them should be protected.

I stress, Mr. Speaker, if there is any criticism of the conduct of this case these lawyers have ample machinery within the framework of the law and the system of jurisprudence to seek redress for the grievances. They do not have to do it in street demonstrations, pickets around the courtroom, assaulting the court itself, maligning and belittling the judge presiding over the trial. This, in my judgment, is despicable conduct on the part of the attorneys, and, in my judgment, the American Bar Association ought to fully investigate those procedures. The Bar Association owes it to the decent and respectable lawyers of America to expose and condemn the antics of the few who are bringing disgrace to the entire profession.

I will cite another one of the canons of professional ethics, because I believe it is germane.

In chapter 3 of the canons it is stated:

> A lawyer should not communicate or argue privately with the judge as to the merits of a pending cause, and he deserves rebuke and denunciation for any device or attempt to gain from a Judge special per-

sonal consideration or favor. A self-respecting independence in the discharge of professional duty, without denial or diminution of the courtesy and respect due the Judge's station, is the only proper foundation for cordial personal and official relations between Bench and Bar.

Mr. Speaker, we see further, in chapter 16, reference to "restraining clients from improprieties." We have seen the defendants in this case holding press conference after press conference and shouting all sorts of abuse and invectives at the presiding judge in this case, and indeed the whole judicial system under which they are being tried.

The canons of the American Bar Association prescribe, in chapter 16:

A lawyer should use his best efforts to restrain and to prevent his clients from doing those things which the lawyer himself ought not to do particularly with reference to their conduct towards Courts, judicial officers, jurors, witnesses and suitors. If a client persists in such wrong-doing the lawyer should terminate their relation.

There is no question in my mind that the defendants in Chicago are going to do everything humanly possible to wreck this trial. It is my prayer and fervent hope that the judge and the jury will see this trial through to a successful conclusion.

I will take my chances on the verdict of the court and the jury. If indeed these defendants are guilty they will so be found. If they are innocent they will be acquitted.

I have said time and again in this well, the fibers of our whole democracy are being tested in the orderly process of the courts.

The Greek philosopher, Aristotle, 2,200 years ago, said:

Democracy is the perversion of constitutional government.

I believe he was wrong.

This trial, if conducted in an orderly manner, can prove he was wrong, for there is great vigor and compelling justice in the orderly process of the courts.

We in this Congress labored very hard to pass an amendment to the Civil Rights Act which barred the crossing of State lines to incite a riot. I am proud of the fact that I was one of those instrumental in the passage of that amendment. I believe that amendment was passed in good faith by an overwhelming vote. If that amendment is unconstitutional, only through the orderly process of judicial review will we find out whether it was right or wrong, and that is the way democracy works.

I suggest, Mr. Speaker, that those who today assault the court in Chicago, those lawyers who have assembled there and are using gutter tactics to upset that trial, indeed have little faith and little confidence in the democratic process.

I insist the American Bar Association has a duty and a responsibility to look into the conduct of its lawyers and take appropriate action to discipline them for violating the code of ethics. If indeed investigation proves their conduct to be contemptible, the American Bar Association will take appropriate steps either severely to punish them or disbar them from practice in the courts. This Nation deserves no less. It is high time the legal profession began cleaning its own house of the reprehensible conduct of those who bring disgrace on the whole profession.

Mr. Speaker, I include at this point the article from the New York Times:

JUDGE VOIDS CHICAGO CONTEMPT WRITS

(By J. Anthony Lukas)

CHICAGO, September 29.—While about 150 lawyers picketed the court building or roamed the corridors, Judge Julius J. Hoffman vacated today contempt citations against four defense lawyers in the trial of the "Chicago eight." Judge Hoffman had held the four lawyers in contempt for failing to appear last week when the trial of eight leaders of demonstrations at last summer's Democratic National Convention began in Federal District Court in Chicago. On Friday, the 74-year-old judge ordered two of the lawyers jailed for the weekend and the others brought to Chicago from California. He said that he would pass sentence on all four today. But over the weekend, lawyers from throughout the country began pouring into the city to demonstrate against the judge's actions. This morning, lawyers from New York, San Francisco, Washington, Boston and other cities, as well as a delegation representing 13 faculty members at the Harvard Law School, were in and around the building. About 125 of the lawyers filed a friend-of-the-court brief today, terming Judge Hoffman's actions "a travesty of justice [which] threatens to destroy the confidence of the American people in the entire judicial process."

The 13 teachers from Harvard released a letter they sent to Senator James O. Eastland, who is chairman of the Senate Judiciary Committee, asking for an investigation of the judge's behavior. The letter said: "Judge Hoffman's conduct can only serve to weaken a basic American principle—the right of even the most unpopular defendant to adequate legal representation before an impartial judge."

When the court convened this morning, Thomas A. Foran, the United States attorney, suggested that Judge Hoffman consider vacating the charges since the defendants indicated last week that they were willing to release the four lawyers.

Judge Hoffman gazed down into the well of the courtroom where the four lawyers—Gerald B. Lefcourt, Michael P. Kennedy, Michael Tigar and Dennis Roberts—sat at the defense table watched by Federal marshals.

"I have no desire to damage the professional careers of young lawyers," Judge Hoffman said. "Since their clients have said in open court that they give them leave to withdraw, the contempt proceedings will be vacated."

BLACKMAIL CHARGED

This represented an abrupt reversal of the judge's position. Last week, he had insisted that the defendants not only give the four lawyers leave to withdraw but also agree that they were satisfied with their legal representation.

The defendants refused. They had repeatedly contended that their case was being prejudiced by the absence of Charles Garry, a West Coast lawyer, who just underwent a gall bladder operation. The defense had asked for a delay in the trial until Mr. Garry recovered, but Judge Hoffman refused to grant one.

The defendants charged last week that the judge was trying to "blackmail" them by demanding that they drop their objections to Mr. Garry's absence before he would drop the contempt citations against the four lawyers.

But when the issue was raised by the defense today, Judge Hoffman said, "I have said nothing about Garry. My observations do not apply to any objections which the defendants may have about Mr. Garry's absence."

"They all do so object," said William M. Kuntsler, a defense lawyer.

The four lawyers then asked that Judge Hoffman affirmatively find them not guilty of contempt. Mr. Lefcourt said, "I feel I have done nothing wrong, but my career has already been damaged."

Judge Hoffman denied any affirmative finding. He contended that the lawyers had been disrespectful to the court because they withdrew from the case by telegram instead of appearing and asking for a formal leave to withdraw.

Meanwhile, the lawyers protesting outside were running into a series of obstacles. Federal marshals standing by the revolving doors leading to the lobby turned many of them away.

When about 40 of them succeeded in entering the lobby, Chief Judge William J. Campbell, dressed in his robes and attended by a marshal, a court clerk and court reporter, confronted them.

MOTION CALLED MOOT

Standing by the glass walls, Judge Campbell ordered the lawyers to leave. He said their representatives would be allowed to file briefs.

Later, Irving Meyers, one of the lawyers did appear before Judge Hoffman, but the Judge denied his motion as "moot" and told him he had "no standing in this case."

This afternoon, some of the lawyers gathered at the Pick-Congress Hotel and agreed to form an organization to be called the Ad Hoc Committee of Lawyers to Stop the Trial. They formed a committee that will seek Judge Hoffman's impeachment and another that will press for a mistrial.

This morning, Judge Hoffman rejected a defense motion for a mistrial. The motion, presented by Mr. Kunstler and Leonard Weinglass, another defense lawyer, charged that Judge Hoffman had "so prejudiced said defendants that it is no longer possible for them to have a fair and impartial trial."

Arguing against the motion for a mistrial, Mr. Foran, the United States attorney, said the defense lawyers' conduct had been "so incredibly unprofessional that it is remarkable that the Court has kept as good a nature as it has."

After denying the motion, Judge Hoffman ordered it "impounded for such consideration as the Court may choose to give it later."

Mr. Kunstler jumped up and charged that this was "precisely the kind of intimidation we refer to—making defense attorneys try this case while fearing . . ."

"You'll always have to fear in this courtroom," Judge Hoffman interrupted, "when you make allegations like these over your signature."

AN UNUSUAL CASE

Lawyers questioned yesterday could recall no comparable incident, either to Judge Hoffman's original bench warrants or to the telegrams of withdrawal from the case by the defense lawyers.

In general, the lawyers said, a lawyer who wishes to withdraw from a case will appear in court and explain the circumstances to the presiding judge. But this would not necessarily apply where out-of-state lawyers were involved, for reasons of travel expense and ordinary expediency.

On the other hand, it was considered unusual for nonresident lawyers to drop out of a case, if for no other reason than that such cases generally attract out-of-state counsel because of their intriguing nature—either politically or financially.

REPORT ON RESULTS OF OPINION POLL

The SPEAKER pro tempore. Under a previous order of the House, the gentle-

man from Missouri (Mr. RANDALL) is recognized for 10 minutes.

Mr. RANDALL. Mr. Speaker, the final tabulation of my opinion poll for this year has produced some interesting results. The poll was distributed to more than 40,000 constituents. Nearly 15 percent responded which produced the highest percentage of responses of any previous endeavor. The results which are reported have not been reached by estimate or by sample but by actual hand count.

Forty percent of those who returned opinion ballots considered Vietnam the most important issue of eight listed confronting the Congress. But there was far greater unanimity among those who urged stringent measures for controlling crime, correcting conditions which have favored criminal activity and court decisions which have permitted criminals to go unpunished. Seventy-nine percent of the answers received urged prompt and vigorous use of force for reducing civil disorders on city streets. Seventy-two percent asked for greater power for college and civil authorities to act in quelling campus disturbances rather than for choices involving less firm action. By overwhelming percentages, constitutional amendments were supported to permit congressional override of decisions of the Supreme Court by two-thirds vote in both Houses; require retirement of Supreme Court Justices at age 70; and revise the first amendment to halt activities of violent demonstrators.

More than half expressed disapproval of the way the war on poverty is being waged and favored its reduction or abolishment.

Sixty-seven percent want some form of ABM deployment. Only 9 percent wanted no project at all, while 24 percent are undecided; 46 percent preferred a limited system for protecting the most vulnerable sensitive targets, while 21 percent asked for a full-scale project to encircle principal American cities.

Mr. Speaker, the tabulation of the complete opinion poll follows:

RESULTS OF THE OPINION POLL OF CONGRESSMAN WM. J. RANDALL

ELECTIONS

Voting age, should it be lowered to:
1. Eighteen years (29%).
2. Nineteen years (8%).
3. Twenty years (7%).
4. *No change* (56%).

Electoral college:
1. Use electoral votes as at present, but assign them one at a time to winning party in each Congressional district and two more to party that wins state (8%).
2. *Replace present system with simple popular vote* (77%).
3. No change (15%).

FIREARMS CONTROL

Are you pleased with the two laws passed last year to control guns?
1. Yes (21%).
2. *No.* (54%).
3. Uncertain (25%).

CONSTITUTION

Would you favor amendment to:

Permit Congress to override decisions of the Supreme Court by two-thirds vote in each House?
1. *Yes* (69%).
2. No (20%).
3. Uncertain (11%).

Require retirement of Supreme Court Justices at age 70?
1. *Yes* (79%).
2. No (11%).
3. Uncertain (10%).

Rewrite the First Amendment in such a way as to tighten control over criminals without threatening the rights of the innocent?
1. *Yes* (91%).
2. No (5%).
3. Uncertain (4%).

CRIME

Should a criminal found guilty of committing a crime in which he uses a gun automatically be given double sentence?
1. *Yes* (74%).
2. No (18%).
3. Uncertain (8%).

Civil disorders:

On city streets—To reduce these, should the police:
1. Patiently reason with participants? (2%).
2. Use just enough force to restore order? (19%).
3. *Use force promptly and vigorously* (79%).

On college campuses—Should the Federal government:
1. Keep hands off: (4%).
2. Act against participants receiving Federal aid (24%).
3. *Legislate to give college and civil authorities greater power to act* (72%).

FARM LEGISLATION

The present Farm Program (Food and Agriculture Act of 1965, as amended and extended) runs through calendar year 1970. Do you think this program:
1. Should be further extended unchanged (29%).
2. Reduced (30%).
3. *Uncertain* (41%).

Should the Federal government attempt to slow present migration from rural to urban areas through programs of economic incentives to attract industry and jobs to rural areas?
1. *Yes* (69%).
2. No. (16%).
3. Uncertain (15%).

ANTIBALLISTIC MISSILE (ABM)

Do you favor:
1. *A selective limited system for protecting the most vulnerable sensitive targets?* (46%).
2. A full scale project to ring principal American cities? (21%).
3. No project at all (9%).
4. Uncertain (24%).

WORLD AFFAIRS

Vietnam—If the Paris peace talks fail should the United States:
1. *Begin all-out non-nuclear warfare aimed at military victory* (58%).
2. Resume limited war (6%).
3. Withdraw as rapidly as safety of our men permits (36%).

Middle East—Should the United States:
1. Support Israel (14%).
2. Support the Arab nations (.004%).
3. *Work for mediation* (60%).
4. Ignore the whole thing (26%).

WAR ON POVERTY

Should those activities carried on by the Office of Economic Opportunity (Poverty Program) be:
1. Increased (21%).
2. Decreased (27%).
3. *Abolished* (33%).
4. Carried on without change (19%).

VITAL ISSUES

Following are several issues of vital concern to the Congress. Without regard to our order of listing, please indicate your order of importance. (The Opinion Poll listed eight major issues. The results are reported listing first and second choices in the rank of importance.)

Vietnam: First, 40 percent; second, 14 percent.

Crime: First, 23 percent; second 25 percent.

Taxation-federal spending: First, 14 percent; second, 13 percent.

Civil disorder in cities: First, 7 percent; second, 20 percent.

Campus disturbances: First, 7 percent; second, 17 percent.

Trend of Supreme Court decisions, First, 7 percent; second, 6 percent.

Anti-ballistic Missiles: First, 1 percent; second, 2 percent.

Middle East: First, .006 percent; second, 3 percent.

A DEPARTMENT OF PEACE: IS IT NECESSARY?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, since proposals for a Department of Peace were introduced earlier this year, men everywhere have stirred to the idea that we might see in our time what William James prophetically called a "moral equivalent to war."

H.R. 6501, which I introduced, attracted over 65 sponsors immediately, and in the Senate, S. 953, introduced by the distinguished Senator from Indiana (Mr. HARTKE), drew 15 cosponsors. Civic groups, religious organizations, educators, and those seeking to promote tranquillity among nations flocked to our side. Editorials of praise were written; scholars evaluated our proposals and a National Peace Act Advisory Council was established.

But a nagging suspicion aroused those shaken by Vietnam and the militarization of American foreign policy. In a nation where "peace" has come to be equivocated with war, and where freedom now suggests military force, the idea of a Peace Department smacked of so much rhetoric. And others feared that an executive Department for Peace would cast a shadow over the State Department, suggesting that State's goal was something less than the attainment of peace. They hastened to add that a separate department would mean just another level of bureaucracy, and anyway, was "peace" not everyone's business? A viewpoint, that if adopted, would obviate the need for departments of health, justice, and education.

Of course, everyone is for peace, and no one is suggesting that a new agency preempt the State Department's prerogatives in matters of foreign policy. But even though President Nixon has eloquently stated our objective—"where peace is unknown to make it strong; where peace is temporary, to make it permanent"—the fact remains peace has eluded mankind, and the recent history of American foreign policy is inextricably tied to global use of force and military might.

No, the idea of peace is too important to be merely cited as a worthy goal. For as with health, justice, and education, peace must be shaped and structured until we understand how it can be obtained

The purpose of my remarks then today, Mr. Speaker, is to clear up the misconceptions surrounding the proposal for a Peace Department, to explain the intent of the new agency and to argue that since American foreign policy has not abolished war, an alternate strategy is vital.

But there is an important proposition permeating the peace bill that must be recognized if the proposal is to have meaning. Ironically, it takes as its starting point the philosophy of John Foster Dulles, even though his own actions betrayed his thoughts.

Dulles wrote:

> Great as is our strength, we are not omnipotent. We cannot, by fiat, produce the kind of world we want.

And yet the mirror image of America has driven us to believing that our power and policies can make the world safe from tyranny and despotism, although the results are marred by an ugly vision of pax Americana that invites scorn, not emulation of our values.

Instead of relying on military force, ultimately our hopes for tranquillity lie in bridging the gap between how nations perceive the world and the conditions creating these differences. Each nation's mirror image of itself creates stereotypes limiting its ability to understand other people's viewpoints. For America, this has translated itself into a simplistic moral fervor in global affairs, suggesting that we are all good, and anyone opposing us is evil. This inability to transcend our self-image has hampered the Nation's perception of just what world reality really is and how others view it. And most importantly, it has warped our ability to understand how we can help establish the changes needed in the world to develop an environment which is indeed, free of tyranny, where "peace is permanent."

For some time now, leaders have recognized the nature of our global policies, but fearing the wrath of a public intoxicated by American success, they have resisted open criticism. A Senate Subcommittee on National Security traced it back to the idea of manifest destiny:

> Officials make sweeping declarations of our world mission . . . and as a result we find ourselves entangled in projects that are incompatible with the real needs of other peoples, or are, in some cases, actually repugnant to them. To some extent every postwar administration has indulged our national taste for the grand and even the grandiose.

These policies moreover, taint even the worthy programs that America has fostered in its limited attempt to reach out to the world. The result is that our resources are squandered, and abroad our efforts are reduced to the all-too-common image of an ugly American trying to buy friendship.

This leads to perhaps the most important misconception about the Peace Department. It will not be a foreign policymaking agency but an operational agency. The Peace Corps, the Agency for International Development, and the U.S. Arms Control and Disarmament Agency are operating programs. They have no place in the State Department, which is a diplomatic and policymaking body.

As Secretary Dulles told Arthur Larson:

> If I have to take on all these operating agencies, I will end up as nothing but a glorified office manager.

Indeed, the State Department's reputation for inefficient administration of programs is legendary.

But a more fundamental reason demands this separation, one which defines the distinction between a foreign policymaking agency and a Peace Department.

The State Department's function is, as Thomas Jefferson defined it almost two centuries ago, to represent the Nation's interests and advantages. Dulles said:

> We act as our national interest dictates.

Dean Rusk concurred, stating:

> I'm on our side.

This is a legitimate and necessary function, but our national interests in foreign policy matters are not quite the same as the long-range supranational goals of a Peace Department striving to create a world environment free of the causes of war.

The latter is a long-term investment in mankind, developing human resources; it is not intended to be a substitute for present-day diplomacy.

The new Peace Corps Director, Joseph Blatchford, understood this when he said:

> It must be made clear and reaffirmed that the Peace Corps is not an arm of U.S. foreign policy or subject to considerations of foreign policy.

The same can be said for other agencies transferred to the Peace Department: AID, ACDA, those State Department functions pertaining to the specialized agencies of the United Nations, and the International Agricultural Development Service, now in the Agriculture Department.

To say that misconceptions surround the Agency for International Development—the largest unit that would be transferred into the new Department, is an understatement. AID embodies the dirtiest word in our political lexicon today, foreign aid. AID's detractors would have us believe foreign aid is an unmitigated flop, a waste of American resources—squandered and unappreciated by its recipients.

Nothing could be further from the truth. What has happened, though, is that Congress' original intent in launching foreign aid two decades ago has been distorted. The Marshall plan, our bold effort to help reconstruct a war-torn world, was meant to combat hunger, poverty, desperation, and chaos. But it and similar U.S. assistance programs were soon subverted to the Nation's postwar policies of globalism and military might. As political considerations soon replaced human considerations as the basis for assistance, the aid was often counterproductive and frequently tied to U.S. efforts to buttress a foreign military regime against communism to the detriment of that country's development.

Foreign aid, wrapped as military aid, has served only to feed the ego of generals, Peter Drucker observes:

> Yet military aid not only uses up scarce funds. An airplane or a destroyer is not much use unless fuel for it, lubricants, and spare parts are supplied year-in and year-out. Thus, every dollar spent on military aid . . . has not only taken away a dollar that should have gone into development, it has created a demand for an additional five or ten dollars to be diverted out of slender foreign exchange resources to maintain the general's toys.

What AID in a Peace Department would do then, is first separate foreign aid from military aid. This should very clearly be understood—if Defense and State feel funds are needed abroad for security reasons, that is a separate matter, but development funds should not be covertly used as a cover to promote foreign policy objectives.

If the gap between the rich and poor nations seems to be widening, just how has foreign aid succeeded, it is often asked. Foreign aid suggests economic development. While two-thirds of mankind continues to toil in preindustrial societies, measured by the goals economists and planners set for this decade, the developing nations have made tremendous strides. If the gap does not visibly seem to be reduced, though, that is more reason for increasing our commitment to development abroad.

Industrial output has increased beyond expectations in many parts of the world; food production has similarly grown; and encouraging steps have been taken to curb the population explosion.

Indeed, wretched poverty still haunts many developing nations, but most no longer hobble along on charity from abroad. They are bearing up to 85 percent of the cost of developing their economies. And most of these nations—in Latin America, Asia, and Africa—have reached the growth goal of 5 percent annual increases in their gross national product.

We only suspect foreign aid is a failure then, because of our false expectations of what it is supposed to do. The analogy between the rich and poor nations have conjured up an image of trying to make the have-nots richer. This is false. What we are attempting is infinitely more subtle and affects the ability of nations to live with one another. It is to create self-sustaining economies in the developing nations, harnessing their innate resources.

But let this seemingly more lofty goal be understood: there is nothing idealistic about it. It is the most reasonable, pragmatic approach man could devise for bridging the gap separating nations. The alternative is possibly far more horrendous than the threat of nuclear catastrophe; it is the threat of war between the two-thirds of the world victimized by poverty, and the third liberated by prosperity.

Another major misconception about the Peace Department is that it is merely a regrouping of existing agencies. Again this is not true. Under a Secretary of Peace, the agencies would be infused with new vitality and freed of the inhibitions now thwarting their mission.

For instance as the Arms Control and Disarmament Agency has been caught up in the State Department's bureaucracy we have quickly forgotten the extent of its original—unused—legislative

mandate to study "the scientific, psychological, military, and technological factors relating to the prevention of war."

A new Peace Department would also establish a Peace Institute, where a corps of professional young Americans could be trained in the science of communicating with other nations.

The Institute would also engage in "peace research." For all our supposed sophistication, we know little about what motivates nations to act as they do. Economic differences, of course, are basic, but different cultures, languages and nationalities create varying images of nations that must be transcended if people are to learn tolerance and respect for others.

The United States spent billions on research to produce the hydrogen bomb and put a man on the moon. Yet, we have little conception of how potential conflicts between nations could be peacefully resolved. In fiscal 1969, we spent 92 percent of the almost $6 billion in allocated research funds on nonhuman development—perfecting our war machine, exploring space, and developing atomic energy. Only 6 percent was allocated for studying human behavior, and less than 1 percent of these funds were related to preventing war.

War-prevention research, as defined here, is not the "war games" of the Pentagon's computer experts or simulated strategies of military deterrence. Since war is the result of human folly, human behavior should be studied—the behavioral sciences, intercultural relations, languages, and such phenomena as the nature of nationalism. When we start to understand these forces, we will be taking major strides toward the peaceful resolution of conflict.

Clearly then, there is an urgent need for a Department of Peace—for an executive agency ready to transcend the immediate in favor of the future. For it seems to me that a "moral alternative" is needed to offset our foreign policy—a design for American security intoxicated by our own global power.

Today, although peace is everyone's business, nobody is in charge of peace. There is no department working at the problem full time to the exclusion of momentary national interests or political considerations. As I said earlier this year when I introduced H.R. 6501:

Peace is everyone's concern and nobody's job, which may explain why we have failed to convert a peace-keeping intent into a peace-keeping capability.

NORTHERN STATES POWER CO. HELPS SAVE THE WILD WATERS OF THE ST. CROIX

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized for 20 minutes.

Mr. SAYLOR. Mr. Speaker, today a very historic meeting is taking place in Stillwater, Minn., for the purpose of signing an agreement between the States of Minnesota and Wisconsin and the Northern States Power Co. to create the St. Croix and Namekagon wild river system in order to comply with the provisions of the National Wild and Scenic Rivers Act of 1968, this agreement must be submitted to the Congress by October 2. This historic meeting today culminates the intensive activity over the past 14 months or so by a special task force established in June of 1968 by the Northern States Power Co. of Minneapolis, Minn.

The task force proposed a massive linear park and strip forest stretching from near Gordon, Wis., on the St. Croix flowage and Lake Namekagon to St. Croix Falls, Minn. This would involve approximately 100 river miles on the St. Croix and 98 river miles on the Namekagon. Governmental acquisition of property rights to 67,800 acres would be needed to preserve the area's near-wilderness character, the task force said. Northern States Power Co. owns 29,000 acres of Upper St. Croix waterfront land along a 70-mile stretch on both sides of the river north of Taylors Falls. The company, however, has agreed to donate to the U.S. Government 7,000 acres of this land. In addition, Minnesota will receive 13,000 acres of NSP land, and Wisconsin 5,000 acres. The actual transfer of titles to the Federal Government and States of mutually agreed upon blocks of land will be made in the future when resources become available for proper development and management of these lands.

Principal impetus for creating a plan to preserve the St. Croix and the Namekagon was provided by the National Wild and Scenic Rivers Act passed by Congress last fall. The Wild and Scenic Rivers Act designated the St. Croix and Namekagon as one of eight initial wild river systems to be preserved and developed in this country.

Passage of the bill authorized participation of the Department of the Interior in planning, development, and management of the waterfront lands. The act authorized the Department of the Interior to acquire appropriate property rights to approximately 100 acres per river-mile as well as scenic easements on interior protected zones up to an additional 220 acres per river-mile.

Through the efforts of Northern States Power Co. and the task force, the St. Croix will be the first of these rivers to be extensively studied and plan guidelines established.

It is appropriate that this river system is among the first set aside because any overview of the St. Croix River and the Namekagon River reveals two distinct personalities. Each has its own moods and its own character. Yet both live in perfect harmony resplendent with natural features to satisfy the tastes of all outdoor enthusiasts.

Along the two riverways are an estimated 250 islands, 134 of which are part of the public domain and have been acquired by the National Park Service as part of the national wild rivers system. These small island tracts, so important to the ecological and esthetic character of both river systems, offer valuable recreational and educational potentials.

River widths range from about 40 feet at the upstream end of the Namekagon to a maximum width of 1,200 feet on the lower St. Croix. These rivers and shores abound with a unique and endless variety of flora and launa. It is one of the few areas in the country where our national bird, the bald eagle, still nests and where the rare sturgeon can be caught by the persistent angler.

The St. Croix can be a boisterous river at its ultimate source where the St. Croix River rises near Solon Springs, Wis., the elevation is 1,016 feet. Some 164 miles downstream at Prescott, Wis., where the St. Croix joins the Mississippi, the river has fallen 340 feet. The steepest gradient is 8.3 feet per mile over exposed boulders and bedrock of the Kettle Rapids at Minnesota's St. Croix State Park. This topography best explains the changing mood at every bend in the river—now a tranquil, eddying stream, now an exhilarating boisterous run through rippling rapids.

On the other hand, the overall impression of the Namekagon is of a relatively wild stream, yet considerably smaller and more intimate than the St. Croix. But its flow is energetic, its rapids exciting. Lying wholly within the State of Wisconsin, the river rises at Namekagon Lake and flows 98 miles, generally south and west, to its confluence with the St. Croix east of Riverside, Wis. The upper Namekagon, above Trego, varies from an intimate cold water trout stream closed in by forest to a slow moving, wild stream flowing through marsh and swampland. The scene from the river is pleasant—high banks, a few cabins here and there. Old farms are visible, but the land use trend along this portion is away from tilled crops toward pasture or reforestation.

In the lower Namekagon the valley becomes more prominent as the river meanders between banks as high as 80 feet. Occurrence of low marshland and bottomland timber increases as the Namekagon nears the St. Croix, then joins the St. Croix in an unexpectedly wide sweep of water.

As the principal landowner on the Upper St. Croix, Northern States Power Co. took the initiative toward providing perpetual preservation of this unique natural resource by establishing this task force to work out a plan for the management of this area. The task force members were David F. McElroy, chairman, Northern States Power Co., vice president, engineering; John W. Bright, chief planner for the National Park Service; Stanley G. Deboer, chief planner for Wisconsin Department of Natural Resources; U. W. Hella, director of the State Parks and Recreation Division of the Minnesota Department of Conservation; Robert L. Herbst, executive director of the Izaak Walton League of America and former Minnesota deputy conservation commissioner; and Richard Wittpenn, landscape architect for the National Park Service.

The task force recommended that "the Governors of Minnesota and Wisconsin move immediately to establish a commission with continuing existence to monitor, review, and recommend implementation of preservation efforts of the St. Croix and Namekagon rivers and their environs. It is urged this commission be

fully representative of the wild interests required to bring the plan to fruition."

Other task force proposals include:

Limited auto access to the river preserve—"The auto will be an alien to the river." The task force suggests that cars be allowed only at special access points and at a limited number of major auto-oriented campsites. All parking at access points should be controlled and well screened from the river user. No parallel roadway system should be established within the limits of the river preserve.

Trail systems: Two trail systems should be developed on both sides of the river. There should be hiking trails and equestrian trails. The latter should double as snowmobile trails.

Canoe campsites: Canoe camps should be accessible from the water only, except for service vehicle access. Some of these camps would be primitive and others could be more structured. Campgrounds and shelters for hiking trail users should be established elsewhere, possibly on old farm sites set back at a considerable distance from the river.

Orientation centers should be established at visitor access points. Here visitors would receive information on camping, canoe camps, trails, historic points, et cetera. Personnel would be available at major access points to see that the visit will be one of convenience and safety.

Northern States Power Co. will retain about 4,000 acres for the development of leisure, recreation, and commercial support facilities consistent with the overall plan concept. These facilities will be carefully developed in a manner consistent with the guidelines set out in the report, the task force said.

Northern States Power Co. said it will observe appropriate covenants restricting use of the land kept by the company compatible with the wild river concept.

The task force predicted that such development "eventually should provide strong economic support for the region and replace, if not surpass, real estate tax loss incurred by local governments after Northern States Power Co.'s holdings are transferred to State and Federal Governments."

The task force recommended that the land on both sides of the river be divided into three zones to properly protect the river environment:

The maximum preservation zone would include all land paralleling the river up to a maximum of 100 acres per mile, or an average depth of about 400 feet on each bank. Within these boundaries the river and river related uses should prevail.

The limited development zone, protected by scenic easements, would include land up to 220 acres per river-mile, or an average depth of about 600 feet from the maximum preservation zone. The exact limits of this zone would vary to reflect physical and environmental characteristics of each specific area. Where development exists, zoning laws would have to be established to limit future development and adequately screen existing development. Zoning ordinances should be the responsibility of local government units.

The transition zone generally consists of those lands which are necessary to provide support development for the users of the first two zones. The primary land use control tool would be county zoning ordinances.

Mr. Speaker, there may be some cynics who are wondering why a company such as Northern States Power Co.—with its profitmaking responsibility—should donate 25,000 acres of riverfront land to the people. I think President Nixon answered this query partly when he said:

> Private industry must take an active role in protecting the environment, providing recreational facilities, and conserving natural resources. Clean air, clean water, and unspoiled countrysides are more easily attainable through preventative measures than restoration. With a coordinated program of prevention, private industry can help lead the way to a better America.

But, perhaps Earl Ewald, chairman of the board, Northern States Power Co., explained the company's position most eloquently in his dedication of the project. Mr. Ewald said:

> Our smiling land, beautiful and bountiful, stretches from sea to shining sea. And we who have inherited it today face a grave responsibility.
>
> The demands of swiftly moving civilization are increasing and intensifying. But ours is not a license to squander this inheritance. Rather, despite the pressures, it is a stewardship to preserve the resources, to use them wisely and to maintain a delicate balance between the land and the needs of our society.
>
> We are fortunate that in decades past there were far-seeing men who understood what the future would bring. They exercised their responsibility and preserved the wilderness for those yet to come. We are fortunate thus that the woods and waters of the St. Croix have been handed pristine and unspoiled to us. We at Northern States Power Company continued that stewardship for nearly 50 years.
>
> NSP's stewardship of its St. Croix land holdings has become increasingly difficult. Growing urban population with attendant need for recreational opportunities tends to increase the problems of wise land use and regulation. The holdings costs of annual taxes and retention of a nonproductive asset are undesirable from the corporate viewpoint. Economic and market analyses indicated that selling the land for private use in small parcels served neither NSP nor community needs.
>
> By all measures, the time to take bold action to preserve the St. Croix River and its tributary, the Namekagon, has now arrived. Principal impetus was given in the fall of 1968 when Congress passed the National Wild and Scenic Rivers Act. This legislation set the stage for a cooperative effort among the Federal Government, the States of Minnesota and Wisconsin and NSP. The story of this unique effort is contained in the report that follows.
>
> Today we are privileged to transfer this wilderness to the people of this nation. It will be theirs to guard as jealously and to use as wisely as those who preserved it for them.
>
> To those men of wisdom who saved the land—who were more concerned with the quality of goals than the quantity of goods—we proudly dedicate this worthy project.

SOCIAL SECURITY RECIPIENTS SAID TO BE CHIEF TARGETS OF INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. CONTE) is recognized for 5 minutes.

Mr. CONTE. Mr. Speaker, there is not a Member of this body who is unaware of the hardships millions of persons in this country are suffering as a result of inflation. In 1964, the cost of living in this country rose 1.2 percent which, according to the Treasury Department, is somewhat normal. But since that time our economy has gone mad and progressively larger increases have brought us to the sad position we now are at—a cost of living that is soaring at a 6 percent rate.

The evil of inflation plays few favorites, but the one group it hits hardest of all are those on a fixed income. This means that the nearly 25 million recipients of social security, being elderly retired citizens, are the chief targets. With no prospects for increasing their income, they are weaponless before the inflationary dragon. And before this year is out, that dragon will have gobbled up the increases in social security benefits granted in 1965 and 1967.

Our President has recognized this problem. In a most welcomed message last week he called for a 10-percent increase in the present social security payment schedule and, just as important, offered a provision for automatic payment hikes to keep pace with future cost-of-living increases.

Mr. Speaker, many in this body have submitted similar legislation this year to help our senior Americans, and others of us have put in bills calling for a 15-percent increase in these benefits.

I personally am convinced that the 15-percent increase is more equitable. However, the major point I want to stress today is that this body must take action immediately to provide this needed relief. The time for talking is over, the time for compiling statistics is over, the time for promising is over. Now is the time for action.

Mr. Speaker, a matter of a few weeks or a few months may not seem like much time to us, but for those dependent solely on a monthly check that, in effect, gets smaller every time the mailman calls, then even days are of the utmost importance.

Twenty-five million people—people who worked decades for this country and contributed to its unparalleled prosperity—are now looking to us for help. They do not want a handout. They want only a reasonable return on a program they supported. We must give it to them, and we must give it to them immediately.

WITHDRAWAL OF TROOPS FROM VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 15 minutes.

Mr. ASHBROOK. Mr. Speaker, in the weeks to come much discussion will take place regarding the withdrawing of American troops from Vietnam. Pertinent to the debate is a report of a special nine-member, bipartisan factfinding commission of the Citizens Committee for Peace with Freedom in Vietnam which returned from Vietnam, Laos, Thailand, and Paris in August. The Citi-

zens for Peace with Freedom in Vietnam, it will be remembered, was founded in October 1967 by the late President Dwight D. Eisenhower, former President Harry S. Truman, former Senator Paul H. Douglas, and 127 other distinguished private citizens.

The syndicated columnist and author, Victor Lasky, reported on the commission's report in a recent column which appeared in the current issue of Human Events, the Washington-based weekly which keeps abreast of current news and opinion in the Nation's Capital.

Columnist Lasky points out that the findings and recommendations of the nine-member commission are especially significant in view of the liberal persuasions of most of its members. Concerning the withdrawal of troops, the commission stated:

> The policy of reciprocal de-escalaton is feasible, provided the withdrawal of U.S. forces is clearly geared to demonstrated improvement in South Vietnamese capabilities and is not forced prematurely by war-weary American public opinion.

Agreeing with President Nixon's recent position against a timetable for withdrawal, the commission recommended an extraordinary commission to assess ARVN progress, more news coverage by American editors and correspondents and USIA to ARVN sacrifices and progress, appropriate assistance to the proposed new land reform program, and that we insist upon reciprocal withdrawal of Communist forces from Laos as well as Vietnam as dictated by the accords of 1962.

In contrast to some of the reckless recommendations concerning our military efforts in Vietnam which are now making the rounds, the commission's report sets forth reasoned, responsible proposals which will insure the return of American troops while at the same time protecting the many gains that have been effected in Vietnam.

I include at this point the above-mentioned column by Victor Lasky and the summary report of the Citizens Committee for Peace and Freedom in Vietnam in the RECORD:

FACTFINDERS URGE WASHINGTON: DON'T RUSH VIETNAM WITHDRAWAL

(By Victor Lasky)

A nine-member, bi-partisan factfinding commission has just returned from Southeast Asia with a warning against premature withdrawals of American troops from South Vietnam.

The group is not opposed to the substitution of Vietnamese troops for Americans. "The policy of reciprocal deescalation is feasible," it said, "provided the withdrawal of United States forces is closely geared to demonstrated improvement in South Vietnamese capabilities and is not forced prematurely by war-weary American public opinion."

Sponsored by the Citizens Committee for Peace with Freedom in Vietnam, the group consisted of Dr. Edmund A. Gullion, dean of the Fletcher School of Law and Diplomacy and former U.S. ambassador to the Congo; John W. Hanes Jr., former assistant secretary of state and now a partner in Wertheim & Co.; Mrs. Oswald B. Lord, former U.S. representative on the United Nations Human Rights Commission; Russell T. Lund, president of Lund's Inc., Minneapolis; Lester Malkerson, chairman of the board of regents, University of Minnesota; Rabbi Schulem Rubin of New York; Charles J. Stephens, graduate student at the University of California; Charles Tyroler II, president of Washburn, Stringer Associates, Inc., Washington.

For the most part, these distinguished citizens are middle-of-the-roaders not known for extremist sentiments. As a matter of fact, most of them can correctly be labeled as being of the liberal persuasion. Which makes their joint statement all the more significant.

They flatly assert that since the Tet offensive of early 1968, "the enemy in Vietnam has become much weaker, our side much stronger. This is chiefly because of the enemy's staggering losses, Gen. Abrams' small unit spoiling tactics, and the mobilization of the South Vietnamese people which is one of the greatest in modern times."

"Yet," they continue, "the enemy retains a kind of initiative through use of his sanctuaries in Laos and Cambodia and north of the DMZ. . . . If American and Vietnamese commanders are not able or are not allowed to deny him access to certain corridors, our casualty rolls could go still higher. . . ."

Much to their surprise, the group discovered the South Vietnamese were not unhappy about current American withdrawals. "The first withdrawals have actually stimulated them. However, they see the whole process as gradual, related to their own progress and involving at the end an important residual logistical presence." Such presence would include troop lift, air support, staff assistance and reserves.

"If we pull out prematurely," they warned, "the enemy can reverse the tide running against him, complete his subjugation not only of Vietnam but of adjoining territory and we will have lost more than 38,000 American lives in vain. . . . In Laos we noted that the North Vietnamese invaders' unprecedented success during the rainy season had coincided with the so-called 'lull' in Vietnam. In Thailand our visit coincided with the move by the Thai government to reduce U.S. forces, a decision which, however conditional, must give comfort to the enemy."

This is not an entirely happy report, but it is one that ought to be read by Washington policy-makers. It is a reply, however, to those Americans who believe that a precipitate withdrawal of our troops could bring peace to Southeast Asia.

FINDINGS AND RECOMMENDATIONS OF SPECIAL NINE-MEMBER FACTFINDING COMMISSION UPON RETURN FROM VIETNAM

(NOTE.—The members of the special factfinding commission were: Dr. Edmund A. Gullion, Dean of the Fletcher School of Law and Diplomacy, Tufts University, and Former U.S. Ambassador to the Congo; John W. Hanes, Jr., Former Assistant Secretary of State, and Partner, Wertheim & Co.; Mrs. Oswald B. Lord, Former U.S. Representative on Human Rights Commission, United Nations; Russell T. Lund, President, Lund's, Inc., Minneapolis, and Chairman, Board of Trustees, Gustavus Adolphus College; Lester Malkerson, Chairman, Board of Regents, University of Minnesota; Rabbi Schulem Rubin, New York; Charles J. Stephens, Graduate Student, University of California; Charles Tyroler, II, President, Quadri-Science, Inc., Washington; and Abbott Washburn, President, Washburn, Stringer Associates, Inc., Washington.)

FINDINGS

1. Since TET, the enemy in Vietnam has become much weaker, our side much stronger. This is chiefly because of the enemy's staggering losses, General Abrams' small unit spoiling tactics, and the mobilization of the South Vietnamese people which is one of the greatest in modern times.

2. Progress is striking but precarious. Since TET the enemy has won no victory, taken and held no ground, sustained no major long-term engagement and has fallen back chiefly on hit-and-run tactics. The South Vietnamese Army found its soul at TET and in the mass graves of Hue. Since TET it has won victories, expanded its ground, taken over the defense of provinces and an entire corps area, and inflicted far greater casualties on the enemy than he has upon them. Peasants are returning to the fields, rice production is up, increasing numbers of local elections are being held, the number of defections to our side is increasing and the enemy keeps the fight going in the South by infusion of troops from the North.

3. Yet the enemy retains a kind of initiative through use of his sanctuaries on Laos and Cambodia and north of the DMZ. If he is willing to bleed himself white he can still, for short periods, double American casualties. If American and Vietnamese commanders are not able or are not allowed to deny him access to certain corridors, our casualty rolls could go still higher. Our commanders know this and we were tremendously impressed with their concern to spare American lives.

4. The South Vietnamese must still rely for some time to come upon United States troop lift, air support, staff assistance and reserves. Progress on the political and pacification front is gratifying but still vulnerable.

5. In this situation timing is crucial, particularly with respect to the substitution of Vietnamese troops for Americans. *The policy of reciprocal de-escalation is feasible, provided the withdrawal of U.S. forces is closely geared to demonstrated improvement in South Vietnamese capabilities and is not forced prematurely by war-weary American public opinion.*

6. To our surprise we found the Vietnamese eager—perhaps over eager for the transfer. The first withdrawals have actually stimulated them. However they see the whole process as gradual, related to their own progress and involving at the end an important American residual logistical presence.

7. President Nixon has made three stipulations for U.S. force reduction of which we consider South Vietnamese progress the cardinal one. As to the other two—reduction in the enemy's military activity and progress at Paris—the so-called "lull" in the fighting collapsed while we were in Vietnam. We do not believe such "lulls" mean that the enemy is trying to tell us anything, only that he has had to fall back and regroup.

8. As to the Paris peace talks, they have not failed but they have shown no progress of the kind the President stipulates. They have, however, served to demonstrate that the enemy is unwilling to face the challenge of free elections, wants the United States to throw the Thieu government out, then wants the United States itself to get out unconditionally after having installed a coalition government for the future convenience of Hanoi. There has seldom been a clearer case of a belligerent's trying to recoup at the conference table what he is losing on the battlefield.

9. As a result of all this, a kind of protracted "stand-off" seems to be looming in Vietnam. If the President, the American and South Vietnamese people stick by Mr. Nixon's three criteria and if the South Vietnamese succeed in cementing a political consensus, there is a better than even chance that the "stand-off" will be resolved in favor of peace with freedom. If we pull out prematurely the enemy can reverse the tide running against him, complete his subjugation not only of Vietnam but of adjoining territory and we will have lost more than 38,000 American lives in vain.

10. In Laos and Thailand we became more aware of the possible effect of a premature American withdrawal on other countries in Asia. In Laos we noted that the North Vietnamese invaders' unprecedented success dur-

ing the rainy season had coincided with the so-called "lull" in Vietnam. In Thailand our visit coincided with the move by the Thai government to reduce the United States forces, a decision which, however conditional and hedged toward gradualness, must give comfort to the enemy.

RECOMMENDATIONS

1. That the substitution of Vietnamese for United States troops take place on the basis of demonstrated improvement in South Vietnamese capabilities; the American policy should be: "cut and look" not "cut and run."

2. That no time table be proclaimed and that any schedule for planning purposes be flexible.

3. That President Nixon and General Abrams set up an extraordinary commission to assess ARVN progress; and that this commission inquire into whether "Vietnamization" can in fact involve a more rapid rate of modernization and activation than was laid down in schedules before "Vietnamization" became a by-word publicly linked with U.S. force reductions.

4. That American editors and correspondents and USIA give much more coverage to ARVN sacrifices and progress.

5. That the United States continue to urge the Vietnamese government to broaden its base and find new support in the countryside. The object should be a government which can not only prosecute the war but which can also face up to the enemy in the standoff which will follow United States reductions and can speak more authentically in peace negotiations. Such a broadening should not, however, prefigure the kind of peace-at-any-price coalition Hanoi would like to see imposed without elections.

6. The United States should recognize the political benefit which can accrue from the proposed new land reform program and give appropriate assistance.

7. The United States and South Vietnam should stand firm at Paris for free elections, against a coalition prior to elections, and against unilateral withdrawals (despite the fact that we already seem to have begun them).

8. That the United States, consistent with the accords of 1962, try to expedite the equipment of Laotian forces; and that our stand for reciprocal withdrawal of forces apply to Laos as well as to Vietnam.

9. That the United States give what explanations and assurances as it can to its Asian allies about the purposes and implications of U.S. force reductions.

SONS OF CONFEDERATE VETERANS CONVENTION SPEAKER EXTOLS LAW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. RARICK) is recognized for 15 minutes.

Mr. RARICK. Mr. Speaker, more and more the dissatisfaction of the American people at the unbelievable course taken by their government makes itself apparent. The decent, hard-working, taxpaying citizens demand relief from the burdens imposed on them by self-serving politicians seeking votes from parasitic pressure groups.

An address delivered by district attorney Sargent Pitcher, Jr., of Baton Rouge, La., to the 74th general convention of the Sons of Confederate Veterans at its August 14, 1969, session in New Orleans, reflects the opinions of the responsible citizens of my district. I also feel his speech is a fair interpretation of the concern which I have observed throughout the country. I call it to the attention of our colleagues and include it as part of my remarks:

ADDRESS BEFORE THE 74TH GENERAL CONVENTION OF THE SONS OF CONFEDERATE VETERANS AND THE 32D ANNUAL CONVENTION OF THE ORDER OF THE STARS & BARS AT NEW ORLEANS, LA., AUGUST 14, 1969

It is a real pleasure for Mrs. Pitcher and me to be with you today to participate in this wonderful 74th General Convention. I was deeply honored when I was invited by compatriot Eble to be your speaker on this occasion.

In the preamble to the constitution adopted by the sons of confederate veterans, one of the many salutory purposes of our organization reads as follows:

"To aid and encourage the recording and teaching with impartiality all southern history and achievement from Jamestown to the present era, seeing to its especially that the events of the war between the States are authentically and clearly written, and that all documents, relics and mementos produced and handed down by the active participants therein are properly treasured and preserved for posterity."

This is a good example of what southern tradition means, and a wonderful way to honor the memory of our ancestors, who, in that period, between 1861 and 1865, willingly gave up everything they had, including life itself, to preserve for us the liberty finally won at Yorktown by their ancestors in 1776. The pride that we have in our ancestors and the love of freedom and country that they gave us, is epitomized in the words of a little poem by Olivia Tully Thomas. It goes like this:

"Oh, land that boasts such gallant
Names as Jackson, Johnson, Lee,
And hosts of valiant sons whose
Fame extends beyond the sea
For rather let thy plains become
From Gulf to mountain cave
One honored sepulchre and tomb
Than we the tyrants slave."

With this pride in our ancestors and a desire to preserve the traditions they left us ever in our hearts, it may come as a shock and a surprise to some of you to learn that in some Southern cities weak-kneed city fathers have been pressured into removing from public buildings the stars and bars of the Confederacy, and in one Southern State a movement is on foot, and may even now be law, prohibiting the playing of "Dixie" at public gatherings because both are offensive to a militant minority group. Both of these actions have been taken to appease that same hard-core minority who are bent on the destruction of this country, and who demand that history be re-written to show the Afro-American in a better light, and who demand and get from the Federal courts the right to purvey pornography to our children under the guise of the free speech amendment to the United States Constitution. It is almost unbelieveable but sadly true.

As direct descendants of the men who fought in that bloody holocaust we call the War Between the States, which ended a little over 104 years ago, I am sure that we all remember that our ancestors were willing to give their very lives in defense of a cause they believed to be just. This cause, contrary to what some may believe, was not the defense of the institution of slavery but was in defense of the constitutional rights of the Southern States, which rights were being ignored and trampled on by the left-wing majority in Congress at that time. When it became apparent that they had no alternative, our forbearers took up arms to defend and enforce those rights. Though we lost that war, the defense they put up and the sacrifices they made should live gloriously forever in our hearts and in the history of this country. The least we can do is to try to keep those traditions alive for posterity.

Today the time has again come when not only the people of the South, but all of the law-abiding, God-fearing people of the entire country, are going to have to come to the defense of constitutional government or lose forever the liberty and freedom that our forefathers gave their lives to preserve for us.

Today there is a pestilential evil settling like a blight on our land. It is a spirit of lawlessness—either open defiance of the law or a lack of reverence for its majesty, and which strangely enough has been fostered and encouraged by most of our national leaders from Franklin Delano Roosevelt to, and including, Lyndon Baines Johnson. They have been ably aided and abetted in this endeavor by decisions of the Supreme Court of the United States and the United States Fifth Circuit Court of Appeals, who have chosen to ignore congressional mandates and issue orders having the effect of law under the guise of reinterpretation of the Constitution. I make these serious charges based on the following facts.

First, when the Constitution of the United States was submitted to the States for ratification in 1787, the people of the States refused to accept it as written and would not ratify it until the first ten amendments were adopted. The reason for their reluctance to adopt any binding agreement without adequate safeguards was due to the fact that the people of this country had just won a bloody and costly war to win their freedom and liberty from an oppressive government. They were, therefore, in no hurry to relinquish the newly won freedom and liberty to another all powerful sovereign without proper reservation of certain powers to remain free from oppression. They, therefore, insisted on the first ten amendments, known to us as the "Bills of Rights." These amendments were specifically spelled-out restrictions and limitations on Federal power. The most important of all of these amendments, and the one that clearly indicated the intent of all the other nine was the Tenth Amendment, which amendment the Warren Court, in its mad dash to the left, conveniently overlooked in all of its cases. This amendment provides and I quote:

"All powers not delegated to the Federal Government by this Constitution are hereby specifically reserved unto the States or to the people themselves."

Could there have been any clearer language than this? I don't think so.

Now when we realize that this amendment and the other nine were insisted upon by the people before they became parties to the contract we know as the Constitution of the United States as restrictions on Federal power and not on State power, any sixth grade history student knows that to apply these amendments to State action and against the States would be to violate the intent of the people and the very wording of the United States Constitution itself as finally adopted in 1789. The foregoing notwithstanding, starting with Earl Warren's ascension to the Supreme Court of the United States, this is just what that Court has done. They have usurped the power of the people to amend the Constitution as provided in the Constitution itself and have amended it by judicial fiat, in complete disregard of the specific wording of article 5 of the Constitution, which provides for the ways the Constitution can be amended.

Now with respect to the fifth circuit's blatant disregard of congressional mandate, I refer you to the Civil Rights Act of 1964 and the late cases involving the school boards of the State of Louisiana. As you all know, since 1954 in the *Brown* decision, segregation in the public schools of this country was abolished. The various school boards

reluctantly began to change policies of assignment of pupils to certain schools in an effort to comply with the Supreme Court edict and finally hit on the freedom of choice plan, which permitted any student to attend any school he chose to. This system was approved by the fifth circuit until May of 1968. I would like to make it crystal clear that not even the Supreme Court has said there must be forced integration in the schools, but only that State-imposed segregation is not acceptable. Neither has Congress ever passed an act or even indicated that the races had to be integrated in the schools. In fact, they have held to the contrary. In the Civil Rights Act of 1964, section 401, paragraph (b) we find the following:

"(b) 'Desegregation' means the assignment of students to public schools and within such schools without regard to their race, color, religion, or national origin, but 'desegregation' shall not mean the assignment of students to public schools in order to overcome racial imbalance."

Section 407 reads as follows:

"(a) * * * *Provided*, That nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance."

In spite of the clear language of this congressional mandate and lack of any Supreme Court ruling ordering forced integration, and in spite of the fact that the school boards under attack were operating under the freedom of choice plan previously approved, the Fifth Circuit Court, acting as a super school board and without authority of law, ordered the school boards of the State of Louisiana to force integration on faculty and student body in order to satisfy the bureaucrats of the Health, Education, and Welfare Department, in the following language:

"If under an existent plan there are no whites, or only a small percentage of whites, attending formerly all-Negro schools, or only a small percentage of negroes enrolled in formerly all-white schools, then the plan, as a matter of law, is not working."

Judge E. Gordon West, one of the outstanding Federal judges in the United States, asked the cogent question: "As a matter of what law?" Judge West, being a district judge, is compelled to follow the fifth circuit's ruling, but in a scathing denunciation of the holding of the Fifth Circuit Court went on to say:

"It is not a question of what I think the law ought to be, or what the court of appeals thinks it ought to be. It is rather what the Congress has declared it to be.

"It seems to me that it is time for the courts to recognize the separation of powers so carefully spelled out in the United States Constitution, and to relinquish, once and for all, the lawmaking powers to the Congress where, under the Constitution, they rightfully belong."

If the two highest Federal courts in the land choose to so flagrantly and wilfully break the law, how can you expect the average citizen, let alone the criminal element, to attempt to obey it.

Nikita Khrushchev, while head of the U.S.S.R., among other things, said:

"We will bury you so gently, you won't even know you're dead."

And Gus Hall, head of the Communist Party, U.S.A., said:

"We will take this country without even firing a shot. It will fall like a rotten apple into our hands."

These statements must be a crystal clear warning to the people of this country who still believe in freedom, the Constitution and honest law enforcement. They show the purpose and motivation of America's most deadly enemy—international communism. In 1928 before Khrushchev ever came into power, and only some ten years after the Communist Party had taken over after a bloody revolution in Russia, the Daily Worker, the organ of the Communist Party in the United States, printed a nine-point platform designed to carry out the objectives of the Communist manifesto. The objective, of course, is a takeover of the United States of America, preferably by stealth, but by force if necessary. The more salient parts of the program were: Total integration of the races, open housing, F.E.P.C., abolition of all State laws dealing with interracial marriage, the establishment of a black nation within the continental limits of the United States and a complete breakdown in law and order.

Those of us in law enforcement who have followed the events that have transpired since Franklin Delano Roosevelt became president, shortly after the program was announced by the Communist Party, are fully aware that today every plank in that platform advocated by the Communists in 1928, just 41 years ago, with the exception of the establishment of a black nation in the continental limits of the United States, has now been enacted into a Federal law or been given approval by decisions of the United States Supreme Court or the Firth Circuit Court of Appeals. Congress, by the enactment of the open housing amendment to the Civil Rights Bill of 1968, took another long step forward down the road to Government ownership and the destruction of private property rights. The Supreme Court has now ordered that demonstrators may even go on private property for nefarious purposes and has just lately given carte blanche to purveyors of pornography and obscenity in our communities.

While I do not accuse the Congress of this country of wilfully giving aid to our mortal enemy—international communism—they have given them aid because of misinformation, emotional press coverage and inept, incompetent and cowardly leadership in Washington.

It is said there are none so blind as those who will not see, and our national leaders must have suffered from acute myopia. Everywhere the signs of violent revolution have been rampant for years.

With regard to the establishment of a black nation in the continental limits of the United States, the well-known columnist, Paul Scott, in February of 1968, in a by-lined article, told the people of this country of the battle plans being circulated by the black militants. He said that the documents now being openly circulated called for the creation of conditions of revolution and guerrilla warfare in the major cities of this country by the disruption of all types of public service. One of the plans being advanced by this element states that the so-called moderate and front groups will be used to protect black militants and to create chaos.

When they refer to the so-called moderate and front groups, they have reference to the misled do-gooders, eggheads and church groups that are sponsoring total forced integration and interracial marriage as a means of destroying this country. It further states that these groups will be used to demand that the huge sums of money necessary for reconstruction of the cities burned down by rioters be made available to neighborhood institutions, as they emerge, and that under no conditions should local police, state militia or federal forces be permitted to protect the average citizens of this country. That these front groups should respond to any looting, not by assisting and encouraging the police, but by calling for a "free merchandise day," throwing open the stores to the looters, then having the government reimburse the merchants for their losses. Their plans call for the establishment of a welfare corps within the guerrilla organizations, whose job would be to disrupt government functions, train agitators and provide care for their injured in riots and demonstrations, to raise money to provide legal assistance before the "legal system is completely paralyzed". It calls for the establishment of so-called fire teams whose mission would be sabotage within local communities. There would be hundreds of these groups organized throughout America, consisting of three to four persons, known only to the immediate members of their teams, and they would not be identified with any civil rights movement and would be instructed to appear apathetic and even as Uncle Toms.

Clear-cut examples of what the black militants have calling for has been clearly demonstrated in Washington last year. It has been demonstrated in Chicago, Baltimore, Los Angeles, where we all remember the Watts riots, in Detroit where 45 persons were killed, and on a lesser scale in my own city of Baton Rouge just last week when firebombs thrown by young Negro hoodlums did over $70,000.00 worth of damage to private property and caused the death of one storekeeper.

Last week the situation became so tense that the court house had to close early one afternoon to let the lady employees be escorted home. Several people were pulled from cars and beaten on the main street of Baton Rouge, and now many, many, many normal average citizens are carrying guns in their cars to protect themselves from such violence.

I suppose that as intelligent people, you are wondering how such a situation could ever come into being in this country. The answer, in my opinion, is quite simple—the liberal elements in the Federal Government, represented by our highest officials, backed up by irresponsible and emotional reporting by the news media, for the past 15 years have not only condoned but encouraged lawlessness under the guise of civil rights. Now, the active black militants feel certain they will be protected even when committing anarchy, and if you don't believe this statement, those of you who saw the looting and rioting in Washington and the construction at taxpayers expense of the so-called Resurrection City should be convinced of the truthfulness of it. You saw before your very eyes stores being looted by rioters walking out with fur coats, cases of whiskey, radios, lamps under their arms, right in front of the police who had been instructed not only not to arrest the rioters, but to protect them from the enraged citizenry of the city of Washington. I am sure that all of you have on many occasions read statements made by the highest officials of this country which have given outright support to those who have violated the criminal laws of the federal government and of the various states.

Lyndon Johnson, while addressing a joint session of Congress, attended by the Supreme Court of the United States on March 16, 1965, in demanding the passage of the voting rights bill, which, incidentally, only affected the States of the old South, embraced the much-used theme song of the racial demonstrators, "We Shall Overcome."

This statement made by the then President was applauded by the then Chief Justice, Earl Warren, with other members of the Court sitting in the audience, all of whom were clothed in their judicial robes, I suppose to give them dignity. What chance did the people of this country have of successfully attacking the constitutionality of this vicious act after this circus performance.

Again Lyndon Johnson on August 3 of 1967 told his listeners on the south lawn of the White House, and I quote:

"Go out into the hinterland. Rouse the masses. Blow the bugles. Tell them their hour has arrived and that their day is here." Well they did, and it has, but how long it will last depends entirely on the patience of the law-abiding citizens, both black and white. When that patience is exhausted, all hell's going to break loose.

Johnson's Secretary of State, Dean Rusk, in a 1965 speech said:

"If I were a Negro, I, too, would be demonstrating."

I don't suppose we ought to be too hard on Rusk, however, because even if he isn't a Negro, his grandchildren may very well be.

On June 18, 1966, on arriving in New Orleans, the then Vice President and later Democratic nominee for President, Hubert Horatio Humphrey, said that if he were a Negro, and I quote:

"You would have more trouble than you have had already, because I have enough spark left in me to lead a mighty good revolution under these conditions."

Mr. Babson, in his Washington newsletter entitled "America Blackmailed" says:

"The Watts riots in California served as lesson No. 1 in large-scale blackmail. This outbreak of mass crime was not punished. It was rewarded with countless millions of Federal dollars poured into the area in the hope that the rioters would cool it.

"After that demonstration of largess, can you blame the Negroes of Detroit, Newark, Milwaukee, Chicago, Washington, Baltimore, Maryland, Baton Rouge and scores of other American cities for wanting to get in on the Action?"

Mr. Babson states further:

"Whom are we to indict for sparking this chaos in America? Are the prime defendants, the Stokely Carmichaels, the H. Hap Browns, the hippies, the draft-card burners . . . certainly, most of these could be brought before the bar of justice to answer charges of law violations, and they should be.

"However, there is a stronger, truer bill of indictment which may be drawn against those who have invited the bloody blackmail of America by permitting and even encouraging mounting civil disobedience. We speak of such men as the late Adlai Stevenson . . . Nicholas Katzenbach, Earl Warren, Senators Ribicoff, Javits, Clark and Case, and yes, Hubert Humphrey and Lyndon Johnson. These men of power, prestige, and great influence in the political structure of America have permitted the concept of freedom of speech to be expanded to include subversion, intimidation, and incitement to riot; they have condoned the distortion of academic freedom to encompass the adulteration of young minds with communist doctrine and the disintegration of a well-disciplined educational system; They have allowed freedom of assembly to mushroom into disruption of peaceful activity, mob rule, riot and insurrection.

"Unless those in authority in the United States can be influenced to abandon the suicidal course on which they have embarked—or unless they can be replaced by men who will—we cannot hope to restore in our nation the kind of domestic peace and order which has made our many generations proud to be Americans living in a land of freedom, security, opportunity, and justice under the law.

"The crisis we now face is the most serious, the most dangerous, in the history of our country. Each of us must diligently employ our influence and our effort—in speech, letters and at the ballot box—to help set straight the way."

As if all of this were not enough, whenever there have been riots or racial violence in the urban centers, our highest government officials have publicly blamed society in excusing these criminal law violators. Thus, you can very easily see that anarchy in the name of civil rights has been sheltered and further stimulated. Not only has the approbation of these officials of these criminal law violators, which was widely circulated by the irresponsible and emotional reporting of the news media, given impetus to the movement, but it silenced the responsible voices of the law respecting Negro leadership in this country. Further, it gave status and respectability to anarchy; it contributed to the wildfire spread of the practices that have produced violent riots and bloodshed in over 120 of our major cities in the past 2½ years, and last year resulted in the assassination of the former attorney general of the United States and presidential hopeful, Robert F. Kennedy.

Even before the burning of Washington, anarchy had become so prevalent and widespread that on February 12, 1968, Lyndon Johnson told a group of college students, and I quote:

"We will have a bad summer. We can't avert it. We will have several bad summers before the deficiencies of centuries are erased. We can't do it in a day or a week or a month or between now and summer."

You will note that even in this statement the former President blames society and not the red radical demonstrators for the conditions of anarchy that prevail. Further, the commission hand-picked by Lyndon Johnson to investigate the cause of the riots came up with a report indicating that the only way that the riots can be overcome is by buying these people off. I don't suppose that Johnson ever heard, or if he heard, he certainly didn't heed the statement, "millions for defense, but not one cent for tribute." Johnson's hand-picked commission, following his lead of paying tribute, advised the expenditure of billions of dollars of your tax money to placate the agitators.

Going back to the Federal judiciary's part in the chaos we have today, Mr. Babson was quoted in the Congressional Record of April 9, 1968, as saying:

"The Supreme Court has seriously impaired the efficiency of law enforcement agencies by restrictions on investigative procedures and techniques and has so hog-tied the police in searches and interrogations that thousands of hardened criminals are yearly set free to prey again on the public.

"The problem was well summed up by Mr. J. Edgar Hoover, who wrote in the April 1967 issue of the FBI Law Enforcement Bulletin: 'Morality, integrity, law and order, and other cherished principles of our great heritage are battling for survival in many communities today. They are under constant attack from degrading and corrupting influences, which, if not halted, will sweep away every vestige of decency and order remaining in our society.' "

Just last week a three-judge panel here in New Orleans, headed by Fifth Circuit Judge John Minor Wisdom, rendered an opinion, which, if allowed to stand, will make it impossible for the prosecutors of the State of Louisiana to successfully prosecute the purveyors of pornography that are flourishing in every community today. This decision was rendered notwithstanding the fact that in the same decision itself the court found the article on obscenity as written by the legislature of Louisiana to meet all constitutional requirements. I might add, however, that the opinion of the three judges was not unanimous—Judge Rubin dissented.

There is, however, gentlemen, one ray of hope in all of this chaotic mess. Men of intelligence in Congress, in opposing some of the sickening legislation that has been introduced under blackmailing conditions in the recent past, have warned the representatives of the cities in the North that they would suffer the brunt of the riots, bloodshed and anarchy, and this has proven particularly true in the past few months. Further, the House has recently enacted legislation completely overturning some of the more idiotic decisions of the Supreme Court dealing with law enforcement and curtailed others. And last, but not least, we have a new President, who was elected because he said he stood for law and order. I think and I certainly hope that he means it. He has already replaced Earl Warren with a judge who comes to the bench with a true judicial background and unimpeachable character and a reputation for integrity. He will have the obligation and responsibility of naming at least three more justices to the United States Supreme Court while he serves this country as President. These appointments, if given to men of integrity, character and judicial experience, can make the change that will put this country back on the course every law-abiding citizen wants it to be on.

No sane person, whether he be in law enforcement or a private citizen, wants violence and bloodshed in the streets. Nor do they condone murder or assassination. But as an experienced prosecutor, I tell you that the only way to prevent riot and bloodshed in a situation like that prevailing in the country now is to nip it in the bud before it can become a riot and turn into civil war in the streets. This certainly cannot be done by placating trained agitators paid by the Communist Party.

Certainly, these riots will not be stopped as long as the people in authority permit and even encourage them. The Hon. J. Edgar Hoover, Chief of the FBI, who, in my opinion and in the opinion of most of the prosecutors I know, is the outstanding law enforcement officer of all time, put his finger on the answer when he said, and I quote:

"The answer to our Nation's crime problem will be found in direct, positive action—not by waiting and hoping the problem will go away. A good beginning would be to let the guilty criminal know that when he is arrested, he will be promptly prosecuted and substantially punished for his misdeeds. A good time to begin would be now."

Unless the Federal Government, be it courts or Congress, stops interfering with law enforcement on the local level, police morale already low will vanish, and when that happens, I am as certain as I am the sun will rise tomorrow that the people of this country will rise up to protect themselves. They are sick and tired of seeing looters and rioters getting away with murder, arson and property damage, and if the Government will not protect them, they will be forced to take the law into their own hands to protect themselves. When this happens, we'll have a full scale shooting race war in this country. I certainly pray that this will never happen, but the situation is getting awfully tense. I think it would indeed be well for men holding the important positions of Attorney General of the United States and all Federal and State judges to memorize an article that appeared in the Congressional Record entitled "The Soliloquy of a Great Institution." It goes like this:

"I was ordained in the beginning as God's protection for His children.

"It was the disregard of me that was man's original sin, and brought his first downfall. I was God's greatest gift to Moses for without me inscribed on the tablets of stone, he could not have led his people.

"When the cries of the crowd cast me aside, a Man was crucified; but under My divine decree He lived, and a world was saved. It was I that Jesus came not to destroy but to fulfill.

"In the debacle that was the fall of Rome, I was the sole survivor, and was that nation's one lasting contribution to succeeding civilizations.

"I tamed a despot at Runnymede, and was the armor and arsenal of the barons in winning the Great Charter.

"I accompanied the conquering Napoleon through the Alps of Italy, across the rivers of Austria, and the frozen tundras of the North, and when his empire crumbled, I alone, as the Code of Napoleon, was his only prideful prize of war.

"In Philadelphia, in 1787, I scaled the final heights and became the Defender of Freedom from tyranny for every human being subject to My precepts; and made living reality of the rights of man. I have made of every man's house his castle. I have lent purpose to his life and hope to his future.

"Where I am not, the land is as the original chaos; and blood is the price of all things. Where I am, there is peace and happiness, and little children grow toward the image of their Creator.

"I am the law."

INTERNATIONAL LIQUIDITY AND FOREIGN AID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, I call attention to an article in the October issue of Foreign Affairs favoring an international monetary reform that is also backed by the Subcommittee on International Exchange and Payments of the Joint Economic Committee. The subcommittee issued a report in August entitled "A Proposal To Link Reserve Creation and Development Assistance." Both the subcommittee report and the Foreign Affairs article, by Edward R. Fried, of the Brookings Institution, suggest that creation of special drawing rights—SDR's—can be used to expand IDA lending to developing countries. The use of SDR's to increase development assistance would not impair the primary function of special drawing rights, which is to insure a supply of liquidity sufficient to permit the uninhibited growth of international commerce at full employment.

Although there are some differences between the subcommittee and the Fried proposals in the mechanics of utilizing special drawing rights as an aid-financing device, these disparities are more a matter of technique than philosophy.

First, the subcommittee suggested that 25 percent of industrial nations' SDR allocations be used to expand development aid, while Fried recommends that 70 percent of the wealthy acquisitions be used for the same purpose. If general agreement could be obtained on the higher figure, I would say that more of a good thing is just what we need.

Second, the subcommittee recommended that the agreed proportion of SDR's be withheld by the Fund before distribution to industrial members. These special drawings rights would then be exchanged by the IMF for hard currencies when IDA needed additional funds to lend. By contrast, Fried would—after prior approval by the Congress—have the Exchange Stabilization Fund monetize 70 percent of U.S. SDR allocations through the sale of certificates to the Federal Reserve. The dollars obtained in exchange for these certificates would then be used to purchase World Bank or IDA obligations. According to current plans for distributing SDR's, the United States would, under Fried's proposal, monetize about $500 million worth of SDR's annually. Since the U.S. money supply grows approximately $6 billion each year at a 3-percent rate of increase, the operation of his proposal need not upset domestic monetary policy. Fiscal policy, however, might have to be somewhat tighter than in the absence of such an aid-financing scheme. But if, under any mechanism, wealthy nations are to increase the flow of real resources to the poor, the monetary and fiscal policies followed by industrial countries must be designed to insure that the real resources to be transferred are indeed available.

Now that activation of the SDR facility is certain, we should begin to consider how to derive the full potential benefits from internationally agreed reserve creation. Mr. Fried's article, which follows, is a most useful contribution to this discussion:

INTERNATIONAL LIQUIDITY AND FOREIGN AID

(By Edward R. Fried)

Before the end of this year, the Special Drawing Rights machinery of the International Monetary Fund should come into operation, ushering in a new era of multilaterally created international reserves. This is no small matter. The international community has not heretofore created anything so deadly serious as money.

Nor will creation begin on a niggling scale. The principal financial countries agreed in July to support activation of $9.5 billion in this new international money over the next three years, and the other members of the Fund will surely go along with this decision. This quite respectable sum adds new interest to an old issue: Is it practical to link a man-made stream of liquidity to foreign aid? At a time of faltering foreign aid, the issue takes on added importance.

It is an intriguing question. Nevertheless, it should not obscure the fact that the primary interest of all countries—rich and poor alike—lies in the success of Special Drawing Rights as a basic reform of the international monetary system, and specifically, as a means of avoiding growing restrictions on trade, aid and investment. From this standpoint, the new reserves will come none too soon. Gold and dollars have dried up as sources of new international liquidity.

Gold fell victim to the persistently held speculative dogma that the monetary price would have to rise. This credo was so stubbornly believed that in recent years new gold production went largely into private hands—as a bet on a rise in price—rather than to monetary reserves. During the four months of speculative madness that followed devaluation of sterling in November 1967, the international monetary system actually lost over $3 billion in gold reserves to the private market. When the active gold-pool countries decided in March 1968 to insulate monetary gold from these private pressures, the drain stopped. Under the two-tier arrangement they set up, the world's stock of monetary gold is kept virtually stable, remaining by far the largest single element in total reserves, but new gold production is for all practical purposes demonetized. It moves haltingly, but inexorably, into the market to satisfy the variety of demands for gold as a commodity, at whatever price these demands will support. It is no longer, however, a serious potential source of new international liquidity.

Dollars as an international reserve followed a somewhat similar course, but more by circumstance than by explicit arrangement. Some years ago, a number of the principal European central bankers began to lose enthusiasm about adding to their official dollar holdings, preferring gold instead. While by no means universal among industrial countries, this attitude existed on a sufficiently wide scale to force the United States to finance a large share of its balance-of-payments deficits in gold. Official holdings of dollars, which had risen steadily through the postwar period, reached what appeared to be a ceiling about five years ago—even while private uses of the dollar continued to grow in international trade and payments. When the United States achieved a substantial balance-of-payments surplus on an official-settlements basis in 1968–69, these official dollar holdings abroad were sharply drawn down. Thus, the course of events for both gold and dollars as international money put pressure on the reserves of the principal industrial countries, with potentially serious consequences for world trade and income.

This is the kind of contingency the financial experts had in mind when they laboriously worked out the plan for creating a new international money. Special Drawing Rights, or SDRs, will do what gold and dollars are no longer doing—make it possible for world reserves to grow as production and trade grow, and thereby remove a source of pressure on the principal industrial countries to adopt unnecessarily restrictive policies. Moreover SDRs will do the job better. Gold and dollars, in recent years, were added to reserves as the haphazard consequence of uncertain factors; SDRs, by contrast, will be issued on a regular and carefully calculated basis. And, unlike gold, SDRs will be created without cost in real resources.

By any standard, therefore, issuance of SDRs will mark the auspicious launching of a most important international undertaking. Nevertheless, a gnawing question exists. If the international community can create money by fiat, why should the lion's share be distributed to rich countries? Or, putting aside this issue of alleged inequity, is it possible to use the new machinery to carry forward two internationally agreed and critically important objectives at the same time? Can SDRs, either directly or indirectly, be a significant source of development finance without impairing their primary function of ensuring adequate international liquidity?

For more than a decade a number of economists who foresaw the need for new sources of international liquidity—most notably Sir Maxwell Stamp and Robert Triffin—advanced proposals to link the creation of new reserve assets with the means to finance economic development. Indeed, the government financial experts who did the spadework which resulted in SDRs looked into the possibilities of establishing such a link. The Congressional Subcommittee on International Exchange and Payments consistently advocated careful exploration of these possibilities. In the end, the financial authorities of the industrial countries rejected this approach, deciding that the new instrument could not serve two masters. But neither in their deliberations nor in the specific provisions of the new facility did they rule out the possibility that, once SDR's were created for liqudity needs, and with the amounts determined solely on this criterion, they might subsequently serve as a means of mobilizing funds for economic development.

It is well worth looking into this possibility. Long-term untied, low-interest capital is a key determinant of development prospects. It is the most urgently needed, the most difficult, politically, for donor governments to provide, and an endless source of burden-sharing controversy in international negotiations. The experience of the World Bank's International Development Association succinctly demonstrates the case, IDA can effectively lend far more capital than the donor countries have been willing to subscribe. Could SDRs change this on a

scale that would put new life into the world's development business?

II

A qualified yes is a reasonable answer to that question—even as the SDR system is now structured. But that answer presupposes growing domestic understanding of a slippery set of issues and the success of a complicated international negotiation.

Distribution of SDRs is now made in proportion to a country's quota in the International Monetary Fund. This provision gives the industrial countries almost three-fourths of all SDRs created and will give them, as a group, average receipts of $2.3 billion a year over the next three years. These SDRs will appear in official accounts as incoming assets for which no payment will have been made. The offsetting bookkeeping liability must be invented; in the United States it will take the form of a contingent liability in case the United States withdraws from the scheme or if the entire facility is liquidated.

For present purposes, however, another adjustment must be made. The rules provide in effect that 70 percent of any country's total SDR receipts represents a non-repayable claim on the resources of other countries. Allowing for this, the industrial countries over the next three years will be receiving an average of $1.5 billion a year in unconditional reserves—fully equivalent to the receipt of gold or any acceptable currency.

Instead of receiving these non-repayable reserves free, as is now the case, these countries could agree to invest an equal amount of their currencies in subscriptions or loans to IDA along the lines of a number of recent proposals, most notably a suggestion made by Italian Minister of Finance Colombo at the 1968 annual meeting of the Bank and Fund. Doing this would not affect the reserve position of these countries as a group, since the funds they loaned or subscribed to IDA would come back in payment for goods and services purchased from them by the developing countries. These purchases could not be expected to follow the same pattern as the IDA subscriptions of individual countries; consequently, some industrial countries would gain and some lose reserves as a result of this first round of transactions. Or, put differently, the effect of this procedure on the reserve positions of individual countries would be a different distribution of SDRs from that called for by their IMF quotas.

The impact on economic development could be substantial. It would make possible an almost four-fold increase in IDA's resources, which would then constitute roughly one-fourth of current official development finance. On a scale of $1.5 billion a year, IDA long-term, low-interest loans could be a strong foundation and stimulus for bilateral and other multilateral aid programs. The debt-servicing problem which now hangs over development finance would become much more manageable.

III

Perhaps the clearest argument for linking receipts of SDRs to the provision of foreign aid rests on this chain of reasoning:

As an international reserve, SDRs, or "paper gold," are the equal of commodity gold.

In the past, countries added commodity gold to world monetary reserves by paying goods and services to gold producers.

SDRs are a substitute for gold. Being cost-free they will make possible a substantial saving in real resources for the international community.

Rich countries could reasonably be asked to forgo their share of this saving and let it accrue to the benefit of poor countries. They could do this by earning paper gold in the same way they formerly earned commodity gold that was added to world reserves.

Thus, where the production of commodity gold gives rise to income for capital and labor in gold mines, the production or activation of paper gold would give rise to resources that would be channeled through IDA to support an internationally agreed objective—economic development.

Moving in this direction would have political attractions, both domestic and international. For one thing, it would be easier to obtain approval in the U.S. Congress and in parliaments abroad to finance IDA in this form, since there would not need to be a budgetary appropriation. If this seems like a painless form of foreign aid, the reason lies neither in subterfuge nor legerdemain, but in the mechanics of the system: governments will be receiving monetary assets without having to pay for them. They can sterilize their SDR allocations. Or they can pledge them to the Federal Reserve Bank for cash—as is usually done to finance incoming gold reserves—and thus obtain the funds to support IDA without a budgetary appropriation. Too much should not be made of this curiosity. A transfer of resources to the developing countries would indeed take place, and this, in a very real sense, would constitute a tax on the industrial countries. Nevertheless, it would be no different than the burden a society imposes on itself when it chooses to add to its gold reserves—a burden which also is not financed through the budgetary process. And in the final analysis, the burden of such a tax would depend on whether the industrial countries at the time would otherwise have used the resources and the industrial capacity going into these exports.

Internationally, an arrangement of this kind could ease some of the political frictions that lie beneath the surface of the new reserve facility—specifically those relating to the system of distributing SDRs among the participating countries. Differences over this issue should not be exaggerated and the debate, sensibly enough, has been carried on in low key. Once the system goes into operation and SDRs are established as a first-rank international reserve, however, the tone may become more strident.

One source of friction is the controversy over SDR distribution between industrial and developing countries. The poor countries argue that the principal financial powers, who after all were primarily responsible for drawing up the plan and who have the voting muscle in the Fund, stacked the deck in their favor. The industrial countries reply that this charge stems from a misunderstanding about the purpose of the system. SDRs are designed to finance flows that will reverse themselves over time, not a continuing one-way transfer of resources; basing distribution on IMF quotas, while not perfect, is at least a reasonable, and certainly the best available, approximation of each country's need for international liquidity. This is an essentially fruitless controversy, but linking SDRs to development finance would very effectively end it. The industrial countries would continue to receive the bulk of the liquidity and the developing countries would receive resources for development.

Second, the distribution system also gives rise to some jockeying for position among the industrial countries. Surplus countries now show a new-found interest in increasing their individual quotas in the Fund, which, of course, would entitle them to a larger share in future SDR allocations. This is all to the good as far as liquidity is concerned, but the bickering, if carried too far, could be destructive. This problem would also tend to diminish if industrial countries took on the obligation to provide capital to IDA as a counterpart to their SDR allocations.

Arguments aaginst link proposals, developed over a decade or so of discussion, traditionally followed three lines: these proposals would make it more difficult to negotiate a satisfactory system of creating reserves; they would interfere with the operation of such a system and eventually cause it to collapse; and they are wrongly conceived, since they seek to relate operationally two logically separate issues, each of which on political grounds should be faced and decided on its own merits.

All this was serious reason for caution. If consideration of the two issues together did indeed stand in the way of timely and effective monetary reform, everyone would lose. The developing countries, themselves, have far more to gain from reserve creation—and certainly from the SDR system that was ultimately negotiated—than from any additional development assistance they might receive from a link arrangement. On the other hand, now that the SDR system is in place and the decision has been made to put it into operation, the discussion takes on a different character. Past doubts can now be weighed in light of a specific reserve mechanism and a specific schedule for creating reserves.

One set of fears—that a foreign-aid link would endanger the possibility of negotiating any system at all—obviously is no longer relevant. The record suggests it had a good deal of validity which is useful background to keep in mind. Until the very last negotiating meeting, the draft agreement included a provision that would have permitted the World Bank or any other development institution to hold SDRs if an 85 percent majority approved. The Bank would not have shared in allocations, but countries, on their own volition, would have been able to transfer SDRs directly to the Bank, which might have encouraged them to vote a special allocation for this purpose. The surplus countries insisted on eliminating this provision at the Ministerial meeting of the Group of Ten in Stockholm precisely because they feared it might lead to an operational connection between SDRs and foreign aid which could get out of hand.

A second area of concern—that foreign-aid considerations would cause a chronic overissue of international reserves—turns out to be procedurally manageable under the SDR system. In theory, the danger seems real enough; foreign-aid requirements are certainly higher than those for liquidity. If the world's financial authorities—either under mandate from the system or under pressure from the developing countries—seriously considered both factors in determining how many SDRs to activate, there would be a strongly upward bias. Decisions made under these conditions could lead to a loss of confidence in the reserve mechanism and, if carried far enough, to some inflationary pressures on the world economy. Such theoretical concerns are now past history. The decision on quantity has been made for the next three years; it has been made solely on the basis of liquidity needs; and it is modest. Any tie-in to development finance at this point would be incidental to the operation of the SDR mechanism and could not be a force driving it in undesirable directions. Furthermore, the voting system eventually worked out for activating SDRs, which requires near unanimity among the major industrial nations, is ample insurance that liquidity needs alone will determine decisions.

Even if there is no danger of overissue, generating funds for loans or subscriptions to IDA through SDRs would, as noted earlier, amount to a de facto change in the distribution of new reserves among the industrial countries. Might this hamper the operation of the system? There is of course nothing technically sacred about the present method of distribution beyond the fact that it formed the basis of agreement. Neither the United States nor any other industrial nation intends to use SDRs as a means of financing a permanent deficit. What these na-

tions seek from the new facility is relief from restrictive policy pressures inherent in a monetary system that lacks sufficient reserves. A modification in the present distribution system to reflect IDA subscriptions would achieve this end about as well as any other.

Nevertheless, possible effects on the distribution of SDRs resulting from an IDA link could have some disadvantages; but they do not appear to be significant and would be mitigated over time. To take the worst case: The most recent pattern of procurement with IDA loans suggests that, after the first round of transactions, the United States would lose at most about one-third of the initial benefit received from its share in the SDR distribution. Japan, Canada, Germany and, interestingly enough, the United Kingdom would be major gainers. The fact that so much of IDA's current lending is concentrated in India, whose procurement in the United States is low, is a major reason for this distribution. With a large increase in its capital, IDA would lend more in other areas—notably Latin America, where procurement in the United States is traditionally high. Over the longer term, using the SDR system in a way which made it possible to supply more untied funds for development, allowing the recipient nations to buy in the open market, would be to everyone's advantage.

The third area of concern is political: a link arrangement might be criticized and opposed as a "back door" way of getting additional funds for foreign aid. Here again, the argument seems manageable when applied to the specific proposal discussed here. Congress approved U.S. participation in the creation of SDRs; it would also have to approve use of SDR counterpart funds for loans or subscriptions to IDA, even though no budgetary appropriation was needed. Comparable action would be required in other industrial countries. Any appearance of subterfuge, therefore, would be out of the question.

A more important obstacle than any of these specific concerns is the fact that there is no compulsion to move. An aid link is not necessary to create SDRs; there is no pool of resources behind SDRs which must be divided; and, as matters stand, the industrial countries will receive the SDRs without charge. Why change this happy situation?

The best way to answer this question is to remind ourselves of the relationship of SDRs to gold. By substituting for gold, SDRs will make possible a continuing saving in resources—a saving which is, in a real sense, the technological product of international action. What is the justification for three-fourths of this saving going to the industrial countries and only one-fourth to the developing countries? Lending SDR counterpart funds to IDA could reverse this proportion, while keeping intact the ability of SDRs to meet world monetary needs. It would automatically fulfill one of the promises inherent in any effective system for creating new reserves: more development finance on untied terms.

The best reason to fulfill this promise is to be found in the sorry state of development finance. A deep malaise surrounds foreign aid; budgets in donor countries get tighter while in the developing countries needs and capabilities for absorbing aid rise. New capital for IDA, on a potential scale of $1.5 billion a year, made possible by the new era of international money, would not be a cure-all but it surely would be an exhilarating tonic. It is an opportunity rather than a requirement, but the economics and the politics, on all sides, look very good.

IV

If the basic proposal is sound, what procedures, domestic and international, should be used to carry it out?

In the United States, SDRs will be deposited in the Exchange Stabilization Fund. The legislation providing for U.S. participation in the SDR facility authorizes the Secretary of the Treasury to issue special certificates covered by SDRs which he can sell to the Federal Reserve Banks for cash. This is the same procedure used to finance an inflow of gold to monetary reserves. In the case of SDRs, however, the Secretary may issue certificates only "for financing the acquisition of Special Drawing Rights or for financing exchange stabilization operations." This provision permits him to get funds to pay for SDRs received from other countries, but not to get cash from the Federal Reserve for IDA as a counterpart to SDRs obtained from IMF allocations, which are acquired without payment.

If given this as a problem, Treasury's corps of imaginative lawyers might argue that authorization to monetize free SDRs in fact exists since the use of such funds for loans to IDA would have benefits for world exchange and therefore comes under the heading of "financing exchange stabilization operations." In the absence of a legislative record to support such an interpretation, however, no Secretary of the Treasury would take this tack.

More appropriately, the Administration could request of the Congress an amendment to the SDR legislation, specifically authorizing the Secretary of the Treasury to issue certificates for a fixed proportion of the SDRs allocated to the United States by the IMF, and to use the funds for loans or subscriptions to IDA. On the reasoning outlined earlier, this proportion could feasibly be set at 70 percent to cover the non-repayable share of this inflow of international reserves.

Congress would have to decide whether to make use of the funds conditional on all, or almost all, other industrial countries contributing equal proportions of SDR counterpart funds to this purpose—or to permit them to be used to finance the U.S. share of the next IDA replenishment, whether or not other countries follow suit. The former approach—a kind of all-or-nothing proposition—would put more pressure on all industrial countries to move. The second approach would make it possible, in the event no international agreement could be negotiated for the Administration to take a strong lead in pushing for a large increase in IDA's capital in the next replenishment.

There would be no need for Congress to give the Administration a blank check on the future, which would circumvent normal restraints of the budgetary appropriation process. Each amendment to the legislation could apply to a specific IMF allocation decision—in the first instance to the decision activating an average of roughly $3.2 billion a year in SDRs over the next three years. Congressional authorization could be given for the U.S. share, which amounts to $750 million a year in total SDRs, of which approximately $500 million would be nonrepayable. In this case, the Congress would automatically have review authority as will the IMF, in light of each past period of SDR operating experience.

How other industrial countries would handle this situation legislatively is not yet clear. Their statutes are likely to be similar to those in the United States, but in parliamentary governments the process might well be easier.

Internationally, a negotiation looks promising. Shares in SDR allocations are not drastically different from those in the most recent IDA replenishment negotiations; in some cases, where there are differences, trade will provide offsetting compensations. For example, the major difference is in the U.S. share: under an SDR counterpart proposal, the United States would supply about one-third of IDA capital, instead of the 40 percent it now supplies, but it would benefit less in trade than other countries. The U.K. share would go up from 13 percent to 16 percent, but it would gain in trade; while the EEC share would remain pretty much the same. These differences would, themselves, change over time. The main point, as far as balance-of-payments considerations are concerned, is that all the industrial countries would have been paid in advance, in the form of increased international reserves, for more than their capital subscription to IDA.

Timing is also auspicious. Present IDA financing, the product of a drawn out and difficult negotiation, runs out in the summer of 1971. Assurances for the future will be needed some time next year, to make possible continuing commitments. The World Bank will thus soon have to initiate negotiations for the next IDA replenishment. Basing these negotiations on SDR counterpart financing would greatly enhance prospects for the kind of quantum jump in IDA capital which is now required.

There are more ambitious proposals than the one here outlined for linking SDRs to aid, such as amending the IMF agreement to permit SDRs to be allocated directly to development institutions. There is much to explore in these proposals, but also many old and difficult arguments to answer, and a long process of negotiation and ratification to confront. A more promising and urgently needed step would be to pursue what is possible now. New forces are needed to put substance into the concept of a second development decade. SDRs, which already mark a breakthrough in international money, can be the basis for a similar—if smaller—breakthrough in developmental finance. The timing is right; the results would be significant.

REFLECTIONS ON THE NATURE OF MILITARY ADVICE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, my district was singularly honored on Monday by the presence of Gen. Earle G. Wheeler, Chairman of the Joint Chiefs of Staff. He delivered the keynote address at the opening session of the Pensacola National Security Seminar before a capacity audience at the Pensacola Junior College Auditorium.

The Pensacola seminar, one of eight to be held nationwide under the auspices of the Industrial College of the Armed Forces during the 1969–70 academic year, has received an enthusiastic reception in my home State and district and already has attracted more than 1,000 enrollees. E. P. Nickinson, Jr., Pensacola businessman, is general chairman.

General Wheeler, whose great contributions to a coordinated defense have insured him a prominent place in American history, gave an outstanding address entitled "Reflections on the Nature of Military Advise." On that occasion it was my privilege to introduce him to the audience.

It is with pleasure that I submit this outstanding message to be printed in the CONGRESSIONAL RECORD:

REFLECTIONS ON THE NATURE OF MILITARY ADVICE

During Abraham Lincoln's time at the White House, a well known literary figure objected to President Lincoln's calling a certain Greek history book "tedious."

The offended scholar is reported to have said to the offending President—

"Mr. Lincoln, the author of that history is one of the profoundest scholars of the age. Indeed, it may be doubted whether any man of our generation has plunged more deeply into the sacred fount of learning."

"Yes," replied Lincoln, "or come up dryer."

I have assigned myself a subject which I consider to be of both durable historical importance and lively, if not always enlightening, current concern: "The Nature of Military Advice."

Before, however, I lay verbal siege to your eardrums on this topic, I should like to digress for a moment to extend my unqualified support for the hard thought and effort which have gone into the Industrial College of the Armed Forces' continuing program of national security seminars.

The 1969–70 program envisions some eight seminars extending in space from Pensacola to Alaska and California and, in some thirty-three course scopes, from "Space Exploration" to "Oceanography".

If ever all of us need a "better understanding of the many interrelated and complex national and international factors affecting our security"—a purpose of your seminar—*that time is now.*

I wish all of you well as you prepare to grapple with the very real factors, at home and abroad, which bear, directly or indirectly, on our security interests. I am encouraged by the sure knowledge that the approach taken to these selected problem areas will be balanced and that conflicting views, which will inevitably and healthfully emerge, will be rationally presented and rationally considered.

The merits of rationality, not too long ago, were considered to be too self-evident to require either support or explanation. Apparently to some, in our land and abroad, the rational process is considered to be a heartless tool of some "Club" called the "Establishment"—in which, I suppose, I am accorded full "membership", but of which—like the equally sinister "Military-Industrial Complex"—I have yet to meet a single, "established" fellow "conspirator".

An important function of my job in Washington, along with my colleagues on the Joint Chiefs of Staff, is to serve as one of the principal military advisors to the President, the National Security Council, and the Secretary of Defense. The Joint Chiefs' responsibility for providing military advice to the highest officials in our land is embodied in the National Security Act of 1947. It is a task charged logically to us and one which we take with the utmost seriousness. We also, as Congressman Bob Sikes knows well, appear, as needed, before Committees of the Congress—that body, charged under our Constitution, with raising and supporting armies and providing and maintaining navies.

I must say that in serving as the principal military advisors to the President, National Security Council, and Congressional leaders of our land that the JCS must totally reject some "advice" on advice-giving credited to Oscar Wilde to the effect that "it is always a silly thing to give advice, but to give good advice is absolutely fatal." The late Mr. Wilde to the contrary, we try to give good advice.

My first point is that while my colleagues and I keep ourselves fully informed on the wide spectrum of external and internal problems confronting our country, our role and our duty, *under the law,* is to focus upon those concerns which are wholly, or largely, military in nature. This point, like my earlier call for rationality, may seem to be self-evident. It isn't, unhappily, to some people. Solutions to non-military problems should, and I'm confident will, come from non-military agencies and resources of government.

In focussing upon our task of providing military advice to the President, the Joint Chiefs of Staff have, over the years, developed a rather stern self-administered test. This test has only one question: If I (the members of the JCS) were the President of the United States would I be willing to undertake this course of action that my principal military advisors have recommended to me? Applying this "test" before furnishing military advice is the most surefire inducer of responsibility I know of—and we have every personal and institutional inducement to identify and discard the irresponsible before applying this simple "test."

Dr. Henry Kissinger, before coming to his present post, touched upon responsibility in government to good effect. Reflecting on one important difference between scholars and responsible officials, Dr. Kissinger made the point that a scholar, when proven "wrong" by events could retreat to the library stacks, recast his views to be "right," and even assert a healthy intellectual flexibility in the process. No such happy choice is permitted responsible officials. This breed is most often permitted only one time at bat—often under unavoidably ambiguous circumstances—to be "right" or "wrong". This fact of official life is very much with all of us in the advice-giving business.

As the Joint Chiefs of Staff are the *responsible* officials on matters of military advice, we are also directly *accountable* for the advice we provide.

In short, if our advice is accepted, and some action is called for, it falls upon the uniformed heads of the Services—my JCS colleagues—to give effect to their earlier advice with resources at hand. The ancient jibe "to put up or shut up" is built into the system. We have learned long ago not to press for action where we cannot "put up".

On this dual matter of responsibility and accountability, I recall as pertinent a view attributed to Field Marshal Von Hindenburg, the victor at the great battle of Tannenberg in World War I.

Some years after the war, Marshal Von Hindenburg, then President of Germany, was approached at a social function by a wide-eyed young lady. Was it not true, the young lady asked, that the real "credit" for the great victory at Tannenberg lay not with the nominal victor, Marshal Von Hindenburg, but rather this "credit" should be shared by the old Marshal's brilliant Chief of Staff, General Ludendorff, and a certain Captain Hoffman in the Operations Section of the General Staff? Von Hindenburg paused for a few moments before replying "Young lady," the old Marshal finally said, "I have no idea who should be given the 'credit' for our great victory at Tannenberg. All performed their duty well. But I have no doubt as to who would have been blamed for a defeat."

All of you who have ever commanded a ship, a squadron, or a company can appreciate Marshal Von Hindenburg's point.

The JCS system itself then is designed to provide responsible military advice by accountable senior officers. Another inescapable ingredient of this system is that the advice will be balanced.

This balance comes in two ways.

Most obviously, when the uniformed Chiefs of four unique Services meet to consider broad questions of military policy or strategy, it is difficult for any single Service concept to prevail over time. Our forces are deployed to project tridimensional power. Certainly, at times, the Joint Chiefs of Staff will see a common problem differently and disagree. Some years back this was called "bickering." (I have never solved to my own satisfaction why Congress "debates," the Supreme Court "deliberates," while the JCS are said to "bicker." Perhaps Congressman Bob Sikes can clear that one up for me.)

The second way the JCS achieve balance is the make-up of the senior officers who comprise the body.

By the time an officer emerges at the head of his Service, his practical and theoretical education in joint Service matters has been extensive. I number no narrow Service "theologians" among my colleagues, I can assure you. First, the common defense and then, and only then, the needs of a particular Service are considered.

I have some figures to nail down this latter point on balance.

From 1 January 1965 through 31 August 1969, the Joint Chiefs of Staff have faced up to more than 13,000 decisions.

During this period of more than four and one-half years, there have been only 60 decisions which reflected disagreement among the membership of the JCS. Sixty so-called "splits" out of 13,000 decisions comes down to one "split", reflecting some degree of disagreement, cropping up about ever 200 JCS decisions.

Unless things have changed drastically since my day, I would suspect there are still many more "splits" among committees of local PTAs and Boy Scouts than is the case with the Joint Chiefs of Staff.

To the qualities of responsibility, accountability, and balance, I would now add the ingredients of objectivity, realism, and prudence.

Objectivity, while easy to define, needs conscious effort to sustain. Recall the old adage: He's *pig-headed;* you, my friend, are *stubborn;* but as for me, why I'm *steadfast.* Over the years, I have solid reason to be satisfied that the military advice provided by the JCS has become as objective as the minds of dedicated men can fashion it.

The qualities of realism and prudence need a bit more reflection.

By realism, I mean the unswerving conviction that the security interests of our country are best served by a steadfast refusal to confuse the way things are with the way one would prefer to see them. My colleagues and I have good cause to be from Missouri, with its famous tradition of "Show me". Speaking for myself, I put little equity in such sweeping insights as "the atmosphere has changed in Eastern Europe", or, "the Soviet Union has a vested interest in peace", or, perhaps the grandaddy of them all, "if we undertake a significant, unilateral measure of 'demonstrative' disarmament, the Soviets will be 'shamed' into a like measure." I wouldn't try any of these statements on the unfortunate Mr. Dubcek—that is, even if you could find him.

At the same time while I obviously disagree with the general statements I have just recited, in a pocketbook sense I can understand them.

Armed forces in this day and age cost a lot of money—as all we taxpayers know. So, understandably, there are some who choose to wish away these needed expenditures by announcing, on little or no real evidence, that our potential adversaries have mellowed or even vanished.

The truth is that while our military expenditures are large, they are brought about by very real forces and events beyond our borders. They are not, as some would have our people believe, a form of self-inflicted national wound which causes our real domestic needs to be ignored in favor of a manipulated view of a non-existent threat to our safety and security. Perhaps, I need not belabor this point to this audience. Unhappily, I must do so to some people who seem to confuse personal policy preferences, however agreeable to most of us, with real life policy alternatives. And, of course, blaming our Armed Forces for the continued need for military expenditures is about as sensible as blaming librarians for book burnings.

My list of JCS advice "ingredients" will end with the quality of prudence.

I should like to explain it this way.

As homeowners, many, if not all, in this audience have taken out significant insurance policies on your homes covering such items as fire, theft, vandalism, hurricane damage, and the like.

In settling upon the dollar amount of insurance needed, perhaps you analyzed your total situation by asking yourself a number of questions, such as:

How important to my family and to me is my home?

How combustible are the construction and the contents?

What is the incidence of theft in my locality? of vandalism? of hurricanes?

And, finally, in light of answers to the above question: What is the amount of insurance needed which would cover my home realistically at today's high prices?

If you can "afford" it, you now buy the needed policy. Or, put another way, you may decide to buy it because you can't "afford" the dollar, not to mention the human, costs if substantial damage is done to your home.

Now there are other claimants to your limited dollars. Education for children. Necessities of life. Market investments in the expectation—not always realized—of capital gains. Entertainment, etc.

Now you, and only you, as the homeowner, can lay out your dollar expenditures in the face of competing claims.

To most, if not all, of the homeowners in this audience, their home represents the major portion of their share of worldly goods. The level of insurance must be adequate in light of a close assessment of the risks and the cost of replacement.

The analogy is, I suspect, obvious.

It is the responsibility of the Joint Chiefs of Staff to recommend that level of "insurance" our country should pay for in the face of "fires", "vandalism", "hurricanes", and "thefts" beyond our frontiers.

Some assert—never prove—that our insurance coverage is now excessive and, even, that we are in danger of becoming "insurance poor".

My colleagues and I, recalling the international "hurricane" preceding World War II—cost to us: 300,000 dead and $400 billion—as well as the "vandalism" preceding Korea and Vietnam, take the more prudent view.

Right now we are spending about 8 percent of our gross national product on defense, and that relative percentage could, conceivably, decline somewhat more. If, to some, this "insurance" still seems excessive, recall that no national "home" in the world has more to conserve than does the United States—and the "homes" of those who choose to stand at our side. And it is only upon the assurance of a secure America can we see growth, both at home and in the world beyond our borders, that needed level of political stability which encourages economic growth—which growth, in turn, is the requisite for human progress.

I have enjoyed my brief stay with you. If I have sounded as though the advice required of, and extended by, the JCS is error-free, I have mislead you. That happy condition is our destination, and while we have made progress in getting there, it may always elude our grasp. But, in this connection, I do take comfort, and see some relevance, in an old definition of the American Democracy, which we all serve, as being based upon "the persistent conviction that more than one-half the people are right more than one-half the time on more than one-half the issues that confront them."

Thank you.

"I AM THE MIGHTY OZ"

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, in the closing days of the last administration, Justice Fortas was nominated for the Chief Justiceship of the Supreme Court. He failed of confirmation, was brought into question ethically and finally withdrew his candidacy for the office. All well and good. I hold no brief for his actions.

Yet, I watched the behavior of his self-appointed critics and guardians of public morality with surprise, amazement, and horror. For in front of an unbelieving Nation, these men without sin pursued Mr. Fortas as if he had advocated incest, cannibalism, and revival of witchcraft, and was seeking to institutionalize them from the bench. With loud shouts of virtue, piety, smugness, and satisfaction, these assembled pillars of our society cast aspersion upon everything he had ever done, from opening a law practice to having committed the heinous crimes of being a Democrat and an intimate of a President they hated.

When he withdrew, they proceeded to act as if they had saved the Republic from disaster, intimating their monopoly on virtue would result in a different type of nomination to the Supreme Bench of the land. How right they were, for we now are treated to the enlightening spectacle of Judge Haynsworth, he who forgets and regrets.

To all outward purposes, Judge Haynsworth looks perfect for both this present administration and the men who drove Fortas from the bench. He is impeccably conservative and comfortably well off. He has never engaged in anything remotely smacking of liberalism, free thinking, humanism, social activity aimed at aiding the oppressed, or civil liberties. He is as bereft of public virtue as a salmon is bare of fur. His friends and shaping forces are comfortably conservative, moving toward progress grudgingly, like a patient forced to swallow a lemon. Yet, there is a maggot in the soup. Nay, even several.

As revealed recently, the good judge was apparently a founder, major shareholder, officer, and director of Carolina Vend-A-Matic Co. He was trustee of its pension fund, and his wife was company secretary. He retained these posts while on the bench, arranging bank loans for the company, remaining personally liable for its borrowings, attending directors' meetings for which he received fees, and sat on a case directly involving the company's major customer. How curious and odd that he cast the deciding vote in its favor.

He disposed of his stock much later after the merger assured him of a profit exceeding $400,000.

He acquired 1,000 shares of Brunswick Corp. while one of its cases was before his court. His excuse is "forgetfulness." How many millions of Americans remember the godly and virtuous ones who pursued Fortas up the walls and around the bush for evils he supposedly perpetrated years ago of much less amperage. Do we not recall their shouts of virtue, impugning of his patriotism and character, and outraged howls of the just? Where are they now? I hear no tubs being thumped. No flags catch the morning breeze. Will the Almighty not intervene on their behalf and vindicate their slightly wobbly champion?

It further appears that Judge Haynsworth sat on cases involving a good many former clients. One of them was Judson Mills, a client of his old law firm, remaining so when a litigant before his court. And his old law partners were also cofounders and codirectors of Carolina Vend-A-Matic. Curiouser and curiouser. Now it is further revealed that Bobby Baker, that favorite dark angel of the virtuous, actually is a partner of the good judge in a cemetery deal started after Haynsworth reached the bench. Will he disqualify himself from that case if he and it reach the Supreme Bench? Such virtue. Such honesty. Such integrity.

Ah, what an uplifting picture this all presents. A virtuous, praying administration which ran for office with words of piety burbling from its lips like froth in a beer vat, presenting the blameless judge for nomination to the Supreme Court. This law and order administration standing before the Nation and defending the unstained genteel judge. How absolutely funny. The emperor has no clothes. How grotesque. The reformer himself requires reforming. How absolutely—utterly—priceless. This, then, is all President Nixon emerges with after all the sound and furry. Remember when Dorothy and her friends drew aside the curtain in the Wizard of Oz?

CONSUMERISM THREATENS FREEDOM, SAYS COMMERCE SECRETARY

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, a consumer today is like a lion in a den of Daniels. On all sides his shrinking buying power is being attacked by every pseudo-legal device advertising and business can think of. Helpless and ever more confused, he gropes for aid. Desperate for relief, an aroused consuming public seeks protection, pleading for enforcement of numerous consumer protection laws enacted under the last administration.

Such cries are in vain. Mr. Nader singles out evils and asks for enforcement. He is ignored. No ear is attuned to such wavelengths in the upper levels of this administration. By itself, such an attitude is bad enough. Last week, the Secretary of Commerce, Mr. Stans, pulled the plug out of the bottom of the consumer's hopes. His comments are most revealing, for he expressed fear that the consumer movement would get out of hand.

Addressing a gathering of association executives in Washington, he warned that we must decide whether—

> We are going to let the wave of consumerism move too far and destroy the freedom of choice of consumers.

Deathless prose, indeed. Memorable words, to be sure. Those fish had better stop assaulting that crocodile. Those sheep had better leave that wolf alone. For shame. Calvin Coolidge, who said that, "The business of America is business," would have been so proud of our progressive Secretary of Commerce. He has set us a brave, farsighted example.

Did all you American housewives hear that? Remember it next time you shop at the supermarket and buy so-called hot dogs stuffed with putrid chicken meat and 30 percent fat. Remember it when you open up half-filled

boxes or try to decipher confusingly marked products.

Hear that, householders and car owners? Think of it when your next appliance breaks down and the warranty is no good. Call it to mind when the car dealer will not make good, the auto insurance company defaults or your newly installed furnace conks out.

Recall Mr. Stans' words when you inhale a lungful of filth from a bus or a car. This administration would not prosecute auto companies for conspiring to suppress development and installation of antipollution devices. Keep it in mind when the next case of poisoning from poorly inspected fish occurs in your town. The President is not interested in a clean fish act, but his Secretary of Commerce is worried about consumerism destroying freedom of choice. Remember it when you pay 50 cents for a pill which costs a fraction of a cent to make. And when drug companies shriek about research costs, remember they spend $2 on ads for each dollar on research, and that most research money comes from the Government. That is you. Yet, Mr. Stans is worried about your violent consumer instincts. Your indignation might threaten some of the profiteers who are making vast profits at your expense. Do they worry whether Government will enforce consumer protection laws such as Truth in Packaging, Truth in Lending, and Clean Meat Acts? They need not.

No one really expects the present Government to enforce them on behalf of the public. Our Government is now being run by people who look upon consumers the way Marie Antoinette thought of her subjects. Let them eat cake. How about that for good government?

No, corporations evading truth in packaging and usurers evading truth in lending have little to fear. States which were supposed to upgrade their clean meat inspection standards under the 1967 law can breathe easier. No one will hold their feet to the fire to insure that meat moving intrastate will meet Federal standards. The man charged with enforcing the law was its most vehement opponent. No, the next few years are free rides for all of these. In fact, I am sure that on December 15, almost every State will receive a 12-month extension, so filthy meat can still circulate intrastate.

After all, according to Secretary Stans, they pose no menace. He seems to think our real danger comes from consumers. They menace the Republic. Why, if we have too much consumerism, we will fall right into the laps of the Communists, because consumerism is all a Red plot, just like fluoridation, dissent, civil liberties, and medicare.

Mr. Speaker, these statements on consumerism put McKinley to shame. They make Warren Harding look like a howling Bolshevik with a sputtering bomb in each hand. Economists spin like tops and corporation heads cackle like profitable chickens over Mr. Stans' enlightened views. It is enough to make the average housewife and homeowner go into convulsions of fury.

Still, such words are worthy of preservation for the enlightenment and horror of posterity.

TRIBUTE TO SYRACUSE UNIVERSITY CHANCELLOR, DR. WILLIAM P. TOLLEY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HANLEY. Mr. Speaker, tributes to public figures tend to be long on rhetoric and short on substance—more for lack of genuine achievement than a love of eloquence. It is a measure, then, of a man's accomplishments when his tribute can be sincere, brief, and specific.

In recognizing the work of Syracuse University Chancellor Dr. William P. Tolley, my remarks, therefore, will be sincere, brief, and specific.

As chancellor of Syracuse University since 1942, Dr. Tolley has guided its growth through the uncertain postwar years, through the 1950's and the space-age sixties.

And his guidance has resulted in a superb university. Both physically and academically, Syracuse University is an unprecedented example of what a private university can accomplish with a man like Bill Tolley at its helm.

During his term, the physical assets of Syracuse University increased from $16 million to more than $450 million, and more than $80 million worth of new buildings have sprung up on the campus.

This tangible evidence of growth has been matched by a strengthened academic position, brought about by his persistent pressure for excellence, his desire to attract the most competent men and women to the Syracuse faculty, and his determination to make the Syracuse educational programs meet the needs of more than 7,000 graduate and 10,000 undergraduate students.

The chancellor has been more than a builder. He has been a molder of opinion, an influence on his students and faculty, setting examples of work, determination, and respect for the opinions of others—principles which are hooted at today by radicals as naive and unproductive. The same radicals who would destroy the academic freedom they profess to seek by imposition of their opinions and no others.

William Pearson Tolley has received 34 honorary degrees from American colleges and universities; he is a member of eight scholastic honor societies, including Phi Beta Kappa.

Yet, he is hardly an ivory tower scholastic. Dr. Tolley is the author of two books and a director of six corporations, including the New York Telephone Co. and Colgate-Palmolive Co.

We have all seen the role of university chancellor change in recent years from a sort of bucolic eminence to a position of profound influence on fundamental questions of law, society, and individual responsibility.

Let me quote from one of his addresses to students:

> The aim of the university is your maximum development as an individual. Its concern is not the mass man, adjusted to the demands and standards of society. Its concern is not a narrowly trained specialist. Its business is the education of a complete man: the democratic man, the dedicated man, and man as an individual.
>
> We must beware of making students too much alike. It matters little if you dress alike. It matters tremendously if you think alike. Brainwashing operations have no place in a democracy of free men. Thought control in any form should be anathema. . . . This is the business of the university; protecting the invincibility of the human mind.

The chancellor said that in 1954.

And in the raging spring of 1969, before a group of lawyers gathered in Syracuse, he said:

> College youth has been much maligned. Taken as a group they have been seriously libeled. No one talks about the majority of students. Their behavior is unreported. Yet they can be described only in superlatives. They are the best equipped in science and mathematics, the most widely traveled, the most art conscious, the most literate, the best prepared students we have ever had. They are taller, heavier, stronger and better looking. They can run faster and jump higher and break all kinds of athletic and endurance records which not too long ago were cause for world-wide wonder. This, remember, is the description of the majority of college students. They are the most wonderful youngsters I have ever known.

And this is from a man who had the backbone to take a cane to demonstrators who deliberately defied authorities to break up a review of ROTC students at Syracuse 2 years ago.

William Tolley was a teacher who could accept dissent but drew the line when that dissent threatened the free exercise of opposing opinions.

Mr. Speaker, Chancellor William P. Tolley, of Syracuse University, retired on September 1, 1969. This Nation is stronger for his devoted service.

THE LATE LOUIS J. ALLEN

(Mr. FULTON of Tennessee asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, Tennessee has lost a quiet but able and loyal public servant in the recent death of Mr. Louis J. Allen.

He was recognized as one of Tennessee's most knowledgeable leaders in politics and government, and he carried with him those characteristics we most admire—honesty, dedication, and the respect of his friends, even of those friends who on occasion disagreed with him.

In the Tennessee General Assembly he was highly respected as an effective and able legislator. His understanding of, and his views on legislation were valuable, constantly solicited and graciously shared. He was particularly helpful to the new or young members of the legislature. In later years, he continued his work in the general assembly as a "lobbyist," in the finest sense of the word. He was known as "Mr. Public Relations" for the railroad industry, and for this industry he was a trusted and respected spokesman. He presented a position with honesty and clarity, emphasizing the positive aspects of his viewpoint without rancor or bitterness for an opposing point of view.

On many occasions I have called on Mr. Allen for advice and the advice I received was unfailingly sound.

He was a friend to many and a gentleman to all.

He will be missed.

Political columnist for the Nashville Tennessean, Joe Hatcher, who had occasions to disagree with Mr. Allen's positions over the years, recalls him with affection in the following article:

LOUIS ALLEN'S DEATH LEAVES POLITICAL VOID

(By Joe Hatcher)

The death of Louis J. Allen leaves a void in the political ranks in the state that will be hard to fill.

Primarily, Allen was a "master lobbyist" for the railroad interests, and for the support of the governor's administrations during which he was active. He was proud of being the only "registered" lobbyist in the state for several years before Tennessee had a lobby-registration law. Allen was registered in Washington under the federal law as a congressional lobbyist.

He served for years as chairman of the State Board of Elections. He was looked upon as an expert in elections and election returns.

He was an expert pollster, who made numerous trips over the state to feel the public pulse for candidates. And as chairman of the State Board of Elections he had named the election commissioner in each county.

He was instrumental in getting Governor Ellington the post as vice-president of the L&N Railroad when he left the governor's office, and he succeeded Ellington in that capacity when Ellington was again elected governor in 1966.

The late Walter M. Haynes humorously said of Allen: "No wonder he's the greatest lobbyist. He sets the best table of all those I've ever known."

And we recall that Allen once said of his successes in favor of the railroads against labor lobbyists: "They spend their money keeping too many men on the payroll. I spend ours on the legislators themselves".

I have known Louis Allen since he was manager of the old Phillips and Buttoroff retail store on Third Avenue. He was interested in politics, then, and that led him to run for the legislature where he served in both houses, if we recall. From there he became associated with the railroads and headed the state association for years.

It'll be a long time before another man like Louis Allen comes along.

And the Nashville Banner paid a particularly touching tribute to Mr. Allen in this editorial comment:

TO LOUIS J. ALLEN—GRATEFUL STATE WILL BID A FOND FAREWELL

They will take Louis J. Allen back to Petersburg tomorrow. Until recently, it could easily have been a stage set for a quiet town of the 1800's. The drugstore smelled like a drugstore. It still had a fountain made of real marble, and windmill fans turned lazily from their ceiling suspensions.

Mr. Allen left that peaceful place many years ago and found a job as a stock boy in Nashville. But even when he had a private railroad car at his disposal he never really seemed to be far away. Just the other day he was saying: "Well, they called me from down there this morning. They were having a little problem in the school board and wanted me to help them work it out." He did not say he solved it, but of course he did.

That's what this Lincoln-like, loveable man has been doing for many decades, in distant areas beyond the confines of Lincoln County. There was a gentle, smiling wisdom about him, a bright spirit. Happiness may be this or that, but loyalty is and was and always will be the Louis Allens of the world. And they are all too few.

Working out problems—looking ahead—that's what he did as floor leader in the legislature and in other top state and local governmental positions. That's why governors, congressmen, railroad presidents and myriad executives who are supposed to know how to solve intricate situations, wanted him at their side. The members of the Fourth Estate had moments when only he could cut through for them the semantics, technicalities of official actions and sweep the guile from human motives.

All will miss him now. The state and, in a sense, Washington claimed him. But Petersburg will be waiting—the friends of his youth, the magistrates and the school board members. They usually met him in town before he went to the family home. They conferred perhaps at the drugstore that smelled like a drugstore, where they sold only medicine and ice cream and candy and cigars. Thursday it will be different. The streets will be empty. The whirling lights of the State Highway Patrol will move on through—ahead of the governor, the legislators from Nashville and Washington, candidates for office high and low, who on that day would not stop to shake hands with the residents even if they were present.

The long silent procession will stop finally at Old Orchard Cemetery. It is there the people of Petersburg will be waiting. The state and nation that Louis Allen served so well will be bringing him back to them with honor and gratitude. Louis Allen, he of the bright spirit, the Lincolnesque wisdom, gentleness and understanding, will be home at last to stay.

SUPPORT PRESIDENT NIXON ON VIETNAM

(Mr. WYMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WYMAN. Mr. Speaker, if we are to get this unfortunate mess in Vietnam ended on an honorable basis—and full-scale retreat without commitments of protection for the loyal South Vietnamese as well as our own men is dishonorable—we ought to support our President as he seeks with admirable restraint to convince the enemy that we are deescalating if he will too. Whether he will or not, remains to be seen, and there are many including myself who are dubious on this point. But to convey the impression to the world that a substantial segment of the American public as well as the American Congress favor complete unilateral retreat, whatever the enemy does, is to undermine responsible efforts to end a war that President Nixon did not get us into and that he sincerely wants ended promptly.

Proposals to establish a deadline for removing all American forces from Vietnam are flatly contrary to our national self-interest no matter how deeply their sponsors long for us to be out of there once and for all. Negotiations for commitments to assure a protected withdrawal cannot succeed in an atmosphere of full-scale retreat. The enemy does not need to negotiate or to make any commitments if he knows the Americans are going to leave anyway, and the good Lord help those who remain under such conditions. Captured enemy documents indicate that Hanoi intends to keep up the pressure and the fighting and the killing of Americans, as well as South Vietnamese, whether or not we withdraw in whole or in part. Indications are that they want us to keep on spending our billions and losing our dead and wounded thus weakening ourselves and depleting our reserves. Indications also are that the Soviet and Red China also favor our continued involvement. And why not? They spend $2 billion a year and no manpower while we spend $25 billion annually and almost 600,000 men.

Perhaps the most disturbing of recent pronouncements on this subject is that of the national Democrat chairman indicating that it is to become Democrat policy to support added domestic protest, added unrest, added violence, and further division and discord in America. Support by the Democratic Party for October 15 protests nationwide makes a partisan issue out of a war that essentially is the responsibility of 8 years of Democrat maladministration. The Americans fighting and dying in Vietnam were ordered there by a Democrat President. President Nixon is seeking to get them out. Nothing would help more at this time than to have a convincing display of national support for the course of responsibility with honor that our President is taking. Nothing is more harmful and more divisive than the course that Chairman Harris and certain Members of Congress are taking. It is to be hoped that all Americans will see this problem in its proper perspective and unitedly give President Nixon the opportunity to speak from a united nation in achieving an honorable end to a disastrous and costly involvement on the part of his predecessor.

NUCLEAR POWER PLANT SAFETY

(Mr. HOSMER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. HOSMER. Mr. Speaker, there follows my remarks made September 25 to those attending the electric companies public information program in New York City:

1969 THINK SHOP CONFERENCE

Not long ago I was accosted by a man distressed over a nuclear power plant under construction in his locality. He was concerned about being thermally radiated and atomically irradiated, but he wasn't quite sure which alleged hazard would do him in first. However, he was certain that both the flora and the fauna in of area would get it even before he did. This man went on to claim that he and his neighbors were willing to cut back on electricity so that the plant wouldn't be needed; specifically, they would stop using their air-conditioners, if they had them, and promised not to buy any, if they didn't.

He offered to lend me his well-thumbed copy of "The Carless Atom" and insisted that I listen to his stereo album of Dr. Sternglass' speeches.

Actually, my sarcasm is exceeded only by my absence of tolerance for those who forget what a magnificent contribution the electric power industry has made to our standard of living.

But let's face it, there is developing a new public attitude toward electricity and the environment which presents a serious challenge to the industry. This involves:

First, public concern over pollution in any form and a public demand to preserve and protect nature's ecological balance.

Second, the strange fact that the average citizen takes his electricity so much for granted that it is not very high on his list of priorities, and,

Third, and most importantly it is characterized by a basic misunderstanding of the issues involved.

THE ENVIRONMENTAL CRISIS

What we face is not an "either/or" choice between air-conditioners and ecology, or, in the overall sense, between technological progress and an unliveable environment. But rather, the challenge is how to brook two worthwhile but somewhat competing values, namely, the need for clean, healthy and aesthetic surroundings on the one hand and the desire for the benefits of technology on the other.

I am not saying that this Nation isn't on the brink of unprecedented environmental crisis—because it is. It was there for all to see as we came to this meeting—the steadily deteriorating quality of the air, our badly polluted rivers, our unsightly junkyards and crowded, dirty cities. Add to these chemically contaminated forests and farmlands, endangered wildlife and dying lakes and it is apparent that we are rapidly turning our world into a noxious garbage pit.

Certainly, technology one way or the other can be blamed for much of this. The technological innovations which enable man to get inside an automobile and travel 60 miles in 60 minutes are responsible for about 60% of the principal atmospheric pollutants in the United States. Along the same line, the technology which led to the construction of intercity highways and freeways has accelerated the use of the automobile, thus compounding the air pollution problem. And many people rightly or wrongly view these highways as offensive to the aesthetics of both urban and rural America.

On the other hand, we must recognize that the 200 million people in this country are inevitably going to leave their scar on the face of the land. Just the mere fact that man has to live on this planet means a certain amount of environmental effect. And this is going to accentuate when we have 300 million people in this country by the year 2000.

A QUESTION OF VALUES

These are urgent matters to me as well as to all Members of Congress. Far too little attention has been paid in the past to the environmental quality issues, and far too little money has been spent on the needed remedies. We do not lack the means to preserve and maintain some standard of cleanliness and order around us, but as a Nation we have lacked the will to do so. What I am saying is unless we seriously turn our attention and our resources to this area, we will soon go over the environmental brink.

Environmental protection does not necessarily mean sending the world back to whence it came to be refurbished in its original pristine condition, nor does it involve turning off air-conditioners, abolishing the automobile, and uninventing the wheel. Rather, the solution lies in achieving a satisfactory accommodation between the demands of the environment and the social benefits of technology. Some reasonable changes in our surroundings are little enough to pay for a better life in many modern ways. On the other hand, some portion of our resources are little enough to allocate to the preservation of a world which is clean and healthful for ourselves and future generations. We inhabit this earth; we do not own it. Our task is to decide what maximum level of environmental impact is tolerable, and to develop the will to pay the cost of avoiding that which is intolerable.

In short, the questions is: How much is society willing to pay for what level of environmental protection?

If the public demands absolutely zero thermal effects this can be achieved but the cost of reaching this objective would be prohibitive. However, if some well-reasoned standards relative to thermal change, radiation concentrations, atmospheric particulates, water quality, and other factors affecting the environment can be generally agreed upon and accepted by the public, we can, for instance, in the case of electric power, continue to meet load growth without excessive additional cost.

When I consider the largely haphazard, insufficient and ineffectual efforts we have made at air pollution control in recent years, I cannot help but compare it to our national program to contain and control radiation.

Pollution—like radiation—affects the air man breathes, his water and food, even the land he walks on. A certain amount of pollution is an unavoidable consequence of man's presence on earth. Likewise, he is exposed to a certain amount of natural, background radiation from the moment of his conception.

The potential hazards of radiation were taken into account some 30 years ago, when the Government got into the atomic energy program. This Nation turned its technological talent loose to create the most precise and effective public health program ever devised. We carefully and cautiously developed the monitoring, control and containment procedures necessary to reduce the hazards of radiation to what was conceived to be an acceptable level. We determined that the potential benefits from the application of radiation were worth the cost of this protective system. As a consequence of such foresight, this Nation now enjoys the substantial benefits of radiation in medicine, industry, and agriculture, plus the myriad peaceful uses of atomic energy, of which some radiation is a small by-product.

The same philosophy can be applied to other man-made pollutants and environmental effects. All we need is the incentive, and that seems to be developing rapidly from the forces of public opinion.

The thing I fear most at this point is the overkill strategy of some people who suddenly become zealous protectors of the ecology against man himself, the bulldozer, the axe, the plow and anything else—animal, vegetable or mineral—which, to their motion, disturbs the original natural order of things in any miniscule way, shape or form. What we see growing is an anti-technological revulsion which demands a septic level of environmental purity that is totally unrealistic and totally unachievable.

This kind of active mishandling of the problem serves no better toward its solution than passive disinterest. Actually, it is worse because it distorts rational analysis and thereby erects barriers to the formulation and implementation of rational solutions.

ELECTRICAL WITCH HUNT

Let me apply these generalizations to the electric power industry.

A few years ago, the utilities were scathed for polluting the air. Fossil fuel plants inescapably release to the atmosphere certain contaminants as well as heat effluent to rivers and lakes. So, looking for ways to reduce pollution from fossil plants, utilities turned to nuclear plants. Nuclear plants do not contribute to air pollution problems but they add a proportionately greater amount of thermal effluent to the water. They also release small quantities of radioactivity to the environment—radioactivity which is probably the best understood and most easily controlled of all man-made pollutants. Notwithstanding, the utilities are now under attack over nuclear safety, siting, thermal pollution, for not using pretty power poles and almost every other sin of omission or commission ever thought of.

The electric power industry is certainly not the worst offender to the environment. I would relinquish that distinction to the transportation industry, so it is curious to me why the nation's electric utilities are singled out for the vigorous and unrelenting harassment that they are under today.

This electrical witch hunt is taking us squarely into the possibility of a power crisis which could result in serious brownouts or perhaps even a repetition of the Northeast blackout of 1965 on a larger stage with an augmented cast of characters.

The problem is real, and believe me it is serious. The very company supplying us the power here today finds itself under fire for every single project it has under construction. The same kind of opposition is being felt all over the country; and, although most of the attention is focused on nuclear plants, difficulties also are escalating with conventional plants. As Chairman Holifield of the Joint Committee on Atomic Energy has pointed out, unless some reason is restored to this dialogue very soon, the anti-technologists and the single-minded environmentalists may find themselves doing their work by the light of a flickering candle.

THERMAL EFFLUENT AND RADIATION RELEASES

There are two ways to meet this kind of opposition—one head-on and the other by avoidance. We are going to have to utilize both of them.

We are charged with thermal pollution and with creating radiological hazards. Although straightforward answers and facts probably won't destroy the prejudices of the extremists in these regards, they will be understood by the sensible numbers of the public; so I am going to have a try at giving their typical charges and responses:

CHARGE: THERMAL POLLUTION FROM ELECTRIC POWERPLANTS DAMAGES THE ECOLOGY

Here the choice is an uncompromisable one between the availability of power and the maintenance of the ecological status quo in the vicinity of a generating station. You simply cannot produce power without discharging heat into the environment. But all this does not mean that ecological consequences must be disastrous. Power plants can be and are usually located at sites calculated to result in minimal ecological consequences, which in some cases could even be made beneficial rather than detrimental.

I recall that in the vicinity of the proposed Bolsa Island nuclear power and desalting plant off the southern California coast, the utilities had planned to introduce in the limited area of raised sea water temperature new sea growth from the warmer waters of Baja California, it would have turned the area into a fisherman's paradise. The introduction of new plant life and new species of water organisms can, where necessary, result in similar ecological enhancement.

On the difference in heat discharge between nuclear and conventional plants, let me say this: The newest and most modern fossil plants are about 42% efficient energy converters and the best nuclear plants about 34% efficient. This means, in the case of fossil plants, that 58% of the Btu's are rejected: and in the case of nuclear plants, 66%—a difference of 8%. Of the rejected Btu's, all go into the water in the case of nuclear plants, while for fossil plants, the 58% goes roughly three-quarters into the water and one-quarter up the stack and elsewhere. So, although nuclear plants may put a larger thermal burden on cooling water, their overall thermal contribution to the environment is larger only by a relative small amount, and this gap will narrow as nuclear technology improves.

To have power you must have heat. Instead of fretting about it, we should seek means to transform it from a detractor to an enhancer of the acceptability of thermal plants.

CHARGE: NUCLEAR POWERPLANT RADIOACTIVITY POSES A PUBLIC DANGER

There are three categories of radiological hazards from the operation of nuclear power stations which must be considered: (a) accident and radiation release; (b) increase of exposure; (c) concentration of specific isotopes in the food chain.

Insofar as plant accidents are concerned, figures developed by Dr. Chauncey Starr, dean of engineering at UCLA, are pertinent. He says the risks acceptable by man in our society can be measured from a point which represents the risk of death from disease. We all have a natural instinct—a little computer in our minds—which tells us where this point is. Depending on our personalities, we may voluntarily accept risks far above the line. The private flyer, for instance, takes a thousand or two times greater risk than that of dying from disease. But this is a voluntary risk.

However, as to involuntary risks—those from activities imposed by society—we are at least a thousand times more cautious, as regards to our use of electricity. And I'm talking about all risks from use of electricity, from digging coal to the light bulb in our home. Since, in the case of fossil plants generation itself accounts for only one-fifth of this slight risk. It means the risk from conventional power generation alone is about five thousand times below that of the individual's acceptable risk line.

Dr. Starr goes on to estimate that for economic reasons, that is, because nuclear power plants cost so much and because the kind of accident that would do damage to the public would wipe out a utility's multi-million dollar investment, the design and operating requirements for safety laid on nuclear power plants are one hundred times more severe than those laid on fossil plants.

If my mathematics are correct, this means that the risks to the public from nuclear plant accidents is one hundred times less than from fossil-fired plants, and one-half million times less than the risks that the least adventurous soul amongst us voluntarily accepts during his day-to-day activities.

Insofar as radiation releases are concerned, the important point is this: No member of the public nor any employee of a licensed nuclear power plant has ever been killed or injured because of the operation of a civilian reactor. Nor has any worker or member of the public ever been exposed to radiation levels on account of a nuclear reactor, above the permissable annual limits. Nor has any release of radiation above federally established levels ever occurred.

This is not to say that failures, malfunctions of equipment and personnel errors have not occurred. They have—just as the space program lost many rockets on the launching pad in the early days of the program. This is to be expected in any complex undertaking. But it is important to recognize that the program is so well thought out and organized that none of these mishaps resulted in consequences to the public.

What all the hullabaloo amounts to is the demand by some that we prove the negative, namely, that no such damage will ever occur. Put another way, it amounts to a demand that nuclear power plants supply all of the benefits of electricity with absolute zero-risk to the public, even though in the case of fossil plants, a degree of risk, even though small, has been readily accepted.

I contend that the limits of risk established by government for nuclear power plants do not exceed and are probably much more conservative than the limit applicable to conventional plants. The radiation release limits are based on the combined wisdom of the United Nation's International Commission on Radiological Protection, the Federal Radiation Council, as approved by the President, and the National Council on Radiation Protection & Measurement. In licensing reactors, the AEC carefully establishes standards based on these limits carefully tailored to the specific site and the specific reactor. It sets limits for release of liquid and gaseous radioactive effluent which are far below the level from which anyone anywhere outside the site itself living with them constantly could suffer any adverse effect.

As a practical matter, the pressurized water reactor at Indian Point—a typical example—last year released less than 1% of either the gaseous or liquid radioactivity permitted under its AEC license. This means that actual releases were below, by a factor of 100, even the AEC's conservative exposure limitation requirements.

At this point I think it well to define the unit of measurement of exposure to radiation. The rem is used as this measure. In discussing smaller exposure we commonly express it in millirems—a unit one thousand times smaller—to avoid cumbersome fractions. Now let's see what the AEC's limits amount to in these terms.

The radiation exposure to all human beings from cosmic rays and general external sources varies from 80 to 200 millirems per year, with an average of about 125 millirems per year. If a man lives in a stone house, radiation levels within it may add 50 to 100 millirems per year more over background than if he lives in a wooden house. If a man lives in Denver, he will be exposed to 70 millirems more background radiation per year than if he lives at sea level.

Operating experience to date shows that exposure to the people living in the immediate vicinity of typical operating nuclear power plants is increased only by 5 to 10 millirems per year. In other words, by only 4% to 8% over average natural background exposure, or by 1/7 or less than that involved in moving from a wood house to a stone house.

And if this weren't enough the radiation protection regulations also take into account and regulate exposure to the public from intake or radioactive materials in food, including reconcentration of radionuclides in fish that may be eaten by humans.

Never before in the history of man has any economic activity been carried on with such meticulous and constant attention to public protection. Never before has there ever been achieved such a favorable benefit to risk ratio than has been achieved by our nuclear power industry.

I have never been a great fan of the professional regulators, but in the case of the atom's regulators, I think they are due kudos rather than the brickbats they have been getting.

NEW APPROACHES TO POWER PLANT SITING

Earlier I made mention of the strategy of avoidance as applicable in the battle for power generating sites. The essence of this strategy is to keep out of a donneybrook each and every time a new power plant has to be built to meet load growth. Chairman Chet Holifield and I had this in mind when recently we wrote to Governor Reagan of California, suggesting establishment of a State Power Plant Siting Authority. Some utilities in California essentially have run out of sites, and others are about to.

We feel that if the public need for electric power is to be met and if to meet it requires the exercise of powers of government, then initiative should be taken to exercise them.

We recommended to Governor Reagan that a calculation of new power demands in California to the year 2000 be made; that an inventory of available sites be taken: and that the site deficit be ascertained. Next, we recommended that the proposed power plant siting authority be given both the responsibility and the legal and financial means to supply the deficit. We suggested that this might be done through the establishment of a limited number of power parks throughout the state which would be available to all its generating utilities, public and private at charges sufficient to recoup the State's costs.

We recognize that although a State may not have the technical resources required to determine radiation standards the state is best qualified in other areas to balance its need for power with the objective of protecting aesthetic, ecological, environmental, and other values.

In passing, I should note that 10, 20, or even 40 thousand megawatts, concentrated in one park, could surely support the kinds of investments which would be needed to make locations suitable for power generation which would be too expensive for any less intensive development.

Frankly, if for no other reasons than the fact that we are indeed going to have to start manufacturers power plant sites and pool our resources to do so, it is my belief that the power park and the power plant siting authority concepts will have to come into being in many regions.

Another tactic of avoidance that has occurred to all of us from time to time is to get these monster generating stations out of sight—underground—where they would, perhaps, also be out of mind. Even if that does not result, at least the additional reactor safety features that might be incorporated in underground siting—and the matter of moving generating facilities closer to metropolitan load centers—become more manageable. I hear that new AEC Commissioner Tommy Thompson has thoughts somewhat along these same lines.

There is another somewhat more resourceful approach to avoiding confrontation which might appeal to professional public relations men. Traditionally, very little imagination has gone into the naming of power plants, nuclear or otherwise. Names usually come from the geographic location or some little known board chairman. Names like Indian Point and San Onofre or Peach Bottom may be very pleasant sounding. And plants named after utility executives may gratify the management. But they don't grab you—right here. None of them really add to the sex appeal of the project.

I can't help feeling that a little more imagination in naming generating stations could help. Why not name your new power plant after some beloved public figure, a local or national hero? Why not have a Robert E. Lee nuclear power plant in Virginia or a George C. Wallace thousand megawatter in beautiful downtown Alabama? Seriously, I can think of few names more suitable for a nuclear power plant than that of Dwight D. Eisenhower, father of the atoms for peace program.

And, I suppose if all else fails, you might come up with the great M–O–M Nuclear Generating Stations—for who could be against Mom?

THE GREEN BERETS

(Mr. ADAIR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ADAIR. Mr. Speaker, it was with a great sense of relief yesterday that I learned that Secretary of the Army, Stanley R. Resor, had decided to drop the case against the Green Berets. In my view, this was a wise decision. The whole case was about to become a legal circus. Out of the turmoil that has arisen from the controversy over this matter, my feeling is that the Department of the Army will now take whatever steps are needed in order to prevent a recurrence of such an incident.

HAWAII OPPOSES NUCLEAR TESTS IN ALEUTIANS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, yesterday's hearing before the Senate Committee on Foreign Relations confirmed my doubts that we should proceed with the underground nuclear tests scheduled to begin Thursday at Amchitka Island in the Aleutians.

The Atomic Energy Commission's testimony at this hearing reflects a pattern of secrecy and concealment of fact similar in many respects to the Army's role in the testing of toxic nerve agents in Hawaii.

In the matter of nerve agent tests, only repeated digging brought forth the admission that tests of these chemical warfare substances were conducted in my State. In the case of the Aleutian nuclear tests, only continued prodding has brought about AEC release of Dr. Kenneth Pitzer's report of nearly a year ago concerning the possible catastrophic consequences of these blasts.

The AEC finally released this information only yesterday morning. Chairman FULBRIGHT was handed a copy just minutes before he opened his hearings. The Commission's reluctance is understandable, since this report contains extremely damaging information concerning the test series. It says, for example:

> The panel is seriously concerned with the problem of earthquakes resulting from large-yield nuclear tests. The testing in the Aleutians may excite a tsunami which could be destructive at great distances.

From the standpoint of preventing any public discussion of these dangers, I can see why the AEC withheld this report from Members of Congress as "an internal working paper." Its contents, however, make me more determined than ever to subject the Aleutian tests to full investigation by scientists not connected with the AEC or other agencies involved. Because of its value I am inserting Dr. Pitzer's report at the close of my remarks.

The AEC testimony at yesterday's hearing also made much of the fact that nuclear testing is reviewed quarterly by the Under Secretaries Committee of the National Security Council. This would make it appear that the Amchitka tests, which have been planned since 1966, were under constant high-level review to assure safety. Questioning brought out, however, that this group reviewed and recommended approval of the Aleutian tests only this month—obviously at a time when preparations were well underway. The Government has invested more than $100 million in setting up the tests, and I can well understand why the Under Secretaries would not want to cancel this investment just a few days before the first detonation on October 2.

The public interest, nationally and internationally, requires that the series be suspended despite our previous investment. The potential loss in life and property is much greater that what has been expended in preparation.

If the AEC has been overly reticent in disclosing the truth about the tests, the Interior Department has also shown lack of candor. In response to my protests earlier this year, the Department assured me that it was powerless to act against the Amchitka tests—despite the fact that they will be conducted in a national wildlife refuge—since the Presidential order establishing the refuge in 1913 reserved the military's right to its use for national defense purposes. Now we find that the AEC claims:

> It was necessary that this permission come from the Secretary of Interior . . . In August of 1966, the necessary permission was obtained.

It seems to me that Secretary Hickel, a former Governor of Alaska, has the power to withdraw that permission at least to allow further study of the tests, if the chooses to exercise that authority. Obviously he has not chosen to do so.

Another AEC disclosure at this late hour is the fact that Hawaii was considered as a potential site for huge nuclear blasts of the type scheduled for Amchitka Island. When it decided to move the tests from Nevada because they might shake down Harold Hughes' gambling saloons, the AEC says it "conducted an extensive search for a suitable site for the larger events, in which many locations within the United States, including Hawaii and Alaska, were considered." Had Hawaii been chosen, I wonder at what point our elected officials would have been contacted and whether our consent would have been sought.

I am also dismayed by the AEC's secrecy concerning these "events," as it calls the nuclear tests. Newspaper reports have told everyone that the Amchitka tests are to help develop the ABM system, but at the hearing the Commission spokesmen refused to acknowledge even this fact. They wanted to go into executive or secret session of the committee before discussing such matters.

The AEC also declined to offer illumination on why the Government was disregarding its promise to the people of Alaska that no atomic tests would be conducted at Amchitka after the small 1965 blast. The Commission spokesman said any such promise must have been made by the Department of Defense, not the AEC, and therefore the Commission was not responsible.

When the AEC spokesman cited the Commission's efforts to inform other Government agencies of the tests, it was pointed out that the Commission had not bothered to inform the Foreign Relations Committees of Congress concerning official protests to the Amchitka tests filed by the Governments of Canada and Japan week before last.

Someone in the Government has the ultimate responsibility for these tests. I have called on President Nixon to order a suspension of the Amchitka series pending an independent investigation of the type called for in legislation I have introduced. I sincerely hope he uses his authority since there is little time remaining before they commence on Thursday.

Since Amchitka is envisioned as a permanent test site it could only be a matter of time thereafter until our tampering with this delicate geological area touches off a disaster.

Mr. Speaker, many officials and groups in Hawaii have urged a suspension of these Amchitka tests. I include at this point in the RECORD, in addition to the Pitzer report, statements by the Governor of Hawaii, the State Federation of Labor, AFL–CIO, and the Honolulu local of the International Longshoremen's and Warehousemen's Union, a telegram from Mayor Shunichi Kimura of Hawaii County, an article from Environment magazine of July–August 1969, and my own testimony before the Senate Foreign Relations Committee.

REPORT OF THE AD HOC PANEL ON THE SAFETY OF UNDERGROUND TESTING, NOVEMBER 27, 1968

Dr. Kenneth S. Pitzer, Chairman; Dr. Ray W. Clough; Dr. Lawrence R. Hafstad; Dr. James R. Killian; Dr. Gordon J. F. MacDonald; Dr. Frank Press; Dr. William W. Rubey; Dr. Donald F. Scott; Dr. David K. Todd; Office of Science and Technology, Executive Office of the President, Washington, D.C.

CHAPTER V

The Panel received briefings on November 1, 1968, concerning the various potential hazards associated with underground nuclear explosions from the groups sponsored by the AEC to study these problems and from other experts. On November 8, 1968, the Panel met further with Dr. Glenn Seaborg and Dr. Gerald Tape of the AEC, after which discussions were held in executive session. The Panel's principal conclusions and recommendations are set forth in the following paragraphs. More complete assessments of the major areas of potential hazards are given in appended sections.

With regard to ground water contamination, direct seismic effects on structures, and radioactive venting, the Panel concludes that, while the possibility clearly exists that some damage will occur, there do not appear to be any major potential hazards with far-reaching consequences at the proposed level and locale of testing.

The Panel is seriously concerned with the problem of earthquakes resulting from large-yield nuclear tests. Although the possibility that underground nuclear tests might initiate one or more earthquakes has been suggested in the past, new and significant evidence demonstrates that small earthquakes do actually occur both immediately after a large-yield test explosion and in the following weeks. The largest of the observed associated aftershocks have been between one and two magnitudes less than the explosion itself. However, there does not now appear to be a basis for eliminating the possibility that a large test explosion might induce, either immediately or after a period of time, a severe earthquake of sufficiently large magnitude to cause serious damage well beyond the limits of the test site. This possibility is more serious for tests of greater than a megaton since the larger initial explosion would lead to greater alteration of the regional stress pattern. Further, it has recently been suggested that the great earthquakes (magnitude 8.5) are actually composed of a rapid succession of earthquakes of magnitude 6.5 to 7.0. Therefore, the fact that there have been two shots of approximately one megaton at Nevada Test Site without serious consequences does not give assurance that a future large shot might not result in a large earthquake.

The proposed tests at the central Nevada site involve a greater risk of earthquake than those at the regular Nevada Test Site since

the more northerly portions of Nevada are more active seismically. Since the Amchitka area in Alaska is still more active seismically, the hazard of inducing an earthquake must be considered to be greater at that location than at either Nevada site.

The recent evidence indicates that the risks of damaging side effects from megaton tests are larger than were estimated when the proposed test series was planned. However remote and uncertain these risks may be, in the Panel's judgment they still raise new and serious questions about such tests and about the selection of sites for such tests. The need for each test, including the test proposed for December 1968, should be given new consideration in the light of this new information. Consideration should also be given to the possibility of establishing a new high-yield test site in a non-seismic area.

The Panel expresses no judgment as to how important are the reasons for carrying out any one of the projected tests. However, the Panel does believe that the need for the tests as planned should be compelling if they are to be conducted in the face of the possible risks that have been identified.

In order to extend our judgment of nuclear event-related seismic hazards, the Panel recommends that future tests be accompanied by a more comprehensive seismic monitoring program, both pre- and post-shot, than has been carried out previously.

The Panel believes that the public should not be asked to accept risks resulting from purely internal governmental decisions if, without endangering national security, the information can be made public and the decisions can be reached after public discussion. In highly technical areas this discussion must take place primarily in professional circles. Moreover, there is great advantage in opening the consideration to professionally qualified persons who might make contributions to the understanding and solution of the problems. The Panel notes that most of the relevant information on all aspects of the problem is unclassified and that the essential parts of other reports could be released after editing to eliminate information about the particular nuclear explosive being tested. Consequently, the Panel recommends that as much information as possible concerning all of the potential hazards related to the continuing program of underground tests be released and that appropriate symposia be encouraged to facilitate discussion of these matters in the relevant professional communities in order that the general public may gain a better understanding of the problem.

Earthquake and slips related to underground explosions

The potential seismic hazards from large-yield underground nuclear explosions include both the effects of ground motion resulting directly from the explosion and the effects of grounds motion resulting from the triggering of earthquakes or slips as a result of the explosion. The hazard connected with the triggering of earthquakes is a more serious question because of the potentiality of releasing tectonic energy comparable to or very much larger than, the energy of the explosion itself and at locations other than the carefully selected test site. We have only recently been confronted with this hazard because of the large yields of the devices being tested in the current program. We are now dealing with underground explosions with equivalent earthquake magnitudes in the range 6–7.

Although we can only speculate about the mechanism by which an explosion can trigger an earthquake, there is good evidence that great earthquakes consist of a superposition of smaller (magnitude 6 to 7) events triggered in succession. For example, data was presented last year which showed that the great Alaskan earthquake of 1964 was actually composed of a rapid succession of earthquakes of average magnitude 6.8. There is also evidence of a delayed reaction where an earthquake is followed by a second major earthquake in a contiguous region after a period of days or months. For example, the great Chilean earthquake (magntiude about 8.5) which produced a rupture of about 1,000 kilometers in length was preceded by a smaller earthquake (magnitude about 7.5) which deformed the northern part of this immense rupture zone the day before. A series of earthquakes in Nevada showed a similar phenomenon. The Fallon-Stillwater sequence occurred in July and August, 1954, each event with a magnitude 6.8. The Dixie-Fairview Peak earthquake sequence occurred in an adjacent area of the same seismic zone in December 1954. The two shocks were 4 minutes apart and showed magnitudes of 7.1 and 6.8 respectively.

One hypothesis which may explain these phenomena proposes that a seismic belt is a region in which tectonic stresses produces regional deformation and a large amount of energy is stored in the form of elastic strain. An instability develops along a fault, slip occurs and a large amount of strain energy is released. Much recent work indicates that the stress drop of even the greatest earthquakes represents only a small fraction of the total stress in the rock around the fault. This stress is probably redistributed following an earthquake and concentrated at other points where the fault is located. These lock points break rapidly, as in the case of an earthquake sequence. While this hypothesis is of course speculation, the main point to be considered in reviewing the hazards of large underground explosions is the observation that many destructive earthquake sequences seem to be related to individually recognized events in the magnitude 7 range.

There is no question that the larger nuclear explosions in Nevada have actually triggered small earthquakes and have produced slips along faults to distances up to about 40 kilometers. An earthquake in Southern California which occurred in the spring of 1968 with magnitude about 6.5 produced displacements on faults at distances as great as 70 kilometers from the epicenter and well outside of the region of principal aftershock activity. Thus, explosions or earthquakes in the magnitude 6.5–7 range can reasonably be expected to produce aftershocks, slips and stress readjustments to distances of the order of 100 kilometers from the epicenter. It is not clear whether these effects are due to static readjustment or whether they are induced by the dynamic stresses accompanying the large amplitude seismic waves. In any case, if there is high train energy accumulation in a region within about 100 kilometer from a large explosion or earthquake, the possibility of triggering a major earthquake or starting a new seismic sequence has to be considered. Unfortunately, it is not yet possible to measure the absolute train energy accumulation. Also, an earthquake is basically a process of instability and the experience with smaller explosions cannot be extrapolated to larger explosions as in the case of predicting ground motion.

Man's ability to intervene with the tectonic process was recently demonstrated in the case of the Denver earthquakes. These shocks occurred in a region which heretofore had been considered aseismic. Actually, this was a region of elastic strain accumulation and apparently locked faults. The pumping of fluids into a deep disposal well resulted in the unlocking of a major fault and the initiation of an earthquake sequence. Some well-known seismologists are now suggesting the possibility that a major earthquake may hit Denver as part of this man-induced earthquake sequence. The Denver experience may not be pertinent to underground testing in the sense that there is no analog to fluid injection. On the other hand, the Denver events may be pertinent if the Denver aftershock sequence is due to a shifting concentration of stress and the successive failure of lock points following the initial effects of fluid injection.

Nevada is a region in which destructive earthquakes are known to have occurred in historical times. The large number of faults which have been mapped and which show recent movements imply that Nevada has been seismically active for a much longer period. Tectonic stress is producing regional deformation in Nevada today and elastic strain energy is being stored in the rocks of the region. Amchitka is more seismic than Nevada by at least an order of magnitude. The hazards of triggering an earthquake in the Aleutians are different from Nevada. The triggered event may be larger in the Aleutians and it may excite a tsunami which could be destructive at great distances. However, not all of the larger earthquakes in the Aleutians produce tsunamis. Nevertheless, if the triggered earthquake were a large one (magnitude greater than 8) and the rupture propagated to the east where the population density increases, there could be damage due to ground vibrations as well as tidal waves.

The present level of understanding of seismic phenomena makes it difficult, if not impossible, to evaluate quantitatively the risks of conducting large underground tests in seismic regions. However, we know that seismic events in the magnitude 6 to 7 range can produce slips and aftershocks in the distance to range 10–100 kilometers. We also know that seismic events in the magnitude range 6–7 have been associated in the past as foreshocks to large earthquakes or as components of large earthquakes. In view of these observations, a risk must be associated with conducting large-yield nuclear tests in seismic regions. The risk seems to be small but not insignificant since the consequences of accidentally releasing a large amount of tectonic strain energy could be extremely serious.

Slips occurring on faults or bedding planes have led to the destructive failure of several dams in recent years. All dams within about 100–200 kilometers from large underground explosions (magnitude about 6.5–7) should be examined for the existence of faults and potential landslides which might be triggered by the explosion. Our concern here stems from the recently discovered slips (as distinct from aftershocks) associated with earthquakes and explosions in this magnitude range.

Direct seismic effects of underground testing on building structures

The ground motions generated directly by a major underground nuclear test are comparable to a moderate earthquake and present a potential damage hazard to buildings located in the vicinity of the test. Seismic waves from an underground nuclear explosion propagate outward from the source and induce ground vibrations which can result in damage of structures depending on the response of these structures to the amplitude and frequency of the vibrations. The motion of the ground at any point depends on the yield of the nuclear device, the medium in which the explosion occurred, the velocity-depth structure and attenuation characteristics along the paths followed by the seismic waves, and finally the characteristics of the soil and bed rock beneath the structures. By gathering a large number of observations of ground motion associated with underground tests in different media and with variable yields it is possible to evaluate these factors separately and to end up with a fairly good capability for predicting ground motion. Empirical scaling laws can be devised so that extrapolation to larger tests would lead to no surprises of a significant nature not predicted by the probability distribution of ground vibration deduced for the particular test site and its adjacent regions.

The AEC has of course recognized the potential direct seismic hazard from nuclear tests and has taken what it considers to be appropriate measures to insure the safety of structures which might be affected. An assessment of this problem can be conveniently divided into two phases: (1) the ground motions which may be developed at the site of each significant building, and (2) the effects produced in the buildings by these ground motions.

Prediction of Ground Motions. The ground motion generated by an underground test is a very complex function of time. It is neither feasible nor desirable to predict its exact time history at each building site. It is necessary only to predict those features of the ground motion which have a significant influence on the structural response. The AEC contractor that has been assigned the task of predicting ground motion has selected as its basic measures of the ground motion peak amplitude, the amplitude-frequency content, and the elastic response spectrum. For the purposes of building damage control, these should provide an adequate characterization of the ground motion; in fact, the elastic response spectrum itself is probably sufficient. However, it is important to note that these qualities do not completely define the ground motion, and are not suitable to predict the amount of damage which may be developed in a structure to an excessive ground shock. The response in this case is inelastic, and is not proportional to the elastic spectral response.

The ground motion prediction techniques employed by the AEC contractor are essentially empirical extrapolation procedures based on measurements made in the critical structure areas (principally Las Vegas) during a large number of smaller events. These procedures seem to be quite suitable for the purpose of predicting ground motions which may have a significant effect on typical buildings in the vicinity of the main Nevada Test Site. The principal criticism which may be directed against the prediction effort is the fact that no basic hypothesis or analytical procedure has been developed which would make possible the calculation of motions to be expected from tests conducted at other sites and affecting other cities. Thus, it would appear that safety can be achieved in the proposed central Nevada and Alaskan test sites only by gradually increasing the yield and thus developing the necessary experience during the test program.

Specific questions that should be given greater consideration in the prediction effort concern the influence of local soil conditions and the effects of focusing by geologic structure on the motion characteristics developed at any given site. The influence of soil conditions could be studied quantitatively by establishing arrays of recording instruments located at fixed distances from the source and extending across widely differing soils (from solid rock to deep soft alluvium). On the basis of such measurements, it should be possible to devise analytical procedures which can account for the influence of ground conditions. The problem of focusing probably cannot be studied so easily, but efforts should be made to determine under what conditions and to what extent this factor may influence ground motion intensity.

The principal conclusion which may be drawn from the presentation on ground motion predictions is that the predictions are probably quite accurate for tests to be done in the Pahute Mesa area, and should provide for reliable estimates of damage to be expected in Las Vegas. Predictions made for tests to be carried out in central Nevada cannot be so reliable because of the limited experience with this area. Whether any damaging motions might be focused on Reno or some other city by these tests, and whether any special ground motion characteristics will result from the soil conditions present in these cities are questions which cannot be answered definitely at this time. However, results of the Faultless test indicate that there may be no special problems in this area.

Prediction of Building Response. The response of an elastic building to a specified ground motion is a standard problem of structural dynamics, and can be carried out with great accuracy for any building for which the dynamic properties are known. The response spectrum techniques being employed by the AEC contractor are quite suitable for this purpose. The principal problem in the response prediction is the evaluation of the essential building properties. Vibration-mode shapes and frequencies and viscous damping ratios are probably the most significant structural characteristics, and these can be obtained experimentally either from preliminary low-yield test excitations, or from other dynamic inputs.

The principal difficulty in the response prediction problem is the estimation of the strength capacity of the buildings subjected to ground motions. Reasonable estimates can generally be made of the strength of the basic structure, but the nonstructural components such as partitions, plastered walls, window systems, etc., have rather indeterminate force or deformation capacities. The extensive monitoring of buildings for damage, as is being done by the AEC contractor, is probably the most effective means of establishing these strength properties in practice.

In general, it may be concluded that the response prediction work of the AEC contractor is comprehensive and effective, and provides satisfactory estimates of the damage to be expected in Las Vegas. Presumably, similar work will be done in the cities which may be affected by ground motion generated from the central Nevada test site. The only major criticism which may be directed toward this phase of the work is that the technical results which are developed from these underground tests are not being released to the scientific community. These tests are equivalent to earthquakes in many respects, and the response analyses and measurements are of great significance to earthquake engineers. These measurements will be even more valuable if and when incipient damage is developed in any of the observed buildings, and it is important that all results be released to the profession as soon as is practicable.

Effect of underground testing on earth and concrete dams and embankments

Soil and concrete structures may be subjected to damage by the ground shaking accompanying a nuclear event, or by displacement, induced by the event, along a geological fault running through the structure. Several types of soil behavior can occur: the soil can be a vibration transmitter to a structure; the soil can fail, resulting in the sliding of soil masses; and the soil can slump or subside as a result of compaction or densification effects, which are intensified in saturated soils due to liquefaction. Soil slides and flows can also occur under water. Damage can occur in concrete dams such as cracking of the structure, motion of the dam with respect to its abutments or foundations, and disturbance of the generating equipment requiring realignment. Rock falls can occur as a result of ground shaking. If soil slides or rock falls occur in reservoir side slopes, the resulting water waves can cause damage to the dam and appurtenant structures, as well as along the reservoir margin.

Observed Effects at NTS. A substantial number of ground motion records have been obtained at Nevada Test Site over a wide area from a variety of tests. No highway or other embankment slope failures have been recorded. In the vicinity of some shot points ground cracking has been observed which was attributed to geological faulting propagated through the alluvium. It is not clear whether or not some proportion of this cracking is in fact attributable to local soil compaction or slumping effects. Soil slope failures and rockslides in areas adjacent to shot points have occurred. Since fault displacements at unexpected distances from ground zero have been detected essentially accidentally after events, it is not known to what distance rock falls or soil slides might have occurred.

At Hoover Dam, records of small (0.005g) accelerations have been made on the dam. These have not been accompanied by observed damage. There have been no records of rockfalls or soil slides into Lake Mead.

Earthquakes near Hoover Dam apparently not associated with nuclear tests have interrupted power transmission from the Hoover Dam power plant as a result of relay vibrations. Some of these earthquakes have been associated with the filling up of Lake Mead and are thus another example of human intervention in tectonic processes. The flow of the Colorado River into Lake Mead since construction of Hoover Dam has been accompanied by a gradual deposition of silt in the reservoir floor. Periodic changes in the elevation of the silt reservoir bed have been observed due to underwater slides, flows, or turbidity currents in the silt.

Possible Future Effects at NTS and Amchitka. Considering the present levels of ground motion recorded at or near Las Vegas for Project BOXCAR, tests at Pahute Mesa and the central Nevada test site, with yields up to two and four times respectively those of the largest events conducted to date, do not appear likely to cause soil disturbance of the types cited. The soil vibrational response in Las Vegas due to the BOXCAR event has apparently reached levels which, combined with the response characteristics of some buildings, are on the point of causing minor amounts of architectural damage.

In Amchitka, Alaska, underwater soil slides may be generated by a nuclear test although the offshore soil conditions are uncertain. Submarine soil slides may generate tsunami waves. In the past, several large tsunamis have been associated with soil slides.

In summary:

(1) There is no evidence at present to indicate that future tests at Pahute Mesa up to twice the yield or at central Nevada Test Site up to four times the yield of the largest events conducted to date will be hazardous from the point of view of soil behavior.

(2) There is a need to obtain more soils information in the immediate vicinity of ground zero and to examine more carefully the detailed nature of crack and displacement patterns observed on the surface after tests, to clarify their relation either to faulting in bedrock or to local soil slumping or other movements not directly related to bedrock faulting. The behavior of soil and rock slopes around Lake Mead could be more carefully examined pre- and postshot. The position of the silt surface at the bottom of Lake Mead could also be studied before and after future events. Some of these additional studies could be carried out in such a way that they would supply information of significant assistance to the solution of current earthquake engineering problems.

(3) Since some structural damage during earthquakes appears to result to structures as a consequence of their prestressing by poor soil or foundation conditions, such damage may not be predictable by the techniques employed by the safety organization at NTS and therefore it appears desirable that more emphasis be given to the examination of soil conditions and their relation to structural conditions at Las Vegas or other inhabited areas, as well as over the test site generally.

(4) There is at least a possibility that in Amchitka soil behavior might result in the

development of underwater slides that could conceivably result in the generation of tsunamis. More attention should be given to this problem.

(5) Structures for which a damage potential exists (in particular, dams, reservoirs, water tanks) within a radius of 200 km should be monitored before and after each of the larger tests.

Ground water contamination hazards

Radionuclides released from large underground nuclear explosions are distributed initially by direct action in the immediate vicinity of the explosion. If the shot point is near or below the water table, the nuclides may be transported by ground water in possibly hazardous concentrations.

Because ground water generally moves at velocities measured in terms of feet per year, only long-lived radionuclides are important in water transport. The biologically significant radionuclides in this category include H^3 (tritium), Ca^{45}, Co^{60}, Sr^{90}, Cs^{137}, Ru^{106}, and Ce^{144}. Laboratory and field experiences have demonstrated that all of these nuclides except tritium are strongly absorbed by exchange with cations on the surfaces of clay materials; consequently, their movement is only an insignificant fraction of that of the ground water with the result that their concentrations fall below the maximum permissible concentration (MPC) within a short distance from ground zero. However, the disposition of radionuclides in limestone or dolomite is more complex and in these rocks the absorption may be substantially less than in volcanic rock. For tritium, a negligible exchange between tritiated water and the rock matrix must be assumed. Thus, in terms of curies of activity tritium represents the most abundant nuclide in ground water from a large fusion-fission explosion and becomes the primary contaminant in ground water.

Assuming tritium moves as an ideal tracer with ground water, it will travel in the direction of the local water table gradient and at a velocity governed by the magnitude of the gradient and the permeability of the aquifer. Although average values of gradients and permeabilities in a particular medium can be determined from well data, movements of tritium one to two orders of magnitude greater than the average ground water velocity can be expected as a result of (1) local heterogeneities in aquifers, particularly openings such as solution tubes, fractures, and faults, and (2) dispersion resulting from hydrodynamic mixing as water travels through an actual porous media. Transport can be most rapid through formations such as limestones, basalts, and coarse-grained alluvial deposits which contain large openings.

Experience gained from waste disposal operations at Hanford shows that maximum ground water velocities can be several-fold greater than the average velocity and that without extensive subsurface information the location and direction of these high-velocity tongues are impossible to predict. Similarly post-shot field tests at Project GNOME revealed velocities some 25 times greater than expected values.

At the Nevada Test Site subsurface hydrological investigations have defined the regional ground water flow pattern and average rates of flow. Water tables in the area are deep, exceeding 1,600 feet, because of drainage to the south through underlying carbonate formations. Although permeabilities are large, water table gradients are low and consequently velocities are small. Exploratory well data have thus far revealed no evidence of continuous underground conduits which could permit high ground water velocities; nevertheless, the possibility of such heterogeneities must be recognized and an active program of testing maintained. There is no reason based upon evidences collected to date, to believe that tritiated ground water will reach the discharge areas, some 50 miles south of NTS, at concentrations above the maximum permissible concentration (MPC).

At the Central Nevada site ground water occurs at depths of less than 600 feet and drains into Railroad Valley. This is a closed basin with ground water approaching land surface in the lowest portion of the valley where it is lost by evaporation to the atmosphere. As long as use of ground water in the valley is carefully restricted, no problem of tritium contamination is foreseen.

At Amchitka, the water table is everywhere near ground surface. Any shot point will be within roughly two miles of the shoreline and the water table gradient will be greatest in a seaward direction. With relatively little information available on aquifer conditions, the greatest movement of ground water would be anticipated along one of the numerous transverse faults on the island. On this basis tritiated water at levels above the maximum permissible concentration (MPC) would be discharged into the Pacific Ocean; however, the resulting immense dilution would rapidly dissipate excessive tritium concentrations.

On the basis of the above summary, it appears probable that future underground tests of large magnitude at the three test sites will not create hazardous ground water contamination. It should be emphasized, nevertheless, that because of the uncertainties of localized geology, continued surveillance monitoring of ground water is essential to insure that unexpected high concentrations of any radionuclides do not go undetected.

Radioactive venting

Underground nuclear tests are normally buried at depths designed to prevent the venting of any radioactive material. The problem of assessing the hazards from radioactive venting therefore consists of first establishing the probability that some radioactivity might be released despite the efforts to contain it and then determining the biological significance of that amount of radioactivity. The Panel did not consider the special problem of radioactive venting from underground nuclear excavation tests which are not designed to be completely contained and are expected to release a small fraction of the produced radioactivity to the atmosphere.

As a result of the extensive U.S. underground nuclear test program, there is a considerable amount of data available on the containment of nuclear explosions over a very broad range of yields (from a fraction of a kiloton to the order of one megaton). On the basis of this information, scaling laws have been developed that permit calculation with a high degree of confidence of the depth of burial required to contain an underground test of any anticipated yield. When these scaling laws are applied to tests with yields of more than a few tens of kilotons, experience indicates that there is very little chance that there will be any radioactive venting.

Out of over 150 underground nuclear tests, only 10 have resulted in a significant amount of radioactive venting. It should be emphasized that in each case the radioactivity involved constituted only an extremely small portion of the total radioactivity produced in the nuclear test. All of the tests that have vented involved relatively small-yield explosions. The largest of these tests had a yield of a few tens of kilotons, and the majority of the tests had yields of a few kilotons. Subsequent investigation of these unanticipated ventings of small amounts of radioactive debris indicate a variety of probable causes such as the existence of unknown faults in the vicinity of the test location and leakage through and around test cables and pipes. The largest test (a few tens of kilotons) that has produced a significant amount of radioactive venting was a special case in that it was conducted in dolomite, a medium not ordinarily for testing. The non-condensable carbon dioxide released in the explosion apparently diffused to the surface carrying fission products with it.

When one considers higher-yield tests, there is no evidence of any radioactive venting at all. Specifically, in none of the approximately 20 tests with yields of from roughly 100 kilotons to about a megaton has there been any radioactive venting.

The general explanation for the fact that the smaller the explosion, the greater the probability that there may be some venting is probably that accidental venting results primarily from the existence of unknown faults in the surrounding media. In the case of small shots near the surface, a single fault may extend far enough to permit venting. The deeper the shot is buried, the less likely it is that a single fault will extend far enough to provide a sufficient channel for venting to develop.

Whenever an accidental venting occurs, the AEC has standard procedures to determine the quantity of material vented and to monitor the cloud if it should extend beyond the test site. If levels are high enough, there are adequate standby procedures to warn local residents and to check that the milk from local dairy cows does not contain unacceptable levels of radioactive iodine.

The Panel made no effort to reassess the health hazard from the very small exposures that might result from such radioactive venting accidents as have occurred in the past. However, although some health hazard presumably results from any exposure, the amount of radioactivity resulting from these accidental radioactive ventings has been so small and so localized that the safety hazard appears to be minimal.

The case of Amchitka is somewhat more complicated than Nevada since there has been only one underground test at that location. There is also a possible additional problem in that there appears to be *extensive local faulting,* which is not easily identified from the surface. At the same time, any radioactive venting that does occur at Amchitka presents less of a safety hazard in view of its remote location. Therefore, since it is planned to build up to the highest-yield test planned at Amchitka with a series of *tests of increasing yields,* there does not appear to be reason to anticipate special safety hazards from venting if conservative scaling factors are followed.

In summary, the Panel concludes that there is relatively little safety hazard at the NTS from radioactive venting from large-yield shots. Based on rather extensive experience, it appears to be very unlikely that there will be any radioactive venting from these shots. Moreover, if venting should occur, it would almost certainly involve small amounts of radioactivity which would not constitute a significant health hazard. The Panel is somewhat less certain about the prospects for complete containment at Amchitka in view of our very limited experience at that location and the existence of local faults in the vicinity of the test site. Nevertheless, significant venting from large shots at Amchitka appears very unlikely; and, if it should occur, *the remote location would minimize the resulting health hazard.*

FROM THE OFFICE OF THE GOVERNOR, THE STATE CAPITOL, HONOLULU, HAWAII, SEPTEMBER 23, 1969

Governor John A. Burns said today he would oppose the Atomic Energy Commission's proposed underground nuclear test in the Aleutians unless it can be proved "beyound a shadow of a doubt" that the blast will not harm the Hawaiian Islands.

The Governor said he will send a representative to Anchorage, Alaska, for an AEC briefing Friday on the proposed test.

The representative, not yet named, will be

instituted to find out as much as possible about the test explosion with particular concern for possible seismological effects. The AEC has said the test blast of one megaton or more will be set off at Amchitka about mid-October.

AEC scientists have said the possibility of the nuclear explosion triggering tsunamis or earthquakes is remote.

"The possible consequences of releasing that much energy near a known geologic fault are too great to accept the word of AEC scientists only," Burns said. "The most intensive, comprehensive kind of investigation is mandated.

"Independent scientists not associated with the AEC should be given a chance to review the program."

The Governor noted that Canada and Japan have filed protests against the test. "News items," he said, "report that a Victoria, B.C., seismologist, Dr. E. G. Milne, has said it would be 'extremely foolish' to disregard the possibility of an earthquake set off by the underground explosion.

"I am not opposed to essential testing of military weapons," Burns said. "But my first duty is to the people of Hawaii. I have to be certain beyond a shadow of a doubt that such testing will not harm these Islands.

"The memory of the devastating tsunamis in Hawaii remains too clear to take chances," he said.

HAWAII STATE FEDERATION OF LABOR,
AFL–CIO,
Honolulu, September 24, 1969.

ATOMIC ENERGY COMMISSION,
Legislature,
State of Alaska.

GENTLEMEN: In behalf of over 24,000 members and families of the Hawaii State Federation of Labor, AFL–CIO, we wish to register a strong protest against the Atomic Energy Commission scheduled underground nuclear detonations next month on Amchitka Island in the Aleutian chain off Alaska.

Amchitka Island, however remote and uninhabited, lies in one of the earth's most highly seismic areas. Earthquakes occur here frequently, even without the benefit of multimegaton nuclear blasts. The island lies at the crux of an earth fault and, as you are well aware, runs all the way down the Pacific Coast to California. Even the slimmest chance that a nuclear blast could trigger ground motion along the San Andreas Fault should be enough to preclude such tests. Such an earthquake could very well devastate areas of dense population!

Here in Hawaii, we are painfully aware of the frightening consequences of such earthquakes. In recent history, we recall two huge tidal waves (tsunamis) caused by earthquakes in the Aleutians. The one in 1946 killed 173 of our people and caused damages of over $25 million on the island of Hawaii alone. Tsunamis set off by earthquakes in the Aleutians could destroy areas of Alaska, California and other islands in the Pacific as well as Hawaii.

When Senator Daniel K. Inouye protested the planned nuclear detonations, he was told by members of the Atomic Energy Commission that there was only the remotest chance that the tests would set off an earthquake. They further admitted, however, that it would be "intellectually dishonest" to say that there is no possibility that this would happen.

Representative Patsy T. Mink states in the Congressional Record of September 11 that the tests are to be of such magnitude that they were transferred from the original site at the atomic testing grounds in Nevada to the far northwest. Senator Inouye further reports that he was informed by the Atomic Energy Commission that the tests were at one time discussed for safe sites in the interior of Alaska, but were moved to Amchitka Island because of cost factors and logistical problems.

It seems incredible that the safety of our people should be taken so lightly that a safe site would be discarded in favor of one where it would be "intellectually dishonest" to say there was absolutely no danger. We cannot believe that you would equate human lives and well-being with cost factors and logistical problems. It is for this reason that we are writing to you to ask for reconsideration of the scheduled tests.

Dr. Kenneth S. Pitzer, president of Stanford University, was Chairman of the President's Scientific Advisory Committee upon until January of 1969. Dr. Pitzer submitted a report to the President on the Amchitka Island tests. Although his report has never been made public, he did tell the American Chemical Society in April 1969 that the Amchitka tests and others scheduled in Nevada should not be conducted until evaluated by nongovernmental experts. He said that the safety of the blasts had "been examined primarily in closed circles with the effective judgment rendered by officials committed to the test program. This sort of a problem should be considered by an impartial judge and jury."

Dr. Pitzer says, "The risk that a damaging earthquake might be triggered deserves a much more substantial public hearing before large tests are held at the new sites in Central Nevada and the Aleutian Islands, which are seismically active areas. Then Congressmen, Governors and other responsible officials as well as the interested public can form their own judgment, balancing this and any other risks against the need for the tests or the extra costs of moving to a nonseismic location."

We strongly agree with Dr. Pitzer.

We beseech the members of the Atomic Energy Commission to suspend the Amchitka tests until Congress has had an opportunity to vote on this resolution, which would set up a National Commission on Nuclear and Seismic Safety

Respectfully,

W. H. KUPAU,
President.

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION, LOCAL 142,
Honolulu, Hawaii, September 25, 1969.

Congresswoman PATSY MINK,
Longworth Building,
Washington, D.C.

DEAR CONGRESSWOMAN MINK: The Local Officers of ILWU Local 142 urge you in the strongest possible terms to use your good offices to halt Atomic Energy Commission preparations to explode a nuclear bomb next month 4,000 feet below Amchitka Island in the Aleutian chain. This area is geologically unstable and movement there has sent catastrophic tidal waves to Hawaii in the past.

It would be criminally irresponsible to conduct any such tests along the Aleutian fault-line until it is 100% proven that there is no chance it will cause a tsunami. The AEC admits it doesn't know.

We don't want to take a chance on repeating the tragic 1946 Hilo tidal wave. The proposed test is connected with ABM development which ILWU opposes. We'd all be better off if the ban on atmospheric testing was extended to cover all nuclear testing.

Sincerely yours,

CARL DAMASO,
President.

HILO, HAWAII, *September 27, 1969.*

Representative PATSY MINK,
House of Representatives,
Washington, D.C.:

I would like to add my apprehension to those of Governor Burns regarding the proposed atomic device test in the Aleutians I urge that the test be delayed until we can be assured that it will not trigger other natural earthquakes.

Mayor SHUNICHI KIMURA,
County of Hawaii.

[From Environment, July–August 1969]

UNDERGROUND NUCLEAR TESTING

THE TEST PROGRAM

Since the Limited Test Ban Treaty of 1963, both the United States and the Soviet Union have engaged in extensive underground testing programs. Although the first deeply buried underground test in the United States was conducted in 1957, most underground tests in this country have been conducted at the Nevada Test Site after atmospheric tests were banned in 1963. Underground testing in the Soviet Union began in 1964 at the Semipalatinsk and Novaya Semlaya sites in Siberia.

The number of tests which have been conducted by both countries is not known, as not all tests are announced. The United States Atomic Energy Commission (AEC) announces some U.S. and Russian tests other organizations have reported some tests unannounced by either of the major powers. According to AEC announcements received by *Environment*, the United States has conducted nearly 200 underground tests to date, the large majority at the Nevada Test Site. The Soviet Union has conducted about 50 tests underground, and both the British and French have conducted a few underground tests, the French at a site in the Sahara, and the British at the U.S. Nevada Test Site and in Australia.

MILITARY TESTING

The question of whether further military testing is needed is not a scientific or technical one. At bottom, it is the political question of whether our national policy should be one in which we seek security through international agreements or whether we will rely on military superiority. The latter choice implies continuous development of new weapon systems, and hence continued weapons testing.

The case of the antiballistic missile system (ABM) is a clear one in this regard. We are presented with the choice of arriving at some kind of tacit or explicit arms-limitation understanding with the Soviet Union, under which neither nation would seek the ability to strike a crippling first blow, or of continuing to increase the level of our own armaments to keep ahead of what the Russians might be planning. If we take the latter course, the risks of continued nuclear testing will part of the price of our choice.

Because the largest underground tests now planned, which are of greatest concern with regard to safety, will be part of the ABM development effort, it may be worth considering this program in a little more detail.

The ABM system would consist of radar systems for the detection of attacking missiles and elaborate computer systems for analyzing data produced by the radars and for aiming defensive missiles. The defensive missiles would be of two kinds: Spartan, which is designed to intercept incoming warheads at high altitude and at a range of hundreds of miles, and Sprint, to intercept at low altitudes and a range of twenty miles. (*Environment*, April, 1969.)

Because of the greater possible error in long-distance interception, the warhead of the Spartan missile would be quite large: press reports indicate that a two-megaton warhead is now planned. Sprint, because of the greater accuracy possible in short-range interception, would have a much smaller warhead, of about ten kilotons. (*Ibid.*) President Nixon's announcement of plans to proceed with Safeguard (the new administration's ABM system), left open the possibility that further research may make it possible to increase the accuracy of the system, thus reducing the requirements for the warheads.

Most of the testing connected with the ABM would be of the operability of new warhead designs. Too, the larger warheads of the system would be expected to explode in outer space, where the important characteristics of a nuclear explosion are much different than

atmospheric explosions. Although blast and fallout are the most significant explosion effects in the atmosphere, in the interception of missiles in space the electromagnetic radiation (particularly X-rays) of the explosion is of much greater importance.

In 1967, Dr. John S. Foster, Jr., Director of Defense Research and Engineering, testifying before the House Armed Services Committee on the antiballistic missile system, indicated that the need for testing would continue. "Following the deployment of the thin defense one can contemplate building up the defense to be more effective against sophisticated attacks. . . . There is no question in my mind but that a series of experiments involving nuclear explosions would be of great benefit."

Senator Henry Jackson was more explicit in a speech on the floor of the U.S. Senate, November 30, 1967. (Senator Jackson is Chairman of the Nuclear Safeguards Subcommittee of the Senate Committee on Armed Services and Chairman of the Military Applications Subcommittee of the Joint Committee on Atomic Energy):

"During the past year the Department of Defense, charged with the responsibility of determining the effects of nuclear weapons, has continued to develop methods ot conducting underground tests in which results are being obtained that were previously thought impossible under the treaty restrictions. The acclerated underground test program of the DOD for the next eighteen to twenty-four months consists of a relatively large number of tests on new reentry vehicles, guidance systems, and our antiballistic systems now under development. As a result, the actual detailed test program has developed into a fast moving and changing program because of numerous scientific discoveries and proposals for new testing techniques that are being developed."

The debate over the ABM is well summarized in its political-technical context in a report prepared for Senator Edward Kennedy (D-Mass.) by a group of eminent scientists, academicians, and public figures including a Nobel Prize winner, two former presidential science advisors, and high officials in the last Democratic administration. Their report asserts that the ABM system is not technically capable of performing the missions assigned to it, not needed, and would probably accelerate the arms race rather than increase the national security as intended.

The Johnson administration's ABM, the Sentinel System, was aimed at defending the nation's cities against a possible light intercontinental ballistic missile (ICBM) attack from Communist China, with the possibility of using the system to defend our own ICBM's from a Soviet attack if the need ever arose. The Nixon administrations ABM, based upon new intelligence information according to the Administration, would protect our land-based retaliatory forces against an attack by the Soviet Union. According to the report submitted to Kennedy, "Safeguard is unlikely to perform according to specifications in the event of nuclear attack." The report indicates that each of the system's components is at the extreme of sophistication, and together require extraordinary coordination during the short twenty-minute time-period from when the incoming missile is spotted until it must be destroyed. This coordination involves the manipulation of missiles, radars, and computers to achieve interception and destruction of the enemy warhead. According to the report, the computer itself would be the largest and most complex ever built, and many computer engineers now involved with development of the system question that such a computer can be built.

Problems with the ABM's radars are also mentioned in the report to Kennedy. One of the problems here is the reliability of the radar system in a "nuclear environment." That is, what will be the effects of nuclear explosions on the radars involved in the system? The difficulty in answering this question is that only atmospheric testing would reveal the answer, and under the Limited Test Ban Treaty, this is prohibited.

The report also brings out the argument that past experience with both simple and complex military systems, even after extensive testing and correction, has been discouraging. Examples given in the report range from five demonstration firings of ICBM's for Congressmen that have failed to difficulties with the M–16 rifle. Among the more complex systems that were mentioned and have failed to perform up to standards are the SAGE air defense system, and the Ballistic Missile Early Warning System, which at one time identified the moon as a group of incoming warheads.

The report also mentions other factors which might further decrease the reliability of the ABM system, such as various decoys, electronic jamming, and other devices which might be employed by an enemy during an attack. The fact that the system itself is vulnerable to the effects of the warheads of its own defending missiles, as well as to enemy weapons, indicates considerable uncertainty about its actual operation during an enemy attack.

On the other side of the argument, the Pentagon, in disagreeing with the report, believes that the report to Kennedy greatly overstates the technical problems of the system. Secretary of Defense Melvin Laird has said that the MIRV capability (see below) of the Soviet Union makes the system necessary, and has indicated that present U.S. delivery systems such as the Polaris submarine may be vulnerable to Soviet attack in the near future. There is thus a possibility that the U.S.S.R. could develop the ability to launch a successful first strike against the U.S. No evidence, beyond the existence of the Russian SS–9 missile, which has been known for several years, was presented to support this contention, however. Other Defense Department spokesmen argue that the ABM system doesn't have to work perfectly to increase our nuclear defense since the mere threat of being able to destroy a portion of the incoming enemy warheads would prevent an enemy from feeling he could destroy our ability to retaliate.

The Department of Defense also maintains that the degree of sophistication involved in the ABM is not beyond our capabilities, and adds that the Soviet Union now has an antiballistic missile system deployed around Moscow. Congressman Chet Holifield, a strong advocate of the ABM and Chairman of the Joint Committee on Atomic Energy, stated at the 1969 Plowshare Symposium in Las Vegas that the system doesn't have to work since neither the Russians nor we will know whether it will work or not and by that alone it will be a deterrent.

We can only speculate on other types of weapons tests. New warheads for the submarine-based Polaris missiles and land-based Minuteman are under development, which would include the Multiple Independently-targeted Reentry Vehicles (MIRV). These would allow several weapons to be mounted on a single missile, which at some point in its flight would dispatch the separate warheads to different targets. MIRV would have the advantage of increasing the number of targets threatened by our missiles without requiring the expense of an enlarged missile force. It would also make the task of defense against our missiles more difficult. Recent Defense Department statements have revealed that the Russians are developing a similar system.

The warheads for MIRV, unlike present warheads, would consist of a cluster of relatively small explosives, each in the kiloton range. Presumably they would be fission bombs, rather than the fission-fusion explosives of larger warheads.

Although present plans apparently call for smaller, rather than larger, nuclear explosives for our intercontinental missiles, development of larger explosives may also be underway for incorporation into other weapons systems or to prepare for the eventuality of a change in our missile strategy. One advanced missile system, WS–120–A, intended to supercede the Minuteman, would be able to send a 7,000-lb. warhead a distance of 6500 miles. The Air Force has begun to enlarge some of its Minuteman silos to accommodate the new missile, which according to *Aviation Week* had been planned for operation in 1976. According to the same source, however, the Nixon Administration has decided to defer operational development of the new missile system for at least another year. Its cost will be "hundreds of millions of dollars." Warheads for subsonic cruise missiles and other systems are also being developed.

Finally, some underground tests (Project Vela-Uniform) are conducted to study test-detection techniques. These have been quite small.

In short, the military testing program may be expected to involve a large number of tests of a variety of sizes, from kilotons to several megatons, including both fission and fusion explosives. As far as is known, all these tests would be deeply buried.

PROJECT PLOWSHARE

Both nuclear and chemical explosions have been used in Project Plowshare, the AEC's program to develop peaceful uses of nuclear explosives. The applications the AEC hopes to develop include mining activities and nuclear excavation projects. Tests in the first category are generally deeply buried, whereas excavation tests are necessarily close to the surface and release substantial quantities of radiation.

Deeply Buried Tests. It has long been a practice to stimulate oil or natural gas wells of low productivity by detonating explosives in the oil- or gas-bearing strata. The technique has had varied degrees of success but is now being proposed on a much larger scale wtih the use of nuclear explosives. The intention is to fracture large volumes of rock, hopefully freeing the trapped gas or oil. Present proposals are limited to natural gas production.

The first test of this technique was Project Gasbuggy, a 26-kiloton explosion 4,240 feet below the surface in the San Juan Basin in northwestern New Mexico, December 10, 1967. This is an area of low-grade gas bearing formations, in which producing gas wells have operated for the past ten years or twelve years. About one month after the test, a hole was drilled to the underground cavity which had been created, and natural gas samples were taken. In the nearly one and one-half years since the test, about 200 million cubic feet of natural gas have been withdrawn. This is burned, or flared, in the atmosphere, as it was not intended for commercial production and contains too much radioactivity for commercial sale in any case. The amount of gas produced is not spectacular. According to Fred Holzer of Lawrence Laboratory, reporting at the Plowshare Symposium in Las Vegas April 8, 1969, three of the eight conventional wells closest to Gasbuggy had produced more gas than Gasbuggy has up to this time.

During the first six months after the test, Holzer reported, the concentration of carbon dioxide in the gas was very high, dropping only to about 35 percent of the total. The reason for the high carbon dioxide concentrations is not known, but it makes for low-quality gas.

Perhaps a more serious problem is radioactivity in the gas produced which varies somewhat according to the rate of flow, and which consists largely or tritium, the radioactive isotope of hydrogen, and the noble gas isotope krypton-85. Tritium is a particularly

difficult problem because it is incorporated into the molecules of the natural gas (methane) itself and is thus impossible to extract by ordinary means. Holzer reports that the "total concentration of tritium gas [is] about 18 to 20 microcuries per cubic foot, [and] krypton-85 concentration is approximately 3 microcuries per cubic foot . . . the tritium concentration is less than expected by perhaps a factor of 20 . . ." About three-quarters of the tritium is produced directly by the explosion, and one-quarter by action of neutrons on lithium in the soil. This latter portion could conceivably be reduced by surrounding the explosive with boric acid, or by lining the canister itself with a neutron absorbing material.

Tritium is produced by the fusion reaction in H-bombs, but only in very small amounts in fission bombs. Another possible way of reducing the tritium problem would be to use pure fission explosives, but of course this would greatly increase the other radioactive contaminants, particularly krypton-85. It is, therefore, difficult to see how the overall level of radioactivity could be reduced by very much. Although there are no standards for radioactivity in natural gas at present, Holzer concludes that "it is pretty clear . . . that these concentrations, especially the tritium, need to be reduced." He proposes that "one way to accomplish this might be to rapidly flare one or more of the initial chimney volumes of gas." (The "chimney" referred to is the area of broken rock surrounding the point of explosion which is roughly a vertical cylinder.) Since more than ten chimney-volumes have been removed from the Gasbuggy well so far without reducing radiation to acceptable levels, it is difficult to see the promise in this technique.

The next test in this series will be Project Rulison, a 40-kiloton explosion, 8,400 feet below ground at a site near Rifle, Colorado. The test was planned for May 22, but has now been postponed until sometime this fall, probably in September. Although the official AEC statement regarding the postponement attributed it to inability to complete "necessary preparations" in time (press release May 7), a fuller account appeared in *Nuclear Industry*, publication of the nuclear industry's trade organization, the Atomic Industrial Forum. According to the magazine, the delay was instituted because: ". . . unusually heavy snows during the past winter had increased the possibility of land and rock slides if the shot took place in late May, that the Bureau of Reclamation's Harvey Gap Dam some 30 miles from the site might be seriously affected and that the approaching summer tourist season posed added safety problem."

Rulison is being conducted jointly by the AEC, the Bureau of Mines, the Austral Oil Company of Houston, and CER Geonuclear of Las Vegas, acting as program manager.

If Rulison is successful, the oil company hopes to follow it up with a series of 100-kiloton shots, perhaps two per year for ten years or more.

Dragon Trail, a 20-kiloton test for western Colorado, is also being planned, although no date for it has been set as yet.

Another use for the cavity produced by an underground nuclear explosion could be for the storage of natural gas. In many areas of the country, where the geology is suitable, gas companies store large volumes of gas in underground caverns or porous formations. This allows them to take advantage of cheaper rates from distributing companies during the times of low demand and reduces their need for imported gas at times of peak load, when it may be scarce and expensive. Nuclear explosions could create storage cavities where they do not naturally occur.

A feasibility study for such a project was done by the Columbia Gas System of New York with the AEC and the Department of Interior, and a formal proposal was submitted by the gas company to the AEC August 28, 1967. The proposal is for Project Ketch, which originally called for detonation of a 24-kiloton explosive 3,000 feet deep near Renovo, Pennsylvania. Like many Plowshare proposals, this was greeted with a storm of protest from local residents, and has now been postponed indefinitely. Reports in the trade press indicate that a site in another state is being sought.

Oil shale mining is another activity requiring deeply buried tests. Project Bronco is a proposal to test the usefulness of nuclear explosives in freeing oil from oil shale. On October 25, 1967, CER Geonuclear, on behalf of eighteen oil companies, proposed to conduct the experiment with the AEC and Department of Interior. The proposal is for a 50-kiloton nuclear explosion at a depth of 3,350 feet in the Piceance Creek Basin of Colorado.

In oil shale formations, the rock holds a hydrocarbon called kerogen, which when heated gives up liquids and gases resembling petroleum, and leaving a solid carbon residue behind. Billions of barrels of oil are trapped in oil-shale formations already identified, and there are several research efforts underway to develop ways of freeing the oil from the shale on a commercial scale. The proposal to use nuclear explosives is as follows: an underground explosion would create a large volume of crushed and fractured oil shale underground. Holes would be drilled to the fracture zone, and the shale at the top ignited. The fire would be fed by air pumped in from the surface. As it burned, it would heat the shale below it, freeing oil and gas which would be pumped to the surface. The burning front would advance slowly downward, feeding on the solid residue left behind in the heated shale.

A report in *Nucleonics Week*, May 15, 1969, indicates that the Colorado location for this test program, which would take at least five years according to the proposal, is now of less interest than a site in Utah. No new plans have been announced, however.

A similar technique could be used to mine low-grade copper ores. After a deep underground explosion, an acid solution would be pumped into the zone of fractured ore. The solvent would leach through the broken ore, picking up copper, and could be recollected at the bottom of the fracture zone and pumped to the surface, where the copper would be reclaimed. The first test of this concept will be Project Sloop, which will be conducted by the Kennecott Copper Company with the Bureau of Mines and the AEC. It will be a 26-kiloton explosion 1,200 feet underground near Safford, Arizona. No date has been set for the test.

NUCLEAR EXCAVATION PROJECTS

Since 1962, the U.S. Army Corps of Engineers and the U.S. Atomic Energy Commission have worked together on the Plowshare program to develop the basic technology necessary to use nuclear explosions in conjunction with the construction of large-scale civil engineering projects. The Corps of Engineers has conducted tests with conventional explosives (one now planned is the excavation of a small harbor in Hawaii). As a result of their efforts, as well as the independent efforts of the AEC, several applications have been proposed for nuclear explosives. This wide range of applications includes "the construction of such water resources projects as navigable waterways, dams, harbors, storage reservoirs, or spillways. In addition, nuclear-excavation cuts could be incorporated in highway and railroad construction to provide rights-of-way through mountainous or precipitous terrain. A rather basic application of nuclear construction techniques would involve the detonation of a nuclear explosive at a relatively deep depth of burst to produce aggregate for use in the construction of dams, breakwater and other rockfill structures." (Bernard C. Highs, *The Corps of Engineers Nuclear Explosives Studies for Civil Constructions*, Army Engineer Nuclear Cratering Group, Livermore, California, October, 1968.)

The major proposal in this program is the construction of sea-level Panama Canal. Most of the excavation tests now planned are in pursuit of this goal, which was described in detail in the April, 1969 issue of *Environment*. Tests ranging up to one megaton are now planned despite serious questions as to the economics, safety, and feasibility of such a project.

TEST SITES AND PLANNED TESTS

At the present time, the Nevada Test Site near Las Vegas, and the Amchitka Test Site in the Aleutian Islands, are the major sites for planned underground nuclear explosions. Another site is being prepared in Hot Creek Valley, which lies 175 miles nor of Las Vegas, Nevada, and 200 miles south of Reno, Nevada. One test has already been conducted at this site (Faultless, January 19, 1968), which resulted in extensive movement along fault lines in the area. At least one additional bomb emplacement hole is now being drilled at this site, according to Mr. Thomas MacCaulty, Public Information Officer for the Atomic Energy Commission.

The Nevada Test Site has been the most extensively used location for underground testing to date. This test site is located in Nye County, Nevada, about 65 miles from Las Vegas. The main entrance to the site is at Mercury, which contains the base camp with offices, laboratories, living quarters, warehouses, and recreational facilities for the workers who live on the test site.

To the north of Mercury are the Frenchman and Yucca Fat areas where most of our atmospheric testing was carried out before the signing of the Limited Nuclear Test Ban Treaty. These areas are now being used for underground testing. The main control point is located midway between the Yucca and Frenchman Flat areas.

According to the AEC, tests which are too complicated for testing in vertical holes are tested in tunnels mined into the side of Rainier Mesa. Pahute Mesa is used for tests of one megaton and above because such tests are not feasible in Yucca and Frenchman Flats. A Nuclear Rocket Development Station is set aside for testing nuclear engines on the southern end of Jackass Flats. The Nevada Test Site proper is used for testing both Plowshare and weapons devices of a low (less than 20-kt) to low-intermediate (20-kt to 200-kt) to low-intermediate (20-kt to 200-kt) yield. Surface cratering tests of up to one metagon have been proposed, but it is not clear whether these would be held at the Nevada Test Site.

Public announcements concerning the test holes contracted for on the Pahute Mesa portion of the Nevada Test Site by the AEC reveal that holes of 5,250 ft., 6,000 ft., and 6,250 ft. depth are intended at the Nevada Test Site, and a hole of 6,500 ft. has been contracted for at Hot Creek Valley. The shallowest of these could accommodate a test of more than three megatons, and the deepest, over six megatons. The actual tests will not necessarily be this large, as an extra margin of safety may be employed, and part of the hole may be used to accommodate instrumentation.

The Amchitka Island Test Site is located toward the outer end of the Aleutian Island chain which divides the Pacific Ocean and Bering Sea. The island itself is about forty miles long and four miles wide, with rolling terrain covering nearly its entire length. Amchitka Island has been a national wildlife refuge since 1913, and was an Air Force base during the Second World War. The Aleutian Islands are the home of the sea otter, Steller's sea lion, bald eagle, gray crowned rosey finches, and the little Aleu-

tian Canadian goose which is nearly extinct, as well as many other wild creatures. Plant life on the islands varies from brilliant wildflowers to sea grasses.

Amchitka Island itself lies in the same latitude as London, and is a member of the group called the Rat Islands.

The tests at Amchitka, primarily weapons tests, are expected to be at least as large as those conducted at the Nevada Test Site. The hole presently being drilled will be 6,200 feet deep, which could accommodate a blast as large as five and one-half megatons. (George Laycock, "The Beautiful, Sad Face of Amchitka," *Audubon*, Nov.–Dec., 1968.)

The Aleutian Islands, including Amchitka, are in an active earthquake region. Among the many sizeable earthquakes that have occurred in the area near Amchitka were the 1965 Alaska Earthquake, and the May 15, 1969 earthquake which had an epicenter a few miles from Amchitka Island. The latter registered at about 6.7 on the Richter Scale and was felt as far east as the island of Adac. The epicenter for this quake is given by the U.S. Coast and Geodetic Survey as Rat Island, twelve miles from Amchitka Island. The area has also been known to produce seismic sea waves (tsunami).

Besides the Nevada Test Site near Las Vegas, Nevada, the Hot Creek Valley Test Site in central Nevada, and the Amchitka Test Site, there are other possible sites being studied for underground testing. One of these is in Butte County, South Dakota, and the other is in Carter County, Montana. These sites would be used primarily for the development of Plowshare technology, according to Frank Ingram, a public information officer for the Atomic Energy Commission. At this time, little sub-surface exploration has been done in these areas to determine their suitability as test sites.

SAFETY

Radiation hazards. Most of the nuclear-ground are made up of two components, a trigger of uranium or plutonium (an "A-bomb" or fission bomb), and a thermonuclear portion (an "H-bomb" or fusion bomb). The explosion of the trigger creates a very wide variety of radioactive materials, the unstable fragments of the split atoms of uranium or plutonium. The thermonuclear portion only produces one important radioactive material directly—tritium, the radioactive isotope of hydrogen.

Both portions of the explosive also produce large numbers of neutrons which, absorbed by surrounding materials, may make them radioactive. Ten times as many neutrons are produced by fusion as by fission. The materials of which the bomb casing and machinery are made become radioactive as a result of the explosion, and the intense neutron bombardment may also create radioactivity in the surrounding medium. In an above-ground explosion, the radioactive isotope of carbon, carbon 14, is produced in large quantities by neutrons striking nitrogen atoms in the air. In an underground explosion, a wider variety of radioactive materials may be produced, depending on the composition of the rock and water near the test. For most tests, tritium is produced by the action of neutrons on lithium in the surrounding minerals.

It is not possible to say very much about the quantities of radioactive material which are produced by underground tests, since the design of the explosives, and therefore the proportion of fission to fusion, is secret. The AEC has made it clear that the design of explosives (and hence their production of radioactive materials) will be kept secret even when these explosives are provided for private commercial use. (Written testimony of AEC submitted to Joint Committee on Atomic Energy, May 8, 1969.)

From a safety standpoint, there are four general areas of concern regarding radioactivity: One, radioactivity from deeply-buried tests may be released to the air accidentally. Two, nuclear excavation tests release substantial quantities of radioactivity to the air and to surface water. Three, radiation may find its way into underground water which is later used for drinking or irrigation. Four, commercial applications of nuclear explosives for natural gas stimulation, copper mining, and other uses, will result in some radioactivity in consumer products.

Accidental Releases of Radiation. Even deeply-buried nuclear explosions occasionally release radiation to the outside air. This sometimes happens when the explosion forces some of the radioactive gases up through the hole used to place the explosive. This leakage may be along channels left for cables used to detonate the explosive or to monitor its effects, or the materials used to fill the hole may simply be blown out. In order to prevent this happening, the emplacement hole is filled with earth, sand, gravel or cement, but despite these precautions, there have been instances of leakage of radiation from the emplacement hole.

Another way in which radiation may escape is more difficult to control. Radioactive gases may sometimes find their way to the surface through natural cracks and fissures in the rock, or through fractures created by the explosion, or through a combination of both. Such leakage immediately follows the explosion, while the gases are being forced outward, or may occur later, when the rock and earth above the cavity left by the explosion fall into the cavity, leaving an upward channel for gases.

EARTHQUAKES

Magnitude (M)	Approximate number in world annually	Area in which felt (square miles)	Greatest distance felt (miles)
3.0–3.9	49,000	750	15
4.0–4.9	6,200	3,000	30
5.0–5.9	800	15,000	70
6.0–6.9	120	50,000	125
7.0–7.9	18	200,000	250
8.0–8.9	1	800,000	450

Note: The magnitude of an earthquake measures the energy of its seismic waves. For convenience, a logarithmic scale is used; that is, magnitude 4 is 10 times the energy of magnitude 3, magnitude 5 is 10 times the energy of magnitude 4, and so on. If an ordinary (linear) scale were used to measure magnitudes and 1 inch were used to represent magnitude 3 on a graph, magnitude 8 would need almost 2 miles of graph paper. Underground explosions can be assigned magnitudes just as earthquakes. The magnitude will again give the energy of the seismic waves produced by the explosion. An underground nuclear explosion of 1 kiloton—equal to the detonation of 1,000 tons of TNT—would have a magnitude of slightly less than 5. A 1-megaton explosion—equivalent to 1,000,000 tons of TNT, or 1,000 kilotons—would be slightly less than magnitude 7. (Adapted from Earthquakes, U.S. Department of Commerce, 1969.)

Lawrence S. Germain and J. S. Kahn of the Lawrence Radiation Laboratory presented a paper at the Plowshare Symposium conducted by the U.S. Public Health Service's Southwest Radiation Laboratory in Las Vegas in April, 1969, in which they summarized previous experience with underground testing. A table of underground tests, showing those which have vented or released radiation accidentally since 1961, was part of the paper. It showed that out of 190 tests since 1961, ten have leaked radiation. All of the tests which leaked were under 200 kilotons. Since the paper was presented, there has been one additional venting on April 30, 1969, when radiation from a low-intermediate yield test (20–200 kilotons) escaped along a cable "between the wire and the insulation," according to the account in the *Los Angeles Times*, May 1.

This brings the total number of announced ventings to eleven. Of these, according to Germain and Kahn, three "vented through ground fissures within the first minute after shot time. . . . In general, the others did not leak radioactivity until after collapse [of the explosion cavity]."

Early in 1968, the AEC informed CEI, in response to an inquiry (see *Environment*, April, 1968) that there had then been fourteen (not eleven) ventings since the Test Ban Treaty in 1963. The lower number given in this paper is probably due to the author's including only tests emplaced through vertical holes (excluding tests in tunnels in Rainier Mesa).

The amount of radiation which may be released by venting is, of course, quite variable. Germain and Kahn give the amounts of radioactivity released in past ventings as ranging from 200 to one million curies per explosion, estimated at twelve hours after the test. The lower number probably would not represent detectable radiation beyond the boundaries of the test site, but the upper number is comparable to the radioactivity released in an above-ground explosion of the size of the Hiroshima bomb (twenty kilotons). The test which released this larger amount of radiation is not identified, nor are details of the subsequent events given.

Radiation released by underground tests differs in a number of ways from that produced by atmospheric tests. To begin with, leakage from underground tests generally seeps out near ground level, whereas the radioactive gases produced by an atmospheric test quickly rise into the stratosphere. Although atmospheric tests produce worldwide fallout, leakage from underground tests may pose a more severe local hazard. Moving near ground level, the gases released by an underground test may reach people more quickly, allowing much less dilution of the radioactive gases in air, and allowing much less time for the radioactivity to decay. Unfortunately, many of the radioactive materials which are of most concern for their biological effects—strontium, cesium, iodine, and tritium—may be released as gases.

Because of the preferential release of gaseous radioactive materials, particularly iodine-131, and the relative speed with which they reach human populations, sizable venting from underground tests may be of as much concern as fallout from atmospheric tests, at least for some areas of the country. E. A. Martell was the first to suggest that this may be a problem which is not limited to immediate surroundings of the Nevada Test Site. In *Environment*, December, 1963, and in *Science* magazine, January 10, 1964, Martell suggested that "underground tests in Nevada were, in many recent instances, the principal source of iodine-131 fallout in the United States." Careful analysis of air-movement patterns seemed to show that high levels of radioactive iodine in milk in Kansas City, Minneapolis and Wichita in May, 1962, could be traced to vented underground tests in Nevada. Martell also cited reports of high iodine fallout in Seattle and Des Moines. Several meteorologists have disputed some of Martell's findings, particularly in an exchange of letters in the *Journal of Geophysical Research*, February 15, 1964. Machta and others found evidence that the high fallout levels attributed by Martell to underground tests were from Soviet atmospheric explosions of about the same time. In deference to the doubts Martell has raised, however, cratering tests are now largely restricted to the winter, when iodine deposited on grass is less likely to be consumed by dairy cattle.

There is no question, of course, that ventings sometimes produce higher fallout in states bordering Nevada, particularly in Utah, but the appearance of fallout in the Midwest and Southeast considerably adds to the seriousness of the problem.

Since the Test Ban Treaty, fallout from underground tests has not, in any part of the country, reached the levels attributed to atmospheric testing, but as the size of underground tests increases, this may not always remain the case. There have been eleven (or

fifteen) cases of venting of buried tests that have been announced, out of roughly two hundred such tests. One should assume that there will be further ventings. Since the size of underground tests is increasing very rapidly into the range of megatons, future ventings may be a matter of considerable concern. Peaceful nuclear excavation tests can be expected to produce local and long-range fallout in any case.

As indicated elsewhere in this report, the AEC is apparently preparing for tests of several megatons, both at the Nevada Test Site and at Amchitka Island. The suitability of the Nevada Test Site for such experiments has been a matter of considerable controversy. A study of safety problems associated with underground tests in Nevada printed by the AEC in December, 1968, but never released to the public, recommends that tests of more than one megaton should not be conducted in the Nevada Test Site because of the difficulty of ruling out releases of radiation through fissures. The AEC released a revision of this report in April of this year, in which the passage containing this stricture is altered.

The report finally released by the AEC is NVO–40 (Revision No. 1), *Technical Discussions of Offsite Safety Programs for Underground Nuclear Detonations,* USAEC Nevada Operations Office, April, 1969. Chapter Five is "Geologic Considerations," by Frank W. Stead, Research Geologist with the U.S. Geological Survey, Denver, Colorado. According to Stead, "On behalf of the Atomic Energy Commission, it is the responsibility of the Geological Survey to provide and to recommend the types and kinds of geologic, geophysical, and hydrologic information needed to evaluate the safety aspects of nuclear explosions." He goes on to describe the information provided to the AEC regarding the Nevada Test Site. The portion of this report which is relevant here is that which describes the new northwest extension of the Test Site, an area which includes Pahute Mesa, in which the largest underground tests have been conducted, and where drill holes for still larger tests are being prepared. The largest test conducted in this area so far was about one megaton, at a depth of 4600 feet. Holes have been drilled to a depth of 6,500 feet in prepartion for future tests.

The portion of Stead's report which describes this area appears on page 52 of the revised NVO–40 released in April. The Nevada Operations Office has provided us with a copy of the corresponding page in the original report. This is a printed page, numbered 17, and a typed heading identifies it as from NVO–40, December, 1968. With an exception noted below, it is identical to page 52 of the revised report. The relevant portion:

Moving to the northwest extension of the Nevada Test Site, a new 200-square-mile area, *the geology dictates a maximum test depth of about 4,500 feet.* This vertical section as shown in Figure 4.4 illustrates the complexity of the volcanic rocks at depth and the numerous faults that cut through the rocks. This interpretation is based on one deep drill hole, in excess of 13,000 feet, and on a dozen or so 5,000-foot drill holes. . . . (Emphasis added.)

Also, the water table, as indicated in this general area, is at considerable depth, between 1,000 and 1,500 feet below the surface, with a slight gradient to the southwest.

The underscored portion effectively recommends against tests larger than one megaton, which would have to be buried at greater depths than 4,500 feet, if past practice is followed. As noted above, holes have already been drilled to a depth of 6,500 feet in this area.

In the revision of this report which was released in April, the first sentence has been altered to read: "The Nevada Test Site has been recently extended northwest to include a 200-square-mile area in which tests have been conducted to a depth of 4,600 feet." The rest of the passage is unchanged. The original reading could hardly have been unintentional, since the evidence in the rest of the paragraph clearly is adduced to support the conclusion in the first sentence. In the altered version, the phrase "This interpretation" no longer seems to refer to anything.

This change in the wording of the original document printed by the AEC indicates, at best, a certain indecision as to the safety of tests larger than one megaton at the Nevada Test Site.

The situation is clearly a difficult one, for the only other site prepared for multimegaton tests (with the exception of the single hole at Hot Creek Valley) is on Amchitka Island, which would appear to have equal or more serious drawbacks.

Releases from Nuclear Excavation Experiments. A number of tests designed to produce surface craters have been conducted at the Nevada Test Site, and some of these early tests were suggested by Martell, in the papers cited earlier, as the source of high fallout levels in various parts of the country. The release of radiation, except that it is more substantial and intended, is similar to that in accidental releases from deeply-buried tests, and the same problems of preferential releases of gaseous materials and low level drifting of the cloud, are present. For the United States, and perhaps Mexico and Canada, depending on weather conditions, such tests are essentially of the same kind of concern as were atmospheric tests, and the same arguments regarding the size of the safety problem can be made as were made regarding atmospheric tests. As excavation tests grow in size, however, local fallout levels may eventually surpass atmospheric tests in degree of hazard. Excavations involving one megaton and more of explosives which are planned may be in this class.

Radiation Contamination of Groundwater. As was pointed out by Dr. Stead in NVO–40, the larger underground tests will be conducted below the level of the water table at Pahute Mesa and other test locations. This will mean some contamination of groundwater with radioactivity. The questions one asks with regard to safety are: How much contamination will there be? and, Will it reach water supplies used by people?

As to the quantity of radioactive material produced, the problem remains that the designs of explosives used are secret. However, it is possible to assume extreme cases, such as a device which is completely a fission explosive or (what is not now possible) a completely fusion explosive. If the rate of groundwater movement near a test site are known, it is possible to make rough calculations of the contamination which would result from the explosion of such hypothetical devices. The actual test would presumably lie somewhere in between the two imaginary cases.

Such calculations have been performed and are reported in NVO–40, Revision 1, in Chapter 7, by Paul R. Fenske of Palo Alto Laboratories of Isotopes, Inc. He reports that, for a one-megaton explosion:

"I demonstrated that strontium-90 produced by 1 megaton of [pure] fission would not represent a contamination problem under the worst believable conditions. Tritium will migrate from an explosion zone. [For a pure fusion explosive] it will move 14.5 kilometers in 145 years before decaying to below MPC" [maximum permissible concentration].

These calculations are performed for the Pahute Mesa area of the Nevada Test Site.

Such calculations are done by considering the average rate of movement of groundwater through the area. Underground water generally percolates very slowly through rock and earth: the rate of Pahute Mesa is about two hundred feet per year. The earth through which the water passes is an extremely good filter for radioactive materials produced by an explosion. Fenske calculates that water leaving the explosion zone of a one-megaton fission test will contain only two-hundredths of the maximum permissible concentration of strontium, because of the strong adsorption of the chemical onto earth particles. Cesium and other fission products are expected to behave similarly.

Tritium, the radioactive form of hydrogen, behaves very differently. It is produced by the fusion porton of a nuclear explosion, and being chemically identical to hydrogen, quickly becomes incorporated into the surrounding groundwater. Having become part of the water molecules themselves, it moves where the water does and is not filtered out by passing through earth. Tritium has a half-life of about twelve years, however, and if the water moves slowly enough, the tritium will decay and disappear before reaching human water supplies.

So long as groundwater moves very slowly by percolating through earth and rock, there seems to be little concern about radioactive contamination. This is not always the case. The area of the Nevada Test Site is heavily marked by natural faults and fissures. The tests which have been conducted have, of course, made their own contributions to fracturing of the rock. Groundwater flows very much faster along cracks and fissures than through granular rock. The average velocity of flow of water in a fracture may range up to 20,000 times higher than in rock of a similar type, even though the crack width is a maximum of one millimeter.

Occasionally, very large tension fractures are found; in fact, fractures wide enough for a man to stand in have been reported in the Pahute Mesa area of the Nevada Test Site. A fracture of these dimensions, if continuous, can carry tremendous quantities of water even at the low head differentials found in nature. The water velocity in a crack six inches wide with a head of 0.001 foot/foot would be about one foot per second, or 16 miles per day. At this velocity, contaminants from the Yucca Flat test area, for example, could be transported from the site in a matter of a few days; however, this might not be hazardous because such contaminants would be highly diluted by the large quantity of water. A more serious condtion would exist where there were a large number of continuous open fractures about 0.05 inch wide. The velocity through fractures of this width would be about one-tenth of a mile per day. (From "Transport of Radionuclides by Water Flowing through Permeable Rocks," Carroll E. Bradberry and Associates, CBA–1229–F6, November 28, 1964, p. 33)

The above passage is quoted in a memorandum from John H. Meier, of Hughes-Nevada Operations, to Dr. Donald Hornig, then the President's Science Advisor, and dated November 7, 1968. The memorandum was released to the press early this year and reviews problems connected with nuclear testing in Nevada. In the section dealing with contamination of groundwater, it asserts that the wells which are used by the AEC to monitor contamination draw on water which is percolating normally, and no samples have been taken from water flowing along known faults. It also claims that no monitoring of drinking-water wells in Clark County is being conducted, and that radiation monitoring of the Colorado River and Lake Mead is inadequate. The reply to this memorandum, if any, has not been made public. An apparently similar series of questions from the Hughes organization was later directed to the AEC, which did respond, but the details of the exchange have not been released.

Biological Significance of Radiation. Every nuclear explosion produces a great variety of radioactive elements. Some of these elements are chemically similar to nonradioactive elements which are normal constituents of living things. Strontium 89 and strontium 90,

which are radioactive fallout constituents, closely resemble normal calcium, which is an important component of all living cells and which in animas appears especially in milk and bone. Radioactive cesium 137 is chemically similar to potassium, a common constituent of all living cells. Radioactive iodine 131 has the same chemical behavior as ordinary nonradioactive iodine, and like the normal element becomes concentrated in the thyroid, where it is incorporated into the iodine-containing hormone, thyroxin, that is the special product of the thyroid gland.

Tritium, the radioactive form of hydrogen, is produced directly by fusion explosives and indirectly by the action of neutrons on surrounding materials. It behaves like hydrogen and can become a part of all living tissues.

Thus, the radioactive atoms—strontium 90, cesium 137, iodine 131 and tritium—which are produced by nuclear testing and are chemically similar to important life constituents can become integral parts of all forms of life and, once absorbed, subject them to internal radiation.

Calcium nutrition is a useful illustration of the relationship between the normal and fallout constituents. Calcium is absorbed from the soil by plants, and animals obtain the calcium that they need by feeding on the plants. Animals require calcium mainly for the growth of bones and teeth; in cows much of the calcium appears in the milk. Human beings obtain their required calcium by drinking milk and by eating vegetables and cereals.

Wherever calcium occurs we now find strontium 90 from atmospheric testing as well. Being chemically similar to calcium, strontium 90 follows calcium from the soil into plants, into animals and through milk and other foods into human beings. As the soil accumulates an increasing burden of strontium 90, the amount in plants goes up and with it the amount that we find in the milk of cows that feed on these plants. Each of the fallout radioisotopes that resembles a normal element of importance to animals and plants will, like strontium 90, follow the path taken by the normal constituents and find its way into our bodies.

Once radiation is released from an underground test, therefore, and enters the world of living things, there is some hazard to human health. It has always been assumed that the risk from radiation is proportional to the degree of exposure: that there is no lower limit below which radiation will do no damage. At very low levels of exposure, the risk of damage is small—but if a large number of people is exposed, the chances of one of them suffering damage grow. Because of this, it is customary to talk about radiation exposure in terms of both the level of exposure and the number of people exposed.

Underground testing will in all probability expose fewer people to radiation than did atmospheric testing which resulted in worldwide fallout. If Martell's analysis is correct, however, a large proportion of the United States's population may be exposed to fallout levels from nuclear excavation tests comparable to those experienced during atmospheric testing, at one time or another.

The health significance of fallout from atmospheric testing was extensively discussed during the period of debate over the Limited Test Ban Treaty, and will not be treated here. A summary of the discussion was presented in the September-October, 1964 issue of *Environment* (then *Scientist and Citizen*). As is well known, the two principal effects of radioactive fallout on health are the production of cancers and inherited defects, or mutations. In the issue of *Environment* just cited, it was estimated that atmospheric testing through 1962 had resulted in 4,800 defective births in the United States.

SEISMIC HAZARDS

Most of the controversy over underground testing in recent months has related to concern over seismic effects of the largest tests. Since January, 1968, three tests of about one-megaton yield have been conducted: the first, Faultless, at Hot Creek Valley in central Nevada, then Boxcar (April) and Benham (December, at the Nevada Test Site). An earlier test in December, 1966, at the Nevade Test Site, probably also had a yield of close to one megaton, although the size has never been given exactly. Although no unforeseen damage from any of these tests has been reported, still larger tests are apparently planned for Nevada, and some concern remains.

There are three categories of seismic effects which may be distinguished: the seismic waves generated by the explosion itself, earth movements triggered at the site of the test, and earthquakes triggered at some distance from the explosion.

Direct Effects. Although there is much that is not understood about earthquakes, seismologists agree that most or all are a result of slow movement in the earth's crust. Shifting of inches per year in part of the crust may set up strains which gradually build up over the years. When the strain is sufficiently great, the rock which makes up the crust may break. The result is a sudden snapping readjustment of the rock on both sides of the break, much as if one were to slowly twist a board until it snaps. Wood tends to break along the grain, and in rock, the break tends to occur on flaws or fault lines, preexisting cracks in the rock.

When an earthquake occurs, there is a sudden rapid movement of rock on opposite sides of a fault. Relative movement of the two sides may be as much as twenty feet in a large earthquake. Displacement may occur along several miles of a fault.

The sudden readjustment of rock along faults, releasing built-up strains, can create a considerable local disturbance, and the shock may be felt at great distances. The force of the shock is transmitted through the earth in a variety of waves, which seismologists divide into four categories, two which travel over the surface of the ground (Rayleigh waves and Love waves) and two which travel through the body of the earth (P- and S-waves). It is the body waves, which travel much greater distances, which are usually measured and used to assign a magnitude to an earthquake.

Underground explosions are similar to earthquakes in the sense that they are underground disturbances which cause displacement of rock and which generate waves of the same general type as those generated by earthquakes. Because the types of waves are the same, explosions can be assigned magnitudes as if they were earthquakes (despite the fact that relative strengths of the different kinds of waves in the two cases are very different).

P-waves are similar to sound waves—consisting of a compression followed by an expansion, set up directly by the outward pressure of the explosion. S-waves, which are very much weaker in explosions than in earthquakes, more resemble the waves created by a stone dropping into water.

Surface waves may be further subdivided by their different frequencies, with the different frequency components traveling at different speeds. Because of the irregular nature of the earth and rock through which they pass, the waves may be reflected and refracted; further, S-waves striking a boundary give rise to P-waves, and vice versa.

The way in which the shock of an explosion or earthquake is transmitted to a distant point is therefore extremely hard to predict in advance without a good deal of information about intervening structures, and the severity of the shock felt at different locations equally distant from the disturbance may vary greatly because of local variations in geology.

Despite the complexity of the problem, there have been enough tests conducted at the Nevada Test Site to provide experience on which reasonably accurate predictions can be made regarding the transmission of shocks from the tests over long distances. By the use of computer programs designed for the purpose, it is possible to do the complex calculations required, and according to the most recent statement from the AEC's Nevada Operations Office (NVO–40, Revision 1, April, 1969, p. 224): "ground motion predictions including techniques for predicting frequency distribution are becoming quite accurate."

Once the magnitude of ground motion at a given distance from the underground explosion can be estimated, it is possible to predict the degree of damage which would be done to buildings as a result. According to the source just cited, twenty-five of the larger buildings in Las Vegas have been studied extensively, and theoretical calculations together with experience from the long series of past tests make it possible to estimate the degree of movement and damage each would experience in a given test.

The complexity of these calculations, which depend a good deal on the local peculiarities of the earth's structure and on the characteristics of the buildings which may be affected, makes it difficult to predict the consequences of an explosion except where there has been extensive prior experience. Selecting a new site for tests (as in the Hot Creek Valley site in central Nevada) introduces new uncertainties which can only be resolved through further testing, and the risk remains that the worse-than-predicted effects will be felt.

Tall structures are much more severely affected by small ground motions because of their tendency to amplify the motion and to resonate to periodic motions. Resonance is the commonly-observed phenomenon which resembles the rhythmic pumping of a swing: pushes which coincide with the peaks of the swing's movement cause it to swing ever more widely. A tall building also has a characteristic way of vibrating, and "pushes" from a seismic wave which come at the resonant frequency of the building may make it sway violently.

Triggering of simultaneous earthquakes. In addition to the direct seismic effects of underground tests, two other possible problem areas have been identified—earth movement at the site of the test itself, and the triggering of earthquakes at some distance.

It has been known for many years, but only recently made public, that underground tests often create earth movement in the immediate vicinity of the test itself. The first public discussion of this phenomenon was at the April 1, 1969 meeting of the Seismological Society of America (SSA), at which photographs of ground displacement near recent large tests were shown. At about the same time, the AEC released a revision of its Nevada Operations Office report, NVO–40. More extensive discussion of these problems was held at the American Geophysical Union annual meeting, in April, 1969.

The force of an underground explosion produces extensive breakage in nearby rock, but for most underground shots, these effects are not visible from the surface. The exception is where there are faults in the rock near the test which extend to the surface, and in these cases there may be considerable movement of the rock along the fault. According to NVO–40, Revision 1, "First extensive observations of this effect were associated with Yucca Flat, the area where most of the underground testing has occurred. . . . Cracking and relative move-

ment along [Yucca Fault] as a result of nuclear detonations have been observed for a period of years. Maximum displacements on Yucca Fault due to any event have been less than 3 feet with most faulting showing less than 1 foot displacement. (Wendell Weart, 'Earthquakes and Aftershocks Related to Nuclear Detonations,' pp. 227–237)."

Movement has been observed to occur over "several thousand feet" of the fault.

As the size of tests grew, these effects became more dramatic. All of the test sites in Nevada are heavily criss-crossed with faults at the surface. The two one-megaton tests which have been conducted at Pahute Mesa, in the northwest corner of the Nevada Test Site, each produced extensive movement along five miles of a fault. Maximum displacement for Boxcar (April, 1968) was about three feet, and for Benham about one foot. (*Ibid.*)

The Faultless test of January, 1968, created some of the most extensive movement yet observed. High-speed photography was used from a helicopter to record surface events following Faultless, and the films shown at the Seismological Society meeting on April 3, 1969, showed a long fault opening within seconds of the explosion, and running almost through ground zero. At the point of greatest movement, the vertical displacement on the fault was fifteen feet (NVO–40, p. 227).

F. A. McKeown of the U.S. Geological Survey (USGS) discussed the Faultless experience at the SSA meeting, and said that the reasons for this very considerable movement were not known and that, in fact, the whole history of events following the test was "complex" and not well understood.

Wendell Weart, of the Sandia Laboratory, wrote in NVO–40 that:

"The displacements observed postshot along preexisting fault zones are similar to surface breaks observed on many moderate earthquakes. It is logical to assume that these pronounced surface breaks are the result of (or result in) an earthquake which occurs shortly after the nuclear event."

Confirmation that nuclear tests set off earthquakes at the time and place of the test was given in a paper presented at the April 1969, meeting of the American Geophysical Union. K. Aki, a seismologist from MIT, monitored the Benham test and recorded Love and Rayleigh waves in Massachusetts which originated both from the actual explosion and from earth movement sources. Based on this evidence, he stated, "we conclude that the . . . seismic spectra . . . strongly suggest that an earthquake was triggered after the Benham event." (K. Aki, P. Reasenberg, T. De Fazio, and Y. B. Tsat, "Near-Field and Far-Field Evidences for Triggering of an Earthquake.")

There is then a question of how much the earthquake which is triggered adds to the force of the explosion itself. Until now, apparently, the earthquakes which have been triggered are small compared to the tests themselves. There is no way of knowing whether this will always be true, however, as the entire process is poorly understood. Weart reports in NVO–40 that the earthquakes which have been triggered at the point of explosion have been "at least one magnitude unit smaller than the nuclear event. This is so, despite the observed fault lengths which are consistent with lengths associated with magnitude 6 earthquakes." (A one-megaton explosion is roughly equivalent to a magnitude 6.5)

The significance of these findings for safety at the Nevada Test Site lie in the possibility that an earthquake will unpredictably multiply the force of an explosion, producing greater damage than had been expected. As the tests grow in size, approaching levels which might damage buildings or dams, this becomes a much more serious consideration. Weart concludes, "Further understanding of these phenomena is necessary to permit extension of the present observations to higher yields. . . ."

At other test sites, these problems may be of even more concern. The test site being prepared at Amchitka Island in the Aleutians is in one of the most active earthquake areas of the world. Although this is relatively uninhabited area, a large earthquake triggered by a nuclear explosion conceivably could create tidal waves (tsumanis) capable of doing serious damage in Hawaii or Japan. This question is considered at greater length on pages 37–41.

Triggering of Distant Earthquakes. The subject of greatest controversy and confusion in the debate over underground testing is the possibility that large tests will set off damaging earthquakes far from the site of the tests.

At the time of the Boxcar test, in April, 1968, there was some speculation that megaton-range tests might disturb the San Andreas fault system in California less than 200 miles from the test site. These speculations were revived and carried into newspaper headlines following the reports of a study by Alan Ryall and his associates at the University of Nevada Seismology Laboratory in August, 1968. Las Vegas newspapers reported that Dr. Ryall had given the AEC a memorandum stating that earthquakes had been triggered at a considerable distance from the Boxcar site. These later reports were apparently based on an unclassified report dated August 13, 1968, to the Advanced Research Projects Agency of the Department of Defense (ARPA Order No. 292). This report was apparently made available to the AEC. Shortly after its release, Dr. Ryall announced that he was reexamining the data on which it was based. The relevant portion of the report follows:

"Earthquake activity following underground explosions. Results of a preliminary study indicate a general increase of seismic activity in the Nevada region immediately following large underground tests. Although much of this activity is concentrated in a small region around the shotpoint, increased seismicity is observed out to distances greater than 200 km, and in one case a large underground test may have triggered earthquakes in the magnitude 5+ range in the northern and western parts of the state.

"Regional activity following nuclear tests has been analyzed by counting the number of shocks recorded at the Tonopah seismographic station for various periods of time before and after underground tests and for various ranges of distance from Tonopah. Thus, for example, over an 18-hour period following the Faultless test on January 19, 1968 in addition to intense seismic activity in the immediate epicentral area, the number of earthquakes occurring within a 240 km radius of the Tonopah station increased by more than an order of magnitude over normal activity."

Press reports of his research appeared in October, 1968, at which time Dr. Ryall announced that the data on which it was based were being reexamined. Interviewed by telephone in November, he explained that on restudy he felt that many of the more distant earthquakes were not connected with the Boxcar test, and that the only earthquakes which could definitely be connected with the test were within 50 miles of ground zero. He added that this was a generous estimate, since the furthest earthquake which could be definitely linked to the test was 25 miles away. According to Ryall, the tests triggered thousands of very small earthquakes, most of them within two miles of the test, and with magnitude less than 1. In more recent papers for the *Journal of Geophysical Research* (in press) Ryall has further contracted his estimate of the range of seismic activity to about 20 kilometers.

There is clearly some confusion, even among those closest to the subject, about the possibility of tests triggering earthquakes.

Much more information about seismic activity following nuclear tests was presented by Robert M. Hamilton and John H. Healy of USGS at the April, 1969 meeting in St. Louis of the Seismological Society of America. They reported on the detailed studies which followed the Benham test the previous December, but unfortunately gave no further data about Boxcar.

Hamilton and Healy confirmed that all large tests are followed by many small earthquakes (about 10,000 in the case of Benham, a one-megaton test). The Benham test was monitored at 27 USGS seismograph stations within 30 km of ground zero, and another network of six stations in central Nevada about 250 km from the test. The two authors made it clear that the shocks measured near the test "are not related to the collapsing cavity but appear instead to be caused by movement on previously recognized fractures within about 10 km. of the explosion."

Although Hamilton and Healy's prepared paper had said that "post-shot activity continued for at least three weeks," at the meeting they were able to report that, in fact, increased activity was still being observed nearly four months after the test. Hamilton, who read the paper, said that activity had increased again about three weeks after the test and was continuing in April at the rate of two or three shocks a day. The largest aftershock observed had a magnitude of 4.7, about 100 times smaller than the test itself.

One of the curiosities observed in the Benham aftershocks was that they tended to move away from the site of the test with time. Most of the early shocks were within a few kilometers of the test, but the increased activity that occurred three weeks after the explosion resulted in a "dramatic extension of the zone" of aftershocks to beyond 10 kilometers. The Faultless test, by comparison, had caused aftershocks out to a distance of 40 kilometers.

In the discussion which followed presentation of this paper, it was also made clear that the earthquakes triggered by the test were not simply earth movements caused by the force of the blast, but were actually earthquakes in the sense that they released built-up strain in the rock of the region. A member of the audience, who identified himself as being with the USGS, said that the energy released by all the aftershocks was probably greater than the energy of the original explosion.

These data showed that there was no simple way to determine whether a given earthquake was in fact triggered by a given test. When the possible effects are extended over thousands of square miles and periods of months, the connection to a cause becomes a statistical matter. Without adequate records of past seismic activity, it is difficult to judge whether an increase in the number of earthquakes is connected with a test, and nearly impossible to say with certainty whether a particular earthquake, far removed from a test in time and space, is natural or man-made. These are apparently the kind of uncertainties which made possible the two contradictory interpretations of Dr. Ryall's data.

All that seems to be clear is that underground tests do trigger large numbers of small earthquakes within a few tens of miles of the test. Most of these are very much smaller than the test itself, and all presently planned tests are considerably smaller than the largest earthquakes which occur naturally. Whether tests can trigger earthquakes at larger distances is still a matter of speculation. USGS monitoring stations in central Nevada and California reported that strains associated with Nevada tests at distances of 200 miles are small compared to the usual

transient strains in the earth's crust, from earth-tides and earthquakes.

Whether natural earthquakes trigger other earthquakes is a related question and, unfortunately, no closer to agreement. Dr. Carl Kisslinger, geophysicist at St. Louis University, pointed out in a personal communication that seismologists are not agreed as to whether large earthquakes cause other large earthquakes at long distances, or indeed whether small earthquakes in active areas may set off large ones nearby. He points out that large devastating earthquakes, like the Alaskan quake of 1964, are in reality a series of small earthquakes culminating in a large shock. On the other hand, fairly large quakes, like the one near Amchitka in May, 1969, often occur without setting off any further quakes. A report from the California Institute of Technology (CIT) confirms that earthquakes, like tests, may trigger other smaller earthquakes at distances up to a few tens of miles. A portion of the CIT press release, dated November 10, 1968, follows:

The large earthquake that jostled most of Southern California last spring is now providing a surprising "aftershock" for scientists and engineers.

"We've found that this area's largest earthquake in more than 15 years—the temblor of 6.5 magnitude at Borrego Mountain last April 8—apparently caused movements on at least three other faults miles away," said Max Wyss, a graduate research assistant in geophysics at the Seismology Laboratory of the California Institute of Technology. This appears to be the first documented case of one fault causing movements on other faults.

"It implies," he added, "that damage to structures on or near earthquake faults may occur even though the earthquake is centered on some other distant fault."

According to Dr. Clarence R. Allen [then] acting chairman of Caltech's Division of Geology, the main shock last spring "apparently triggered small displacements on other faults as far as 50 miles from the epicenter. This triggering of one fault by another is a very surprising and in some ways disconcerting discovery, inasmuch as it vastly increases our estimate of the probability of displacements on the many small faults cutting the California landscape. . . .

"These observations of displacements or creep episodes on faults that were probably triggered by the Borrego Mountain earthquake are the most surprising, and perhaps the most significant, result of the investigation so far," Allen said. "This is the first documented case of an earthquake apparently causing displacements on faults outside the main epicentral region by seismic shaking."

The whole question of earthquake triggering received additional publicity early in 1969 when the Howard Hughes Navada Operations Office released to the press a memorandum it had delivered to the President's Science Advisor November 7, 1968. In this memorandum the suggestion was made that a test might set up a series of earthquakes, one triggering the next, which might reach to the San Andreas fault system. This was presented simply as a speculation.

In April, 1969, Dr. Kenneth Pitzer, President of Stanford University, and identified in the Hughes memorandum as Chairman of an ad hoc committee on the safety of underground testing established by the President's Science Advisory Committee, voiced his own concern about unresolved seismic hazards from nuclear tests, according to a *Washington Post* story April 15, and asked that possible test hazards "should be studied by an 'impartial judge and jury' of experts who have no AEC affiliation, rather than 'primarily in closed circles with the effective judgment rendered by officials committed to the test program.' "

In the absence of such an impartial study, the possibility that underground tests may trigger distant earthquakes remains an unresolved question in the public mind. Since both the Nevada test sites and the Amchitka site in the Aleutians are in or near areas of seismic activity in which damaging earthquakes have occurred in the past, these uncertainties should be publicly discussed and weighed before further tests in the megaton range are permitted.

TIDAL WAVES

Tsunamis. The preparations for large underground tests at Amchitka Island in the Aleutians raise the possibility that these explosions may create tsunamis (tidal waves or seismic sea waves) capable of doing damage in Hawaii, on the California coast, or in Japan.

It is well know that earthquakes on or near the sea floor can create tsunamis. Japan and the Hawaiian Islands have frequently been struck by tsunamis caused by earthquakes in the Pacific or around its borders. The record Chilean earthquake of 1960 created 35-foot waves in Hawaii, thousands of miles from the center of the earthquake, killing 61 people and creating extensive property damage. According to a review by Cox and Mink in the *Bulletin of the Seismological Society of America* (BSSA) December, 1963. Hawaii has been struck by fifteen damaging tsunamis since 1819, more than half of which "derived from faulting in the Kuriles-Kamchatka-Aleutians region," an area which includes Amchitka Island.

There is some disagreement among seismologists as to the cause of seismic sea waves, or tsunami. B. Gutenberg has become identified with the position that tsunamis are sometimes caused by massive underwater landslides precipitated by earthquakes:

"Tsunami . . . may be produced by submarine volcanoes, submarine slides started by earthquakes, submarine faulting, and atmospheric conditions. The hypothesis that some at least of the largest tsunami have been produced by submarine slides . . . has been advanced by a notable number of seismologists. (BSSA, October, 1939.)"

Gutenberg was led to this conclusion in part because of evidence that an earthquake well inland in Chile had resulted in a tsunami which reached Hawaii, suggesting to him that it was not the direct effects of earth movement, but landslides set off by the quake, which created the tsunami.

This is apparently now a minority opinion among seismologists, most of whom believe that tsunami waves are directly produced by movement of the sea floor, at least in most cases. One line of argument which seems to rule out landslides as a cause of some tsunamis leads from evidence that the source of the wave is much too large to be accounted for by a landslide. S. A. Fedorotov, writing in the Geophysics Series of the Bulletin of the Academy of Sciences, U.S.S.R., July, 1962 (translated and published here October, 1962, by the National Academy of Sciences), summarized this evidence. By determining the time of arrival of the tsunami wave at many different locations, it is possible to calculate the source of the wave. Citing such calculations for a number of tsunami generated in the Kamchatka region, Fedorotov concludes that "source regions for tsunami waves are extremely elongated ellipses whose major axes have lengths of tens or hundreds of kilometers." It is difficult to imagine landslides of this magnitude.

In a more recent review, Takeo Matuzawa (*Study of Earthquakes*, Uno Shoten, Tokyo, 1964) says that Japanese seismologists generally disagree with Gutenberg and believe that "tsunamis on a large scale are supposed to be caused by submarine upheaval or subsidence of extensive area. Tsunamis caused by submarine landslides, if any, should be on a relatively small scale."

Most of the references to tsunami studies are in the foreign literature, as surprisingly few papers have been published in the United States on the causes of these sea waves. In 1964, the BSSA published an index to the previous 53 years of that journal. Only thirteen references to tsunami are listed, and nearly all are simply descriptions of tsunami effects.

Whatever their exact cause, tsunamis are produced by earthquakes. They may travel over thousands of miles of ocean with little loss of energy. In the open ocean, the height of the wave may be only a few feet; the wave length is great, distances between wave crests being one hundred miles or more. The speed at which the wave travels is a function of the depth of ocean, typically about five hundred miles per hour. Tsunamis generated in the Aleutians or near Alaska will take from four to six hours to reach Hawaii, enough time to allow warnings to the local population to move to high ground.

Damaging tsunamis are frequent enough in the Pacific to require a Seismic Sea Wave Warning System (SSWWS). The four-to-six hour warning time for tsunamis originating in the Aleutians or the coasts of North and South America allows the SSWWS, operated by the Department of Interior, to issue warnings to Hawaii. There is cooperation with the Russian and Japanese governments, since earthquakes in the Kuriles or the Aleutians may result in tsunami damage in Russia and Japan.

Damaging tsunamis strike Hawaii with fair regularity. In recent times, the most severe waves have been in 1946, 1952, 1957, 1960, and 1964. All of these, except for the tsunami produced by the Chilean earthquake of 1960, were produced by earthquakes in the arc from Kamchatka to Alaska, which includes the Aleutians. The most damaging of these was the 1946 tsunami, which originated in the Aleutians following an earthquake of magnitude 7.4. The wave produced traveled at an average of 490 miles per hour, traversing the 2,400 miles to Hawaii in a little under five hours. The wave length was 122 miles, and the height of the wave in the open sea was probably only a few feet.

As the wave approached Hawaii, however, it encountered the gently-sloping shores of the islands. As it moved into shallower water, the height of the wave increased; this effect was greatest in V-shaped bays, which further amplified the height of the wave. On the island of Kauai, waves reached 45 feet in height; on Hawaii, the maximum was 55 feet.

Later earthquakes which were considerably larger and which had their focus in the same general area, did less damage at Hawaii, Fraser, Eaton and Wentworth (BSSA, January, 1959) compared the 1946 tsunami to one in 1957, which originated from an earthquake of magnitude greater than 8, but which was otherwise much like the earthquake of 1946. The tsunamis from both earthquakes had similar wave lengths (122 miles and 146 miles) and speeds (490 mph and 497 mph). Maximum wave heights in 1957 were 32 feet at Hawaii and 53 feet at Kauai (compared to 55 and 45 feet respectively in 1946). Thus, despite the greater magnitude of the 1957 earthquake, its effects were no worse than the 1946 earthquake.

Damage from the tsunamis ranges from the very minor to the catastrophic. Tsunamis in Japan have resulted in thousands of lives lost. In Hawaii, the worst damage in recent times was from the 1960 tsunami, which killed 61 and resulted in millions of dollars of property damage. Wave crests were actually lower (maximum about 35 feet) in the 1960 tsunami than for some others which have originated in the Aleutians, but warnings were inadequate and the waves struck heavily-populated areas.

Damage is also done to the West Coast of North America following earthquakes in the

Aleutians or in Alaska. The Alaskan earthquake of Good Friday (March 28) 1964, caused tsunami waves of up to 30 feet along the Alaskan coast, and did damage as far south as Crescent City, California. These tidal waves not only damaged property, but caused considerable ecological disturbance. According to the Report to President, published by the National Academy of Sciences:

"Walls of water surged into estuaries, scouring out beds of clams and other life in some areas, and elsewhere depositing layers of mud and debris that suffocated underlying life. Tsunami waves washed into low lying lakes, making the water brackish."

According to the AEC's Public Information office, the Island of Amchitka is being prepared for another series of underground tests in the fall of this year. The Anchorage *Daily Times* (May 15, 1969) and other newspapers have repeatedly reported that tests of several megatons are planned for this area. Since tsunamis from this region could do damage to areas in Russia, Japan, Hawaii, Canada or the West Coast of the United States, the question of whether the tests could trigger tsunamis may be the largest imponderable in the underground testing program.

According to Matuzawa, the damaging effects of a tsunami wave depend more on the extent of vertical movement of the sea floor, and the distance along which such movement occurs, than on the magnitude of the earthquake which sets off the movement. Earthquakes of less than magnitude 7 do not seem to result in damaging tsunami, but an explosion of several megatons would exceed magnitude 7. The extent of ground movement from such an explosion itself would not seem adequate of itself to create a tsunami, but the possibility remains that an earthquake triggered by the explosion would do so.

In Nevada, which is relatively free of earthquakes, the Faultless test caused sixteen feet of vertical ground movement along a fault. This and other tests have caused movement along several miles of fault. Whether tests would trigger much more extensive movement in the seismically-active Amchitka area would seem to be still an open question. On May 14, 1969, an earthquake of magnitude 6.7 rocked Delarof Island, just 75 miles from Amchitka, where the shock was clearly felt, dramatically demonstrating the proneness of the area to large earthquakes. (No tsunami was produced, however.) It has been demonstrated that megaton tests in Nevada trigger earthquakes at the site of the test. Since Amchitka Island is only four miles wide, any earthquake triggered on or near the island would be almost certain to result in movement of the sea floor, and therefore, possibly, in a tsunami. If, in this earthquake region, a test were to precipitate a quake no larger in magnitude than the test itself, but resulting in fault movement over many miles, the result might be a tsunami which did damage thousands of miles away.

TESTIMONY BY REPRESENTATIVE PATSY T. MINK, ON THE SUSPENSION OF NUCLEAR TESTS IN THE ALEUTIAN ISLANDS, BEFORE THE COMMITTEE ON FOREIGN RELATIONS OF THE U.S. SENATE, SEPTEMBER 29, 1969

Mr. Chairman and members of the distinguished Committee, I am happy to have this opportunity to appear before you in opposition to the nuclear tests at Amchitka Island in the Aleutians. I believe your Committee is performing a public service in the profoundest sense by conducting these hearings and for the first time giving our citizens a forum in which to express their concern.

As you know, these tests have great international implications. Both the governments of Canada and Japan have filed official protests with our State Department. They both noted the possibility, which has been conceded by many scientists, that these nuclear detonations could touch off earthquakes and resulting tidal waves in this area which is one of the earth's most geologically unstable areas.

Canada also fears that radioactivity may be vented into the air and sweep over its citizens. Japan strongly objects to the ban on all ocean traffic within a radius of 50 miles of Amchitka Island, which is a restriction of internationally recognized freedom of the seas. The area is a rich fishing ground for Japan and is a regular route for ships and aircraft. The Japanese, who are extremely sensitive about these matters, do not want to risk radioactivity contamination of the Pacific fisheries on which they are so dependent. They have said they will hold our government accountable for any damage or loss of life resulting from the tests.

Our own citizens, too, fear the consequences of these blasts, the size of which has been kept secret. In 1946 an earthquake in the Aleutian Islands launched a tsunami or tidal wave that killed 159 people and damaged $25 million of property in Hawaii alone. Another Aleutians earthquake, in 1957, sent tsunamis which did $3 million in damage to Oahu and Kauai Islands in Hawaii.

Tsunamis spawned by earthquakes can move incredibly long distances. The 1960 earthquake in Chile produced such a wave that reached Hilo, Hawaii, at midnight 14 hours and 47 minutes later. This disaster killed 61 people and did $25 million in damage in Hawaii before racing across the Pacific Ocean to further strike at Taiwan, the Philippines, New Zealand and Japan, leaving 138 dead in the latter country alone. It hit San Diego and other parts of our Pacific Coast as well.

I would like to point out that Amchitka Island is only about 750 miles from Russia's Kamchatka Peninsula which juts southward from the Siberian Coast. Clearly an event of the magnitude of the United States nuclear tests scheduled to begin in just three days cannot be confined in effects to our nation alone. We must consider the international repercussions involved, including the world reaction in the event of a disaster in our tests for the ABM.

The legislation before you today calls for a study of these foreign relations matter. I urge you to approve it. I strongly recommend that you also amend the legislation to include a suspension of the tests at Amchitka Island pending the results of this study by non-governmental experts. We need time to examine the full implications of these tests.

I have asked our President to use his authority to suspend the tests. I hope the people of Hawaii and the people of the rest of the United States will flood President Nixon with a deluge of letters urging him to suspend these dangerous explosions. In the meantime, emergency action by your Committee to suspend the tests is of vital importance.

Thank you for this opportunity to appear.

AN AMENDMENT TO THE TAX REFORM BILL WHICH MAY REDUCE BORROWING COSTS OF THE STATE AND LOCAL GOVERNMENTS, INCREASE TREASURY REVENUES, AND MAKE IT UNNECESSARY TO TAX MUNICIPAL BONDS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, considerable concern has been expressed by State and municipal governing bodies over provisions in the tax reform bill passed by the House that would affect the borrowing costs of State and local governments.

During hearings last Wednesday before the Senate Finance Committee on the tax reform bill, a statement on this matter was made by Mr. William Summers Johnson, director of finance of the city and county of Honolulu. Mr. Johnson is a former congressional employee and top staff member of the Joint Economic Committee, and in view of his expertise in this field I believe that his testimony merits the consideration of Congress as well as finance officers in State and local governments across the Nation.

Mr. Johnson proposed an amendment which he feels would reduce borrowing costs of the State and local governments, increase Treasury revenues, and at the same time make it unnecessary to tax municipal bonds as proposed by the House-passed bill.

While he supports the new taxable municipal bond as a good addition to presently available borrowing instruments, and urges its adoption regardless of whether other provisions of the bill are passed, Mr. Johnson feels that this would be a better revenue-raising instrument with the substitution of an interest-cost sharing formula which he proposes.

His amendment would remove the discretionary authority given to the Secretary of the Treasury under the House bill to set the percentage of interest cost which the Treasury would pay. The range is between 30 percent and 40 percent of the interest cost of a bond issued within the first 5 years after enactment of the bill, and between 25 percent and 40 percent of interest costs of bonds issued thereafter.

In Mr. Johnson's view this discretionary authority makes it impossible to predict whether the State and local governments would be better off or worse off under the House bill. If the Secretary set the payment at or near the top of the range the State and local governments would be better off than in past years, but if the level were set at the low range they would be worse off, he feels.

Under Mr. Johnson's proposed amendment, the tax reform bill would contain a definite formula for the Federal payment. It would start at 30 percent in the first year and rise 1 percent for each year thereafter until the 40 percent level is reached in 10 years. There it would remain.

Since 1963, he points out, the ratio of municipal to corporate yields, on a yearly average basis, ranged between 72 percent and about 68 percent. Thus, 30 percent seems to be about the right level to begin the direct payments on the new taxable municipals to make them attractive to investors.

Meanwhile, yields on nontaxable municipals would not be very far from the 70-percent level. Since present holders of municipals could expect a declining advantage in holding these bonds, they would tend to unload their holdings, and market yields on nontaxables would tend to rise.

Accordingly, the State and local governments would find it advantageous to issue taxable bonds, rather than more nontaxables, and the supply of nontaxables would disappear from the market about as fast as investors wished to unload them. Mr. Johnson feels that 10

years hence, only investors in tax brackets above 40 percent will still find it advantageous to buy and hold nontaxables. The overall advantage in terms of tax preference income would greatly diminish, and Mr. Johnson feels that inclusion of interest income from State and local bonds within the tax preference limitation would not be necessary.

In view of the wide interest in this subject, I include Mr. Johnson's testimony at this point in the RECORD:

EXCERPT FROM TAX REFORM HEARINGS

(Statement of William Summers Johnson, Director of Finance, city and county of Honolulu, Hawaii, to the Committee on Finance, U.S. Senate, on the provisions of the tax reform bill (H.R. 13270) affecting State and local government bonds, September 24, 1969)

Mr. Chairman: My name is William Summers Johnson. I am Director of Finance of the City and County of Honolulu.

I appreciate the opportunity to testify on those features of the Tax Reform Bill which would affect the financing problems of the state and local governments. My statement is concerned with the problems of these governments generally, rather than the particular problems of Honolulu. Like other cities, Honolulu sells its bonds by competitive bidding in New York, and its interest costs are determined by the general level of interest rates on municipal bonds and the credit rating which the rating services assign to the city's bonds.

Much has been said about the growing financial problems of state and local governments, problems which are sometimes called a financial crisis. The demands upon these governments for public capital improvements have grown enormously over the post World War II years. In the 20 years prior to 1966, these governments had spent some $220 billion for capital outlays, about half of which had been financed by borrowing.[1] Between the end of 1950 and the end of last year, the net debts of the state and local governments increased more than five-fold, growing from about $22 billion to about $130 billion in 18 years.[2] In contrast, the net debt of the Federal Government has increased by only slightly more than one-third over this period.

Further, while the Federal budget has achieved a moderate surplus in the fiscal year just ended, the prospects are that the debt burden of state and local governments will grow at even larger increments in the years ahead. Enormous amounts of capital will be required to replace old and obsolete facilities and to expand facilities to provide for a growing population. And to meet these requirements, the public agencies will have to compete for funds against the rising demands for housing and other private needs.

Accordingly, it is hoped that the tax reform legislation as finally passed will not increase the borrowing costs of the state and local governments, or even leave the matter in doubt, but will help to reduce these borrowing costs.

It seems to me the House bill does leave this question in doubt. Thus, at a later point, I would like to suggest some modification of the bill which I believe will serve the three-fold purpose of (1) reducing borrowing costs of the state and local governments, (2) achieving the purpose of the legislation which is to make the tax system more equitable, and (3) avoiding some of the philosophical objections to the bill as it is now written.

ROLE OF TAX-EXEMPT BONDS

The fact that interest income from state and local government debt obligations is not subject to the Federal income taxation is of substantial benefit to these governments. It has meant that such obligations—or what are called "municipals"—could be issued at a lower interest cost than taxable bonds of the same maturity and credit rating—a relationship which carries through to bonds resold in secondary markets.

For example, last December, before market rates were disturbed by this legislation, market yields on triple-A rated municipals were quoted at 4.50%. In contrast, corporate bonds of the same rating and U.S. Government bonds—both taxable—were quoted at yield of 6.45% and 5.65%, respectively.

The differential between interest rates on taxable bonds and non-taxable bonds of like maturity and credit rating at any particular time is a measure of the benefit of the tax exemption to the state and local governments. The greater the differential, the greater the benefit.

It is not, however, the supply of tax-exempt bonds that determines the level of interest rates on these bonds. On the contrary, between 80 and 90 percent of all new credit instruments being issued are taxable, hence the taxable issues play the dominant role in determining bond rates. Rates on municipal bonds merely adjust to these rates, depending upon the marginal income tax rate of the bond investors.

To illustrate, an investor in the 50% tax bracket finds it advantageous to invest in tax-exempt bonds, rather than in taxable bonds, where the yield on tax-exempts exceeds 50 percent of the yield on taxable bonds. Similarly, an investor in the 25 percent tax bracket finds non-taxable bonds more advantageous than taxable bonds only when the yield on the municipals exceeds 75 percent of the yield on taxable bonds—a point at which the benefit to the state and local governments has greatly diminished and a bonanza has been created for investors in the higher tax brackets.

Changes in the ratio of the yields on the two types of bonds are influenced by several factors, including the supply of tax-exempt bonds outstanding relative to the supply of funds available in the hands of individuals, commercial banks and other institutions that invest in this type of bond.

Changes in effective tax rates are also quite influential in changing the benefits of the tax exemption, both to the investor and to the state and local governments. In the 1900's, there was little if any difference between the yields on taxable and non-taxable bonds because income tax rates were then so low that there was little advantage in investors' seeking tax-exempt income.

In contrast, passage of the surtax last year served to widen the spread between yields on non-taxable and taxable bonds. On the other hand, consideration of this legislation has had a dramatic opposite effect.

Taking a longer look at the trends over the post World War II years, however, it is evident that the benefit of the tax exemption to the state and local governments has substantially declined. A study prepared for the Joint Economic Committee in 1966 observed that "between 1946 and 1954 the municipal-corporate yield ratio jumped from 40 per cent to 80 per cent and then receded to around 75 per cent, where it has remained since."[3]

The question whether there has been a general tendency for the ratio to decline since 1965 is debatable. There is no precise statistical measure of this subject and the generalized measures have been clouded by several changes in effective tax rates and by two severe cycles in monetary policy which varied the investment capacity of the commercial banks.[4]

GROWING SHORTAGE OF FUNDS FOR MUNICIPAL FINANCING

There have been some dramatic shifts in the flows of institutional funds over the post-World War II years which have doubtless influenced the earlier decline in the benefits of the tax exemptions and seem to portend further difficulties for the state and local governments in the future.

While state and local government borrowing has rapidly increased, the great growth of investment funds has taken place in institutions which, because of their special tax status or the nature of their business, find it impractical to invest in tax-exempt bonds. These include the government pension funds—state and local as well as Federal—the private pension funds, the life insurance companies, savings and loan associations, mutual funds and the non-financial corporations.

As of the end of last year, only one of these groups had as much as three per cent of its total financial assets in municipal bonds. These were the state and local governments, presumably those who invested their employees' retirement funds in their own bonds only because they were unable to market the bonds elsewhere.[5]

Among institutional investors, only the commercial banks and the non-life insurance companies are significant investors in tax-exempt securities. The total financial assets of these two groups combined increased by slightly more than 200 per cent between 1947 and 1967, and amounted to $439 billion at the end of the latter year.[6]

More than this, individual investors have added little to their holdings of municipal bonds in recent years. Indeed, this market would appear to have become pretty much saturated. Individual investors held some $40.6 billion of municipals at the end of 1966, increased their holdings by only $0.2 billion during 1967, and, according to preliminary data, actually reduced their holdings by $0.7 billion last year.[7]

Commercial banks, on the other hand, have become the predominant investors in municipal bonds. Last year they increased their holdings in these instruments by $8.1 billion and at the end of the year, held nearly half of all such bonds outstanding. According to preliminary data, state and local government debt obligations outstanding at the end of last year were held as follows:

	Billions
Commercial banks	$58.1
Individuals	40.1
Nonlife insurance companies	16.4
All others	10.3
Total	124..9

No doubt many commercial banks have invested in municipal bonds when it was not particularly profitable for them to do so—in order to advance construction projects in their local communities. However, such heavy reliance on commercial banks as a market for municipal bonds poses some dangers, not the least of which is that this market may become saturated too. Commercial banks are subject to a variety of laws and regulations which limit their investments in particular types of securities, and their investment funds have not been growing as fast as those of other financial institutions.

PROVISIONS OF TAX REFORM BILL AFFECTING MUNICIPAL FINANCE

Against this background of the problems of the state and local governments, the provisions of the House bill affecting municipal finances will, I think, be better appraised.

In an effort to make the tax system more equitable, the drafters of the House bill have included several provisions which would make investment in state and local government bonds less attractive, particularly to high income individuals. The effect would be to raise interest costs on future issues of these bonds, relative to the cost of issuing fully taxable bonds.

As an offset, however, the bill provides for a new type of state and local government

---

Footnotes at end of article.

debt instrument which seems intended to assure that the borrowing costs of these governments will not be higher, relative to other borrowing costs, than in past years.

Coming first to those provisions of the bill which would tend to raise municipal borrowing costs, these are in the main four.

1. Limitations on deductions of interest (Sec. 221)

This limits the amount of the deduction which an individual may take for interest paid on funds borrowed to invest in or carry investment assets. An individual would be allowed to deduct such interest payments, on a current basis, only to the extent that the deduction does not exceed his investment income and long-term capital gains by $25,000 ($12,500 in the case of a married individual filing a separate return).

This will limit the advantages that high-income individuals can now enjoy by borrowing funds at a low interest rate, net of the tax deduction, and investing the funds in municipal bonds to receive a tax-free income.

2. Increase in standard deduction (Sec. 801) and maximum tax on earned income (Sec. 802)

The effect of these two sections is to reduce the tax rate on top income individuals and to reduce effective tax rates on individuals in all income groups.

Other things being equal, the effect will also be to raise municipal borrowing costs relative to other borrowing costs. As effective tax rates are reduced, taxpayers find investment in bonds yielding a tax-free income less advantageous.

3. Limit on tax preferences (Sec. 301)

This section defines tax preference income as tax-free interest from state and local government bonds, plus several other types of income now taxed at preferential rates or against which preferential deductions may be taken.

Under the bill, an individual will be allowed to claim the exclusions and deductions comprising tax preference income only to the extent that the aggregate of such income does not exceed 50 per cent of his total income (adjusted gross income plus tax preference items).

The excess over 50 per cent will be taxable at the individual's normal tax rates.

However, if the individual's aggregate tax preference income does not exceed $10,000, the rule does not apply. Further, the bill provides a formula for bringing interest income from municipal bonds under the formula only gradually. In the first year, one-tenth of such income is to come under the limit; in the second year, two-tenths; and so on until all such income comes under the limit ten years later.

4. Capital gains and losses on bonds held by financial institutions (Sec. 443)

Under present law, commercial banks and certain other types of financial institutions are taxed on their capital gains on bond transactions, like other taxpayers, at the capital gains rate. But unlike other taxpayers, however, these institutions are permitted to treat the excess of their capital losses over their capital gains on such transactions as ordinary losses, deductible from ordinary income.

Under the bill, the excess of gains over losses would be treated as ordinary income, taxable at ordinary income tax rates, and the excess of losses over gains would be deductible from ordinary income.

The principal investors in municipal bonds, the commercial banks, will find these bonds less attractive under the bill. In the past, it has been a general practice of commercial banks to increase their holdings of municipal bonds—and other securities—in periods of easy money, then sell these securities in periods of credit stringency, frequently at a capital loss, in order to raise funds to meet their loan demands.

However, this provision of the bill will not place municipal bonds at a disadvantage to other securities. All debt instruments are treated alike.

Furthermore, the commercial banks should find that the tax-exempt interest income available from these bonds will continue to make them quite attractive investments. Commercial banks on a whole have recently been in the 48% marginal tax bracket, and are now thought to be in an even higher bracket. To a firm in the 48 per cent tax bracket, an interest yield of 6.5% on a municipal bond is equivalent to a yield of nearly 12.4% on a taxable security.

THE COST-SHARING MUNICIPAL BOND (SECTIONS 601 AND 602)

The provisions of the House bill just discussed would, taken alone, have a substantial effect on the borrowing costs of the state and local governments. The effect would be to raise these costs, relative to other borrowing costs.

As an offset, however, the House bill authorizes a new type of debt instrument which the state and local governments may issue at their option. The interest income from this bond would be fully taxable, and would thus require higher interest rates, but the Federal Treasury would directly share the interest costs.

The proposed new bond thus takes advantage of the fact that the tax exempt feature of state and local government bonds is an inefficient means of aiding these governments. That is to say, the tax exemption involves a revenue loss to the Treasury, as compared to taxable bonds, which is much greater than the benefits derived by the state and local governments.

In its general form, the proposed new bonds contains some very attractive features. First, its use is optional on the part of the state or local government, and the governmental unit that issues it does so without giving up its right to issue also the traditional municipal bond.

Second, since the bond is taxable, it will sell at interest yields comparable to other bonds and will thus give the state and local governments access to the investment funds held by institutions that do not now invest in municipal bonds.

Finally, this bond would be marked in the usual way, utilizing the already-existing machinery of private financial services.

However, the formula for the Treasury's sharing in the state and local governments' interest cost is deficient—and needlessly so.

The report of the Ways and Means Committee accompanying its bill states that—

Historically, the ratio of yields on tax-exempt issues and taxable issues has been as low as 60 per cent, but in recent years has been close to 75 per cent.[8]

Then, for reasons that are not clear, the bill provides a range of direct payments to the issuer, the range being 30% to 40% of the interest cost of bonds issued within the first five years, and from 25% to 40% thereafter. Furthermore, the bill gives the Secretary of the Treasury discretion to set the exact percentage within these ranges at the beginning of each quarter of the year.

Add up the uncertainties which the bill poses for municipal finance, and it is easy to see why there has been a certain lack of enthusiasm for these features of the bill.

Giving the Secretary of the Treasury discretion to set the sharing formula within a range is puzzling and suggests

1. That the Secretary is expected to try to equate cost to the issuers of the new taxable municipals with those of ordinary municipals, or

2. That the Secretary is expected to shift the cost advantage one way or the other for the convenience of the Treasury, or

3. That the Secretary might use his flexibility for general economic regulation, reducing the subsidy at times when the Administration wishes to dampen demands on credit markets and the construction industry and increasing the subsidy at other times.

None of these purposes seems desirable. Certainly the purpose should not be to maintain any particular relationship between the supply of the new taxable municipals and the ordinary municipals; the purpose should be to increase the supply of the new taxable bonds and thus diminish the tax revenue losses flowing from the ordinary municipals. Nor is it comforting to think that the financing ability of the state and local governments may be modified either for the convenience of the Treasury or for general economic regulations.

COSTS AND BENEFITS OF TAX EXEMPTIONS

A study made for the Brookings Institution in 1963 developed some advanced techniques for estimating the benefit of the tax exemption to the state and local governments and the revenue loss to the Treasury.

This study concluded that the benefit to the state and local governments amounted to an interest rate savings of between 133 and 186 basis points below the contemporary rate on comparable corporate bonds. A group of experts who reviewed the study reached a conclusion that the more exact differential is 150 basis points.[9]

Further, in 1966, the Treasury updated this study on the basis of the 1965 experience, with these calculations:

1. At the minimum differential of 133 basis points, the benefit of the tax exemption to the state and local governments would amount to $1.9 in savings in interest costs over the life of the bonds, and the Treasury's revenue loss would amount to $2.9 billion.

2. At the maximum differential of 186 basis points, the benefit to the state and local governments would amount to $2.6 billion, and the Treasury's revenue loss would amount to $3.2 billion.[10]

In other words, if the municipal bonds issued in 1965 had not been tax-exempt, each dollar of increased cost to the state and local governments would have resulted in increased revenues to the Treasury of between $1.23 and $1.52. At the concensus differential—150 basis points—each $1 of benefit to the state and local governments costs the Treasury $1.42 in lost revenues.

This suggsts that the state and local governments could be given the option of issuing fully taxable bonds on which the Treasury would pay 42 per cent of the interest cost, with no net cost to the Treasury omitting any additional administrative costs.

TAXING MUNICIPAL BONDS UNNECESSARILY

This leads me to suggest the interest-cost sharing formula be modified in two respects. First, that it be made definite and that it provide for gradually increasing cost sharing.

Thus, it would seem appropriate to set the first year rate at 30%, and provide for an increase of one percentage point each year, until the 40% level is reached 10 years hence.

This would accomplish the equity purposes of the limited tax preference provision (LTP), not by taxing the tax-exempt bonds, but causing them to largely disappear. And at the same time, this formula would be of more certain benefit to the state and local governments.

Footnotes at end of article.

Additionally, it would bring about an orderly shift from nontaxable to taxable municipals outstanding without serious capital losses. In view of the certain rise in the Treasury payments, an investor would tend to shift out of the old municipals and their yields would tend to rise relative to taxable bonds. Accordingly, the state and local government would find it advantageous to refund by the new taxable bond, thus reducing the supply of the non-taxables as these become less desirable to investors.

Finally, this method of accomplishing the purposes would avoid the objections, hotly held, to the indirect tax on state and local government bonds or set out in the LTP provisions.

Mr. Chairman, as one of many municipal finance officers who are being sorely pressed by the recent rise in interest rates on state and local government bonds, may I say that it is most important that the issues involved in the municipal finance features of this legislation be resolved—one way or another—as soon as possible.

Thank you.

FOOTNOTES

[1] Joint Economic Committee, *State and Local Public Facility Needs,* Vol. 2, December 1966, p. 5.

[2] Appendix A.

[3] Op. Cit., *State and Local Public Facility Needs and Financing,* p. 12.

[4] Appendix C.

[5] Appendix B.

[6] Appendix D.

[7] Appendix E.

[8] House Report No. 91–413 (Part I) p. 72.

[9] Op. Cit., State and Local Public Facility Needs, Note 7.

[10] Ibid, p. 332.

APPENDIX A

NET PUBLIC AND PRIVATE DEBT IN THE UNITED STATES

End of year	Federal Government and agency	State and local governments	Private	Total
Amount (billions):				
1950	$217.4	$21.7	$246.3	$485.4
1955	229.6	40.2	391.6	661.4
1960	239.8	63.0	565.7	868.5
1965	266.4	99.9	868.6	1,234.9
1968[1]	292.5	129.5	1,103.8	1,525.8
Percentage of 1950:				
1950	100.0	100.0	100.0	100.0
1955	105.6	185.3	159.0	136.2
1960	110.3	290.3	229.7	178.9
1865	122.5	460.4	352.7	254.4
1968[1]	134.5	596.8	448.2	314.3

[1] Preliminary.

Source: Economic Report of the President January 1969 p. 296.

APPENDIX B

HIGH-GRADE MUNICIPAL AND CORPORATE BOND YIELDS, SELECTED DATES

	State and local Governments (Aaa)	Corporates (Aaa)	
Yearly average:			
1945	1.07	2.62	40.8
1955	2.18	3.06	71.2
1963	3.06	4.26	71.8
1964	3.09	4.40	70.2
1965	3.16	4.49	70.3
1966	3.67	5.13	71.5
1967	3.74	5.51	67.9
1968	4.20	6.18	68.0
Monthly average, 1969:			
January	4.58	6.59	69.5
April	5.00	6.89	72.6
July	5.60	7.08	79.1

Source: Moody's, as reported in Federal Reserve Bulletins to July 1969.

APPENDIX C.—ALL FINANCIAL ASSETS AND STATE AND LOCAL GOVERNMENT OBLIGATIONS HELD BY INSTITUTIONAL INVESTORS, DEC. 31, 1968

[Dollar amounts in billions]

	All financial assets (1)	State and local government obligations (2)	Col 2 as percent of col. 1 (3)
Buyers of tax exempts, total	$486.9	$74.5	15.3
Commercial banks	438.8	58.1	13.2
Nonlife insurance companies	48.1	16.4	34.1
Nonfinancial corporations	352.3	2.9	.8
Nonbuyers of tax exempts, total	1,388.1	6.9	.5
U.S. Government	189.6		
State and local governments	113.9	3.6	3.2
Life insurance companies	182.4	3.0	1.6
Savings and loan associations	152.8		

APPENDIX C.—ALL FINANCIAL ASSETS AND STATE AND LOCAL GOVERNMENT OBLIGATIONS HELD BY INSTITUTIONAL INVESTORS, DEC. 31, 1968—Continued

[Dollar amounts in billions]

	All financial assets (1)	State and local government obligations (2)	Col 2 as percent of col. 1 (3)
Nonbuyers of tax exempts—Continued			
Private pension funds	$94.7		
Mutual savings banks	71.2	$0.2	0.3
Finance companies	50.7		
Investment companies	47.3		
Credit unions	12.3		
Rest of world[1]	120.9	.1	.1
Memorandum: Households	1,713.5	40.1	2.3

[1] Foreign persons, international agencies, agencies of foreign banks and U.S. banks in possessions.

Source: Federal Reserve Board, Federal Reserve Bulletin, May 1968, p. A–67.10 et seq., and May 1969, p. A–68, et seq.

APPENDIX D—FINANCIAL ASSETS HELD BY INSTITUTIONS 1947, 1957, AND 1967

[In billions of dollars]

	1947	1957	1967	1967 as percent of 1947
Total, buyers of tax-exempts	145.6	219.1	438.9	301.4
Commercial banks	136.8	197.0	393.9	287.9
Nonlife insurance companies	8.8	22.1	45.0	511.4
Total, nonbuyers of tax-exempts	303.6	608.0	1,277.4	420.8
Nonfinancial corporations	83.5	169.3	322.7	386.5
U.S. Government[1]	80.9	110.3	171.3	211.7
State and local governments	17.6	40.1	100.7	572.2
Life insurance companies	50.9	98.3	173.0	339.9
Savings and loan associations	11.7	48.1	143.8	1,229.1
Mutual savings banks	19.7	35.2	66.4	337.1
Credit unions	.5	3.4	11.2	2,240.0
Private pension plans	3.1	22.4	86.9	2,803.2
Finance companies	5.1	19.6	46.6	913.7
Mutual funds[2]	1.4	8.7	44.7	3,192.9
Other[3]	27.4	52.6	110.1	401.8

[1] Includes "monetary authorities."

[2] Open-end investment companies only.

[3] Includes foreign and international agency holders of obligations of U.S. persons and governments, plus brokers and dealers in securities and agencies of foreign banks.

Source: Federal Reserve System, "Flow of Funds Accounts, 1945–67," February 1968.

APPENDIX E.—HOLDINGS OF STATE AND LOCAL GOVERNMENT OBLIGATIONS BY INDIVIDUALS AND INSTITUTIONS, END OF SELECTED YEARS, 1945–68

[In billions of dollars]

	1945	1950	1955	1960	1965	1966	1967	1968
Total	15.5	24.7	44.8	68.7	100.0	105.9	117.5	124.9
Individuals	7.2	9.6	18.6	28.7	37.2	40.6	40.8	40.1
Commercial banks	4.1	8.1	12.7	17.6	38.5	40.2	50.0	58.1
Nonlife insurance companies	.2	1.1	4.2	8.1	11.4	12.1	13.7	16.4
Nonfinancial corporations	.3	.5	1.2	2.4	3.6	4.4	5.1	2.9
State and local governments	2.6	3.6	5.1	7.2	5.0	4.6	4.1	3.6
Life insurance companies	.7	1.2	2.0	3.6	3.5	3.1	3.0	3.0
Mutual savings banks	.1	.1	.6	.7	.3	.3	.2	.2
Finance NEC	.3	.4	.3	.4	.5	.6	.6	.6

Source: Federal Reserve System, Flow of Funds Accounts 1945–67, and Bulletin, May 1969.

H.R. 14065—A SECONDARY MARKET FOR CONVENTIONAL MORTGAGES

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANNA. Mr. Speaker, the Federal National Mortgage Association has long been one of the most important stabilizing influences in the secondary mortgage market. Last year's reorganization of FNMA, making it a private, Government sponsored corporation was designed to bring additional dynamism and flexibility to its operation.

The corporation, in most cases, has demonstrated its capacity to increase and strengthen its operation. Last year's decisions hit their mark as FNMA is now managing commitments at a rate almost four times that of any previous year.

The deplorable conditions in the home finance market have made the increased purchasing by FNMA all the more important. However, the deteriorating state of the mortgage markets demand additional action. I have already introduced a number of pieces of legislation in this regard, including a comprehensive savings and loan bill designed to generate more liquidity.

Yesterday I introduced H.R. 14065, authorizing the Federal National Mortgage Association to purchase conventional mortgages. FNMA currently purchases only Goverment assisted mortgages. Considering some 80 percent of the mortgage paper is backed by conventional terms, FNMA could, by participating in this secondary market make a considerable impact.

My bill would essentially permit FNMA to deal in the conventional mortgage market in much the same way it now participates in purchasing mortgages assisted by the Federal Housing Administration, the Veterans' Administration, and the Farmers Home Administration.

FNMA would not be allowed to purchase or lend on the security of any conventional mortgage unless its outstanding principal balance did not exceed 80 percent of the value of the mortgaged property, or unless that portion in excess of 80 percent was guaranteed or insured by an institution, and under a contract, determined by FNMA to be generally acceptable to other institutional mortgage investors.

FNMA's ability to deal in conventional mortgages has never been seriously questioned. In the past, however, because of its dual private-Government ownership, its activities were limited to Government backed mortgages. Now this situation no longer exists. The reorganization of FNMA, authorized in the Housing and Urban Development Act of 1968, placed in a new, privately owned FNMA the responsibility of handling the nonsubsidized activities of the old FNMA.

Since the creation of the privately owned FNMA on September 1, 1968, it has demonstrated its unquestioned ability to function without Government support. The corporation, in addition to operating at a higher rate of activity than in the past also demonstrated that the funds it needs to carry on its activities are readily obtainable in the private market, and this, without reliance on the Federal Government as was often the case in past years.

I recognize that there will be technical problems and difficulties involved in implementing a secondary market for conventional mortgages. However, I do not believe these problems to be insurmountable. The most important problem to be overcome, the establishment of a uniform mortgage instrument, can only really be worked out when there is a firm basis for taking such a step. The availability of a secondary market for conventional mortgages will serve to spur the development of such an instrument.

Mr. Raymond H. Lapin, President and Chairman of the Board of FNMA, in recent testimony before the Subcommittee on Housing of the Committee on Banking and Currency indicated he believed a proper role for FNMA may be to aid the conventional mortgage market. Mr. Lapin also stated that FNMA has been conducting in-depth studies related to the technical problems associated with such a move.

Last week our esteemed colleague in the Senate, Mr. SPARKMAN, introduced a similar bill to the one I introduced yesterday. Hopefully it is his intention to open his bill to hearings at the earliest convenient date. I am also hopeful that H.R. 14065 will be given an expeditious hearing by the House Commitee on Banking and Currency.

It is absolutely essential that this Congress devote its energy to relieving the serious crisis confronting the housing industry. This sector of our economy is in the throes of an agonizing dislocation and if remedies are not forthcoming in the immediate future the damage may prove to be irreparable.

The result of further inaction will be to crush the dreams of millions of Americans who look forward to homeownership.

At this point, I insert H.R. 14065 and an analysis of the bill in the RECORD:

H.R. 14065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 302(b) of the Federal National Mortgage Association Charter Act is amended—

(1) by inserting "(1)" immediately following "(b)";

(2) by striking out "each of the bodies corporate named in subsection (a)(2)" and inserting in lieu thereof "the Association";

(3) by striking out "; and the corporation is authorized to lend on the security of any such mortgages and to purchase, sell, or otherwise deal in any securities guaranteed by the Association under section 306(g)"; and

(4) by adding thereto the following new paragraph:

"(2) For the purposes set forth in section 301 and subject to the limitations and restrictions of this title, the corporation is authorized, pursuant to commitments or otherwise, to purchase, service, sell, lend on the security of, or otherwise deal in mortgages and in securities guaranteed by the Association under section 306(g). The corporation shall not in the regular course of its business purchase or lend on the security of any mortgage which is not insured or guaranteed by the Secretary of Housing and Urban Development, the Administrator of Veterans' Affairs, or some other officer or agency of the Federal Government, unless the outstanding principal balance thereof at the time of purchase does not exceed 80 per centum of the amount determined by the corporation to be the value of the mortgaged property, or unless that portion of the unpaid principal balance which is in excess of such 80 per centum is guaranteed or insured by an institution, and under a contract, determined by the corporation to be generally acceptable to other institutional mortgage investors."

(b) Section 305(h) of such Act is amended by striking out "clause (2) of section 302(b)" and inserting in lieu thereof "clause (2) of the proviso to the first sentence of section 302(b)(1)".

SECTIONS 302(b) AND 305(h) OF THE FEDERAL NATIONAL MORTGAGE ASSOCIATION CHARTER ACT AS THEY WOULD BE AMENDED BY CONVENTIONAL LOAN PROPOSAL

(Stricken matter enclosed in black brackets; new matter in italic.)

SEC. 302. * * *

(b)(*1*) For the purposes set forth in section 301 and subject to the limitations and restrictions of this title, [each of the bodies corporate named in subsection (a)(2)] *the Association* is authorized, pursuant to commitments or otherwise, to purchase, service, sell, or otherwise deal in any mortgages which are insured under the National Housing Act or title V of the Housing Act of 1949, or which are insured or guaranteed under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code; [; and the corporation is authorized to lend on the security of any such mortgages and to purchase, sell, or otherwise deal in any securities guaranteed by the Association under section 306(g)]: *Provided,* That (1) the Association may not purchase any mortgage at a price exceeding 100 per centum of the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items; (2) the Association may not purchase any mortgage, except a mortgage insured under title V of the Housing Act of 1949, if it is offered by, or covers property held by, a State, territorial, or municipal instrumentality; and (3) the Association may not purchase any mortgage under section 305, except a mortgage insured under section 220 or title VIII, or under title X with respect to a new community approved under section 1004 thereof, or insured under section 213 and covering property located in an urban renewal area, or a mortgage covering property located in Alaska, Guam, or Hawaii, if the original principal obligation thereof exceeds or exceeded $17,500 for each family residence or dwelling unit covered by the mortgage (plus an additional $2,500 for each such family residence or dwelling unit which has four or more bedrooms). Notwithstanding the provisions of clause (3) in the preceding sentence, the Association may purchase a mortgage under section 305 with an original principal obligation that exceeds $17,500 per dwelling unit if the mortgage (1) is a below-market interest rate mortgage insured under section 221(d)(3), and (2) covers property which has the benefit of local tax abatement in an amount determined by the Secretary of Housing and Urban Development to be sufficient to make possible rentals not in excess of those that would be approved by the Secretary if the mortgage amount did not exceed $17,500 per dwelling unit and if local tax abatement were not provided. For the purposes of this title, the terms "mortgages" and "home mortgages" shall be inclusive of any mortgages or other loans insured under any of the provisions of the National Housing Act or title V of the Housing Act of 1949.

(*2*) *For the purposes set forth in section 301 and subject to the limitations and restrictions of this title, the corporation is authorized, pursuant to commitments or otherwise, to purchase, service, sell, lend on the security of, or otherwise deal in mortgages and in securities guaranteed by the Association under section 306(g). The corporation shall not in the regular course of its business purchase or lend on the security of any mortgage which is not insured or guaranteed by the Secretary of Housing and Urban Development, the Administrator of Veterans' Affairs, or some other officer or agency of the Federal Government, unless the outstanding principal balance thereof at the time of purchase does not exceed 80 per centum of the*

amount determined by the corporation to be the value of the mortgaged property, or unless that portion of the unpaid principal balance which is in excess of such 80 per centum is guaranteed or insured by an institution, and under a contract, determined by the corporation to be generally acceptable to other institutional mortgage investors.

* * * * *

SEC. 305. * * *

(h) Notwithstanding clause (2) of *the proviso to the first sentence of* section [302(b)] *302(b)(1)* and any provision of this Act which is inconsistent with this subsection, the Association is authorized (subject to Presidential action as provided in subsection (a), as limited by subsection (c)) to purchase pursuant to commitments or otherwise, and to service, sell, or otherwise deal in, mortgages insured under the provisions of sections 221(d)(3) and 221(h) of this Act.

* * * * *

HAS THE FORGOTTEN MAJORITY BEEN FORGOTTEN?

(Mr. HANNA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HANNA. Mr. Speaker, our President coined a new phrase when during his campaign of last fall he appealed for the support of the "forgotten majority." His concern for those in the ranks of our citizenry who lend stability and continuity to our processes was, in my judgment, a proper one. For too long had the center stage of our political arena been dominated by those whose voice was most strident, whose message most extreme. President Nixon pledged to represent all the people and promised particular attention to the silent and forgotten majority. I did not question the sincerity of the commitment nor did I feel it was anything but proper that it be made.

The events of recent weeks have caused me to question the integrity of our President's commitment to the forgotten majority. I have begun to wonder whether he has, in fact, forgotten the forgotten majority. I say this because he and his administration—most notably Treasury Secretary Kennedy—have failed to deliver on the single most important issue to the forgotten majority, tax reform.

The Nixon administration was slow to submit recommendations on tax reform. Because of this the House went forward on the measure without having a firm indication of administration policy. This is unusual on an important matter of tax legislation. However, fairness to a new administration trying to get its feet on the ground caused me to refrain from criticism. When in the weeks that followed we heard little, if anything favorable said about tax reform, many here in Congress questioned the administration on its posture on vital issues like tax relief for middle-income Americans and closing the gaping oil depletion loophole. What was the administration's response? Evasion in some cases, vacillation in others and in many—silence. It soon became apparent that the administration would not push a reform package. So, without the strong support one might expect from a President pledged to represent the "silent majority," the House passed the most far-reaching tax measure in the history of Federal income taxation in our country. In doing so the Congress seemed to be saying it had not forgotten the forgotten, silent majority.

The announcements emanating from the White House in recent days have indicated that the President has turned his back on that group to whom he made his most effective appeal. First, his Treasury Secretary, former banker David Kennedy, recommended that the Senate eliminate the tax relief for middle-income taxpayers which the House had enacted. Next he suggested that his administration did not regard tax reform as an issue important enough to warrant full scale efforts to make it a reality by January 1, 1970. And, just the other day, the man who promised to be the President of "all the people," announced that his administration would maintain a position of opposition to any steps to close the oil depletion allowance loophole. Could it be any more clear that the Nixon administration has forgotten the forgotten majority?

UNITED STATES-INDIA ETV AGREEMENT

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD and to include an address.)

Mr. MILLER of California. Mr. Speaker, on Thursday, September 18, I was privileged to be present in the headquarters of the National Aeronautics and Space Administration on the auspicious occasion when Dr. Vikram Sarabhai, Chairman of the Department of Atomic Energy, and the Space Research Organization, acting for India, and Dr. Thomas O. Paine, Administrator of NASA, acting for the United States, entered into a cooperative agreement that I am sure will mark a milestone in the use of satellites in the field of education.

I am pleased to include as a part of these remarks a news release promulgated under that date by NASA, together with a transcript of the speeches made by Dr. Paine and Dr. Sarabhai on this occasion:

UNITED STATES-INDIA ETV AGREEMENT

India and the United States will cooperate in an unprecedented experiment using a space satellite to bring instructional television programs to some 5,000 Indian villages, according to an agreement signed today at the National Aeronautics and Space Administration Headquarters in Washington.

The experiment will be the first to provide direct broadcasting of television programs from a satellite into small village receivers without the need for relay stations on the ground.

This is made possible by the increase in onboard power in the satellite and by the innovation of a deployable satellite antenna with high pointing accuracy. This in turn makes it possible to reduce costs at the receiver end and so to multiply the numbers of remote receivers at reasonable cost.

The agreement was signed by Dr. Vikram A. Sarabhai, Chairman of the Indian Space Research Organization (ISRO) and head of India's Department of Atomic Energy and by Dr. Thomas O. Paine, NASA Administrator.

The joint TV experiment will provide a first large-scale test of instructional television to:

Demonstrate the potential value of satellite technology in the rapid development of effective mass communications in developing countries.

Demonstrate the potential value of satellite broadcast TV in the practical instruction of village inhabitants.

Stimulate national development in India, with important managerial, economic, technological and social implications.

It is an important expression of U.S. policy to make the benefits of this nation's space technology directly available to other peoples. It represents also an important experimental step in India for the further development of a national communications system.

The projected experiment has been widely discussed in international forums including the United Nations and is regarded as an important pilot test of procedures and programs which could vastly accelerate the advent of national communications systems in the developing world.

The satellite to be used for the joint experiment will be the Applications Technology Satellite (ATS-F), the sixth in NASA's applications technology series. It is currently scheduled for launch about the middle of 1972. It will be positioned in synchronous orbit over the Equator and will be available to India while additional experiments are conducted by US and other experimenters.

Under today's agreement, India will utilize an existing experimental ground station at Ahmedabad in India's West coastal state of Gujarat, as well as others at different locations, to transmit TV programs to the satellite which will then relay them to village receivers, as well as to larger distribution stations. India will provide and maintain the village receivers.

India will be solely responsible for the television programming. This will be primarily directed to contribute to family planning, improve agricultural practices and contribute to national integration.

Other officials of the two nations present for the signing ceremony included Dr. John E. Naugle, NASA's Associate Administrator for Space Science and Applications; Arnold W. Frutkin, NASA's Assistant Administrator for International Affairs; Dr. Richard B. Marsten, NASA's Director of Communications Programs; David T. Schneider, State Department Country Director for India; and Sharad S. Marathe, Minister for Economic Affairs at the Embassy of India in Washington.

The new agreement follows several years of careful preparation, including an experiment conducted in the vicinity of New Delhi, India, in conventional broadcasting of television programs on agricultural techniques to village receivers. Experience in the villages receiving the TV programs was compared with experience in villages not receiving these programs. The results demonstrated the effectiveness of television instruction of a concrete character and encouraged India to proceed further with the space satellite project which was agreed today.

Under the new agreement, the ATS-F satellite may be utilized by India for a period of one year. The experiment then ends and any continuing service will be the sole responsibility of India. The agreement provides for no exchange of funds between the two cooperating agencies.

TRANSCRIPT OF REMARKS MADE AT THE SIGNING OF AGREEMENT BETWEEN INDIA AND THE UNITED STATES

Dr. PAINE. It is a great pleasure and privilege to be here with Dr. Sarabhai this morn-

ing for this signing of the historic agreement between the space agencies of the United States and India for the conduct of what we think will be an extremely important experiment. It is fitting that this should be done shortly after the Apollo 11 mission where man has gone forth for the first time to explore the moon. At the other part of the Space Agency's interest is our desire to bring the reality of space applications to benefit man into the earliest possible time frame. While we are setting forth on these adventures into the future, we also want to be doing everything we can to bring to people here on earth today the practical benefits of space.

What we see in our ATS F and G satellites is the extension of the earlier communications satellite capability. This capability is based on rather modest amounts of power that can be carried in a small antenna, and which really only make it possible to communicate between points on the earth. A very high powered station at one point could communicate through the satellite with a high powered station at another point.

Now we are moving to a new era in which for the first time we can get the antenna sizes, the pointing capability, and the power levels to make it possible to transmit from a point on the ground to a large number of low cost receivers on the ground. This is an advance beyond the old ability which really represented what you might call a cable in the sky. It replaced a cable but only with a service similar to that which a cable could produce. Now we are using space for a new purpose which is to cover a very large area on the ground. We feel that the interest that the Indian government has expressed in their program of education to 5,000 villages using modern television techniques has tied in very nicely with the capability which we have developed in our ATS F and G satellites to cover an area that lies close to the equator and is the size and shape and geographical disposition of India. It just happens that there is a very nice match between our capability and the interest that the Indian government has.

We are very proud that we can contribute part of the experimental package of our satellite to the ITV project, making it available to the Indian government for a length of time in the order of a year. The Indian government will in their turn do a very significant social and communications experiment emphasizing the ability to disseminate information in fields varying all the way from family planning to improved agriculture. We feel that this ability of the Indian government to handle all the programing end of it, combined with our ability to handle the space end of it is a beautiful example of how nations can cooperate in the space age to do something that individually would not be possible, but, collectively, can indeed hasten this application of the benefits of space to all mankind. I would like to ask Dr. Sarabhai now if he would like to make any remarks.

Dr. SARABHAI. Thank you, Dr. Paine. This moment comes after a great deal of study and effort which has been made by scientists and engineers of your organization and of ours. This is the type of project which has potentialities which are truly staggering. One has to view this in the context of the process of development itself, development of a nation which has more than a half a million villages, most of them in rather great isolation—in a scientific, technological or commercial sense—from the rest of the world. We have to view this in the context of wide scale illiteracy among adults. Even though primary and secondary education has received very high priority for many people—millions and millions of school children are going to schools and learning the modern ways of education—the country still has a very wide base of illiteracy. I think we recognize that while financial inputs, inputs of things like fertilizers, seeds, power and water, are all essential to the progress of the country, these nevertheless are not sufficient. You require the information input and the motivation of the individual farmer in the type of society in which we live. It is the individual motivation of the farmer that is ultimately going to count. We believe that through a program such as this, we shall be able to sharpen, effectively, the impact of this overall program which the government of India is undertaking to improve the standards of living and in which we have received very great assistance from your country as well as others.

One of the most important aspects about this particular technique is that, in my opinion, it is one of the few which does not place a penalty on going out to the isolated centers. Most things that we do in modern society tend to work best in concentrations of population, and tend to create forces which bring people to move to cities and bigger and bigger areas. But we know the grotesque problems that this type of situation is creating all over the world. There has to be some way in which we can make life in smaller habitations more meaningful, richer, and more livable. I believe that the direct broadcast of television from satellites is one of the most powerful means by which this could be achieved.

Television traditionally has grown as an adjunct to the entertainment industry and you are more aware than I am of the problems that this has created in your society. Some ten years ago, in discussing the spinoffs that we can expect from space with my predecessor Dr. Bhabha, we too were very concerned about what this might do to developing nations such as India when television really becomes available. And in my own mind, if I were to share my thinking, I have no doubt that if we continue in the old traditional patterns of the use of television, we shall be asking for trouble. To me it seems that the hardware part of this project is easier than the software part. And it is in the ability of a nation to meaningfully utilize such a program for its real needs of development for uplifting the minds and the hearts of man, taking them away from violence and from poverty, that the biggest challenge of this program lies.

This is one of those programs where the efforts of diverse elements in our government and in our society must be brought together as a common objective. It is particularly fortunate for us that we have in Prime Minister Indira Gandhi a very youthful and progressive leader who realizes the tremendous potentiality of a technique which will bring together all of India as one information and communication system. What we are doing today would not have been possible but for the very strong personal interest which our Prime Minister herself is taking in this project.

As Dr. Paine has explained, this represents one of the best forms of international collaboration, for it has in it mutuality. I think both sides are going to learn from this experiment, and both sides will seek to apply this in an imaginative way to the future, not only as an experimental system but as an input of their own experience to an operational system which must follow later on. Here India looks very much to the day when she will be able to have a national satellite communication system for meeting our diverse national needs. Such a system would cover many aspects, not only of point-to-point communication of television, but also things such as information retrieval and dissemination for meteorological purposes for briefing of farmers on agricultural techniques and many other applications. Included also, of course, is the whole aspect of national integration, of making the culture of India, the diversity of India, alive in the reality to every citizen of India.

So in this task we look forward with great anticipation. We realize that this is going to be a difficult one. Your country has set a wonderful example in your space program reaching to the moon, showing what is possible once you have a clear objective, clear dedication, and the willingness to work for it. And it is with this spirit that we shall go forward hand in hand with you to achieve this objective.

Before I conclude I must recall our very happy association with NASA ever since 1962 when we started our interest in space research. NASA provided the early facilities for our people—our scientists and engineers—to get familiar with techniques of space exploration using sounding rockets. The assistance that the U.S. provided, along with France and USSR, in the establishment of the equatorial range at Thumba and the many other tangible and intangible inputs that you have made to our program should be mentioned. I must conclude by thanking you sincerely on behalf of my government and my country for the very close and happy collaboration that exists between us and can only look forward to an even more intimate partnership in solving the real problems of this world. Thank you.

COMMUNITY MENTAL HEALTH CENTERS AMENDMENTS OF 1969

(Mr. ROGERS of Florida asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ROGERS of Florida. Mr. Speaker, along with my colleagues, Mr. JARMAN, Mr. NELSEN, Mr. SATTERFIELD, Mr. CARTER, Mr. KYROS, Mr. SKUBITZ, Mr. PREYER of North Carolina, and Mr. HASTINGS of New York, I am today introducing legislation to amend the Community Mental Health Centers Act to extend the program of assistance under that act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts. The present authorizing legislation expires June 30, 1970.

Title I of the bill that we are introducing would extend the authorization of grants from construction of community mental health centers and facilities for alcoholics and narcotic addicts for 3 fiscal years—1971, 1972, and 1973. The authorization for the community mental health centers would be $70 million for each year, the level of authorization for the present fiscal year. The alcoholic and narcotic addict facilities authorization would be $20 million for 1971, $25 million for 1972, and $30 million for 1973. In addition, the bill would change the 1970 authorization from the present $25 million to $15 million since this program up until now has not been funded and only $4 million was appropriated by the House in the departmental appropriation bill which passed the House in July.

This legislation would also enable the Secretary of Health, Education, and Welfare to make grants to public or nonprofit private agencies to enable more effective and innovative programs for the

prevention and treatment of alcoholism to be developed and evaluated.

Title II of the bill would extend the existing authorization for the initial staffing of professional and technical personnel of community mental health centers and facilities for alcoholics and narcotic addicts for another 3 years. Under present law if a center or facility receives a grant award in a given fiscal year, that award may cover up to 75 percent of the initial staffing costs for the first 15 months of operation; 60 percent for the first year thereafter; 45 percent for the second year thereafter; and 30 percent for the third year thereafter. Thus, Federal aid in diminishing amounts is availabel for 4 years, 3 months, or a total of 51 months.

The bill that we are introducing would make Federal aid for such initial staffing costs of centers and facilities available for a total of 75 months by making the 30-percent Federal support available for 2 additional years. I am aware that many of the community mental health centers face financial problems in the operation of the centers, and while I hope that local interests will be able to ease the burden in the future, I do believe that an extension of Federal support in the first years of operation is essential at this time.

In addition, this bill would also provide for specific assistance for the initiation and development of community mental health programs. Up to 5 percent of the annual appropriation for staffing of mental health centers would be set aside to make initiation, development and staffing grants available to local, public or private, nonprofit agencies in urban or rural poverty areas. This would permit a more accurate assessment of local mental health needs in these areas and a better development of the local resources to support a program.

Title III of the bill would make one important change with respect to the Federal share of the cost of construction projects in the various States. Under present law, the Federal share with respect to any project in the State may be up to a maximum of 66⅔ percent of the Federal percentage for the State, but each project must receive at least one-third of the Federal share, regardless of need. The bill that we are introducing would no longer require the States to give every applicant a minimum of one-third in order to permit the States to use their available allotments in a manner more closely suited to their respective communities' needs. In addition, the maximum Federal share for any facility or center which will provide services for persons in an urban or rural poverty area would be changed from a maximum of 66⅔ percent to 90 percent.

Mr. Speaker, to date more than 376 community health centers have been established in the 50 States, Puerto Rico and the District of Columbia. This is a real beginning toward the goal of bringing home-based mental health care to all Americans, yet we are far from our mark. Based on an estimated ratio of one community mental health center for every 100,000 population, and given an estimated population in 1980 of 230 million, this would mean a need of roughly 2,300 such centers within the next 10 years. We have far to go, but we have begun and the beginning is impressive.

In my own hometown of West Palm Beach, Fla., a new community mental health center is presently being constructed and will open its doors to patients early next year.

When the currently funded centers are in full operation, they will serve 27 percent of the Nation's population in cities and towns of all sizes. They will serve 20 to 25 percent of the over 20 million people living in the 101 metropolitan areas designated as poverty target areas. These centers will serve 122 of the 486 poorest rural counties as well.

Each center's program is designed to provide an adequate range of services to meet the mental health needs of its total community. These services are readily available and accessible when and where they are needed. They are comprehensive in scope, in terms of serving all persons in the community, regardless of socioeconomic status, age, length of local residence or nature of diagnosis. Special emphasis is placed on preventive measures by offering indirect services of mental health consultation and community education for local agencies and nonmental health professionals who deal with people at times of stress and trouble.

It is the goal of community mental health centers to convey to each patient the conviction that his community is concerned with his return to a full, productive life. In the pursuit of that goal, we are replacing the "warehousing" of mental patients in large, outdated institutions with continuing personal contact, coordinated efforts and the utilization of all the resources available in the community in one place, the community mental health center.

While a similar record of accomplishment has not been the case in the alcoholic and drug addict facilities program because adequate funding has not been possible, I do believe that this program holds equal potential to solve these pressing problems when proper funding is available.

I am hopeful that the House Subcommittee on Public Health and Welfare will be able to hold hearings in the near future on this most important subject.

TAXES—A SUGGESTED FAIR WAY TO ADMINISTER

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, a recent article in the Wall Street Journal presented a cogent case against our present system of taxation, and aptly prescribed a simplified manner of handling deductions and exemptions. I subscribe to this theory and call these thought-provoking statements to the attention of my colleagues for review, and perhaps a new course of action.

The American taxpayer of today is unbelievably burdened in preparing his tax return, and is constantly frustrated by the complicated information he must absorb to prepare an accurate report and prove a myriad of deductions to which he feels entitled.

There is a much simpler and fairer way to achieve this desired goal. The system recommended here will eliminate special privileges and loopholes built into the tax structure over the years, which makes reporting incomprehensible to all but a few tax accountants, tax lawyers, and Government personnel.

The ordinary taxpayer is not in a position to consult such advisers and as a result pays a greater share of the tax burden out of proportion to his earnings. This creates a taxpayer's psychology which is unhealthy for the proper functioning of Government.

Every citizen has a duty to bear his fair share of the tax load and it should be proportionate only to his actual earnings. At the same time, I feel it is incumbent that Congress change the present complicated tax system to conform to an easy and uniform method of reporting.

The Wall Street Journal article follows:

TAXES: THE CASE AGAINST DEDUCTIONS

(By Harley L. Lutz)

The ebb and flow of zeal for tax reform is like the alternation of chills and fever in a malarial district, and 1969 is a fever year. The infection was started by two tax studies issued early in 1969. One was prepared by a Treasury staff group under former Secretary Henry M. Fowler, after some two years of work. The other was a "quickie" job written by Treasury staff personnel under newly appointed Secretary David Kennedy. The House-passed tax bill follows the pattern set by these studies with respect to the issues dealt with and the solutions proposed.

In general, it would appear that there would be less need for continuing tax reform when the tax system was performing its most important function of providing the necessary public revenue with minimal adverse effects on investment, production and unemployment. The long record of tax revision legislation under the income tax suggests that this goal has not always been the foremost consideration. On the contrary, there has been as much, or more, emphasis on the use of taxation to effect a redistribution of wealth and income as on the provision of public revenue.

This attitude is evident in the Fowler and Kennedy studies and in the House version of the tax bill.

REFORMING OLD REFORMS

The dual thrust of the current tax reform program is aimed at an elimination of tax preferences or tax advantages created by previous legislation, itself enacted to correct still earlier defects or to mitigate hardships, and by incorporation of the anti-poverty program into the tax law.

Both aspects of the reform relate mainly to the conditions created by the system of allowable deductions from adjusted gross income. Those at the top of the income scale are getting too much advantage from the deduction system and those at the bottom are not getting enough advantage from it. The remedy proposed is to tighten the screws at the top and loosen them at the bottom.

The Fowler tax study recognized that the

basic problem of income tax is the deductions but it did not go to the root of the matter. The system of itemized deductions, it was said, leads to inequality of tax burden because only the sophisticated taxpayer can take full advantage of all allowable items and hence pays a light tax on the same income than his less knowledgeable neighbor. The solution proposed was to wean more taxpayers away from itemization by increasing the standard and the minimum standard deductions.

The House bill accepts also the proposal in the Kennedy report for a low income allowance to be adjusted at or below the official poverty level. This allowance would be built into the tax tables and employers would automatically adjust withholding to the new schedules.

But none of the tax revisions thus far have been concerned with fundamental defects in national tax policy.

The first defect is an abnormal obsession with income tax which has led to rejection of a broad based excise tax as a source of a substantial part of Federal revenue. The farce of extending for another year the remnants of the old selective excise—7% on automobiles and 10% on communications is repeated in the House bill.

A genuine concern for the kind of Federal tax system that would enable the people to support the Government while enjoying maximum prosperity for themselves would lead to a decision to provide at least one-third or even more of the necessary revenue from a broad-based excise tax on goods and services with exemptions limited to food for home consumption, low-priced clothing, and prescription medicines.

The second major defect of tax policy is the deduction system, which consists of whittling down adjusted gross income to an artificial tax base called "taxable net income." The idea appears to have been that by excluding more income receipts from the ultimate tax base, the levy of progressive tax rates would be more palatable. The guilt complex lingers, however; the evil effects of steep progression are admitted to the Committee report, where the high rates are termed harsh and unrealistic.

Consideration of the deductions allowed reveals no connection whatever between them and anything even remotely resembling personal net income. The term "net income" as a business concept refers to the amount remaining out of a given sales volume after paying, as the tax law puts it, "the ordinary and necessary expenses" of producing the goods or services sold. Thus understood, it has no meaning for the individual; because determination of such a remainder from his total wage or salary income would require, as in the case of a business, deduction of all costs of getting the income (including many personal, family or living expenses).

The tax law disallows deduction of most such costs. But as an agent for the production of income, a taxpayer should be entitled to deduction of all costs if he is to be taxed on some fictitious entity which is called his taxable net income. Here is the dilemma of income taxation, whether to allow all costs, or none, or compromise by allowing some though not others.

The ambiguous character of the deductions stands out. Property taxes, interest, the gasoline tax are analogous to business expense and are deductible, although the Fowler study recommended denial of state gasoline tax on the ground that it is a personal expense. But property taxes and interest on a home mortgage are exactly the same kind of personal or living expense. Their deduction has been criticized as a discrimination against renters who may not deduct their rent. Contributions to charitable and educational nonprofit organizations are a matter of personal choice, conscience, or good will.

What we have, therefore, is a chaotic system of allowables and disallowables, inconsistent among themselves because they purport to establish a tax base that is economically unrealistic. Yet, in the pursuit of this artificial objective they give rise to a large part of the confusion, the allegations of inequality, and the legislative efforts of circumvention by establishing broad standard deductions about which no questions are asked.

The remedy is simple. Since deductions are the principal source of the inequality which periodically stirs up taxpayer criticism and resentment, and since a resolution of the dilemma regarding them involves disallowing all or none, why not choose the method that would provide a broad, comprehensive income tax base instead of one that would narrow the income tax to a levy on saving? This new base would be adjusted gross income. And since the progressive tax rate structure involves an inequality too often neglected in reform efforts, the ultimate reform would be the levy of a flat, proportional rate on this comprehensive tax base.

A precedent for this course is the tax that is collected from workers in covered industries for old age benefits. This tax is imposed at a flat rate on wage and salary incomes up to a specified ceiling with no exemptions or deductions, and regardless of family status. A tax method that is accepted as sound and reasonable for a purpose as important as Social Security should be equally acceptable for other purposes of Government.

ELIMINATING DEDUCTION LOOPHOLES

A tax base of adjusted gross income would involve some matters of definition but it would terminate many more difficulties than it presents. It would assure maximum simplicity of reporting and tax calculation. It would eliminate all deduction loopholes. It would make unnecessary three separate tax rate scales, for single persons, joint returns, and heads of households, in themselves a source of complaint. At a flat rate it would fit perfectly with one test of tax equality, which is that every one should pay tax in proportion to income (Adam Smith called it revenue).

A tax base of adjusted gross income would subject all individual income to some tax. The furor and agitation about escape from taxation have been directed at the relatively few persons with large incomes. Few realize that several million persons file nontaxable returns, showing many billions of AGI, at the bottom of the income scale. At both the top and the bottom, having no tax to pay results from deductions in excess of adjusted gross income. Those at the top get all the headlines, it being assumed, apparently, that all deductions down at the bottom are legitimate and involve no tax evasion.

It is probably not generally realized how much income is untaxed in the taxable returns. The Fowler study presented data based on 1969 income levels which showed AGI in taxable returns of $568 billion and taxable income of $368 billion. The missing $200 billion is to be accounted for by deductions and exemptions claimed by all taxpayers. This gap does not include AGI in nontaxable returns.

Assuming that income means receipts, or what comes in, the current definition of adjusted gross income should be expanded to include some forms of receipt now excluded. Examples are workmen's compensation, sick pay, unemployment benefits, and that part of old age or retirement benefits not contributed by the beneficiaries. The distinction between long- and short-term capital gain would be unnecessary. This has always indicated uncertainty about the nature of these gains. The criterion for their inclusion as income should be the owner's disposition of them. Reinvestment would indicate an intention to regard them as capital and this should be controlling. The alternative would be to treat them as spendable income which would include them in the tax base.

Final treatment of state and municipal bond interest, to be neat and tidy, should await Supreme Court determination. The split-level approach in the House bill is neither neat or tidy.

TWIN TOWERS OF GROWTH

The tax rate on an expanded base of adjusted gross income would be less than 10% if the lopsided taxation of income as it is earned were brought into better balance with taxation of income as it is spent. Ours is not only a high income economy, it is a high spending economy. What is needed in such a situation is greater recognition that investment and consumption are twin towers that support economic growth and that minimal rates of tax everywhere will do the most to create a healthy balance between them.

The problem of public assistance would appear to be an insuperable barrier to across-the-board taxation without deductions or exemptions. This would depend on how the bill is to be settled. The tax exemption method, through higher deductions and a low income allowance, conceals the cost in the tax system. The alternative method is to collect tax from all income receipts and appropriate funds for public assistance as an expenditure. Even if aid is given to some who have paid tax on their small receipts, it would be consistent with the democratic way.

The Court rule—one man, one vote—should be amended by adding the words "every man, some tax." We need less handwringing about how to help the poor without damaging their self-respect and more emphasis on the contribution to both self-respect and community respect which comes from being, if only in a small way, a taxpayer instead of only a "tax eater."

CRAMER CRITICIZES CONGRESS FOR FAILURE TO ACT ON NIXON ANTICRIME LEGISLATION

(Mr. CRAMER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CRAMER. Mr. Speaker, with the crime rate continuing to increase in many areas of the country, although the percentage increase is less than last year, the American people are demanding, and rightly so, that government at all levels act to curb crime and to provide security and tranquillity on the streets and in the homes of America.

The Nixon administration and Attorney General Mitchell have taken a firm position of leadership in this war for morality, this war on crime as compared to the years of permissiveness that have been permitted to prevail far too long.

As the sponsor of numerous anticrime acts that are now law, having served 12 years on the House Judiciary Committee, it has been a long, hard fight to get meaningful anticrime legislation passed and an even more difficult job to get then enforced ones that were passed. Between the U.S. Supreme Court decisions and the timidity of former Attorney General Ramsey Clark there was a vacuum of moral leadership upon which the

criminal, the dope peddler, the professional pornographer, and the organized big business crime lords thrived.

President Nixon announced early in his administration his determination to end the era of permissiveness and to start on the road to the moral rebuilding of America.

Six major proposals have been submitted to Congress in the anticrime field and to date, some many months later, not a single bill has become law This is becoming a do-nothing-about-crime Congress and I feel it my duty to speak out against this inaction.

The administration submitted a request for legislation covering the following subjects and as yet none of these bills have even cleared the House committees. Those proposals are as follows:

First. Witness immunity: April 23, 1969.

Second. Control of pornographic literature: May 2, 1969.

Third. Organized crime: April 23, 1969.

Fourth. Narcotics control: July 14, 1969.

Fifth. Corrupt organizations: April 23, 1969.

Sixth. Bail reform and District of Columbia anticrime: February 6, 1969.

I call upon Congress to accept its responsibility and moral leadership by passing needed legislation to control crime as urgently requested by the administration.

I have introduced bills on these subjects myself and intend to do all in my power to see they are enacted.

RICKOVER AND THE NUCLEAR NAVY

(Mr. RIVERS asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous matter.)

Mr. RIVERS. Mr. Speaker, yesterday in response to my request, I received a letter from Vice Adm. Hyman G. Rickover in connection with the nuclear Navy. This is one of the finest pieces of writing on the subject that I have seen.

As the one within the Navy responsible for the planning, development, and successful operation of our nuclear Navy, Admiral Rickover has performed a magnificent job for his country. He has worked long and hard to be sure that the Navy's needs are met in this new form of propulsion. If there is any comfort to the country to have our Polaris submarines and our nuclear attack submarines on station along with the *Enterprise, Long Beach, Bainbridge* and *Truxtun,* then our deepest thanks must go to Admiral Rickover.

Since I found his letter to be so instructive, I include it at this point in the RECORD, along with its enclosure:

U.S. ATOMIC ENERGY COMMISSION,
Washington, D.C., September 29, 1969.

HON. L. MENDEL RIVERS,
Chairman, House Armed Services Committee, House of Representatives:

DEAR MR. RIVERS: This letter is in response to your request of September 24th that I give you my views concerning the urgency of proceeding this year with the high speed nuclear attack submarine program, the *Nimitz* Class attack aircraft carrier program, and the nuclear-powered guided-missile frigate program, at the level provided in the fiscal year 1970 Defense Authorization Bill reported out by the House Armed Services Committee.

I am grateful for this opportunity to make clear my reasons for endorsing the initiative and leadership taken by your committee on these important programs. They are the foundation of the future nuclear-powered Navy for which you have worked so long and so hard—the modern Navy the United States needs to retain its position as a world power of the first rank.

If history teaches anything it is surely that weakness invites attack; that it takes but one aggressor to plunge the world into war against the wishes of dozens of peace-loving nations if the former is militarily strong and the latter are not. Yet there are those who deprecate the need to maintain military supremacy or even mere parity with the Communist empires on the grounds that other nations have accepted a decline from first to second or third rank and that we ourselves for most of our history were militarily a second-rate power, yet secure within our borders. They forget that we then profited from the Pax Britannica, even as the former great powers of Europe who have lost their defense capability enjoy political freedom today only because we are strong enough to defend them and ready to do so. What it means to be weak and without American protection should be evident to all as we observe the tragic drama of Czechoslovakia "negotiating" with Russia the continuing subjugation of her people.

In modern war, particularly the kinds of war we envisage for the future, more military equipment and relatively fewer men will be used. We can no longer fight with rifles, cannon and mortars alone—all of which can be manufactured quickly and in numbers. Today's weapons—ours and those of our potential enemies—are complex and costly; it takes many years to develop and build them. Even in World War II we did not place into action a single airplane that had not been under design when we entered the war.

Although we lack the data for a precise comparison of U.S. and Soviet military expenditures, it is clear that the U.S.S.R. spends much more annually for new weapons than the United States. Is it then reasonable for us to fail to modernize our defenses on the assumption that the danger of war no longer exists? The first priority of all life is survival; this is likewise true of nations, and it is the primary function of a legislature. World War II probably would not have broken out and followed the course it did had the United States not been almost totally disarmed in the 1930's as a result of decisions made in the years before, the Kellogg Pact then serving as the chief argument that there was no longer any danger of war.

To illustrate the danger of underestimating the war capacity of a potential enemy, let me remind you that when Germany decided to invade Russia in 1941 their staff studies showed that the Soviet Union would be defeated in eight weeks, ten weeks at most. Our military attaché in Moscow advised the War Department that the war would be over in three months. I can also still remember that when World War I broke out, the Germans expected it would be over in three months.

These are facts that should put us on guard against the argument that long worldwide wars are no longer possible. Even the present "minor" Vietnamese War has endured for longer than our foremost civilian and military leaders predicted. Having been in the Navy in both World Wars, I may perhaps be forgiven for not being as optimistic about permanent peace, the benficence of unilateral disarmament, and the current belief held by many—especially our "intellectuals"—that the sheer horror of war will be an effective deterrent.

Preventing war is infinitely less costly than engaging in it. The money we save today in reducing our military capacity will surely be but a pittance compared to what it will cost us if our very weakness tempts others to plunge us into war.

Unfortunately, few people study history which accounts for the truism that history repeats itself. Not many of our people fully understand the devastation wrought by World War II. That war ended a quarter of a century ago. Half the people in the United States were not even alive then; many more were children or teenagers. It is not too farfetched to say that 75 percent have no vivid personal memory of what a world war really means.

Our country is able to stay ahead in defense only because of our technology. If we do not take advantage of this technology we will have to fight with inadequate weapons and suffer higher casualties. Congress, ior as long as I can remember, has done everything within its power to provide our military with the best weapons and with services that would reduce loss of life. I believe our people are willing to pay the taxes necessary to provide our men the best weapons our technology makes possible.

The United States is essentially an island between two oceans—an island dependent for its survival on free use of the seas. The Atlantic and Pacific, once our shield and protection, are now broad highways for launching attacks against us over, on, and beneath the seas.

The United States, being an island, has no contiguous land masses whence we can conduct military operations to protect our national interests or from which we can obtain the fuels and materials necessary to sustain a large scale war effort. The sheer bulk of the daily requirement of petroleum products for military and industrial needs precludes adequate peacetime stockpiling. We have once again been taught by the war in Vietnam, as so often in the past, that we must have free access to the seas. In spite of the publicity given to the airlifting of supplies to Southeast Asia, over 98 percent has been transported by ship, half the tonnage being petroleum products.

Given our island position, we can project our national power beyond our territory only through the Navy, depending—except for all-out nuclear war—primarily on our nuclear attack submarines and on our attack carrier striking forces.

Some argue that the danger of war has been reduced; consequently, we should no longer construct nuclear attack submarines, *Nimitz* Class carriers and nuclear frigates, devoting our resources instead to other, more desirable objectives. Granted the hideousness of modern war, can we deduce therefrom that mankind is now wise enough to forgo recourse to arms? A glance at history should put on on guard against facile claims that humanity has now reached a state where the possibility of armed aggression can safely be disregarded in formulating national policy.

President John F. Kennedy said, "If there is any lesson of the 20th century, and especially of the past few years, it is that in spite of the advances in space and air . . . this country must still move easily and safely across the seas of the world."

In order to maintain free use of the seas, we must be able to counter any foreseeable threat at sea. As is extensively documented

in your committee's reports on the status of naval ships, the United States has an aging Navy whereas the Soviets are rapidly building a modern Navy. The Soviets are embarked on a program which reveals a singular awareness of the importance of seapower and an unmistakable resolve to become the most powerful maritime force in the world. They demonstrate a thorough understanding of the basic elements of seapower: knowledge of the seas, a strong modern merchant marine, and a powerful new navy. They are surging forward with a naval and maritime program that is a technological marvel.

The Soviet Navy has undergone a continuing modernization program including the building of missile-armed cruisers and destroyers, helicopter carriers and several new classes of nuclear and conventional submarines. As a result, their Navy has become a fleet capable of sustained open ocean operations. For the first time in her history, the Soviet Union is using a deployed naval force in support of foreign policy in areas not contiguous to its borders. Their force in the Mediterranean includes warships armed with surface-to-surface and surface-to-air missiles, amphibious ships with naval infantry embarked, as well as attack and missile submarines.

The Soviet submarine force constitutes a threat against the continental United States, U.S. Naval forces, and our unrestricted use of the seas. Several classes of Soviet submarines, both conventional and nuclear powered, carry cruise missiles which have a maximum range of about 400 miles. It is believed that the primary mission of these submarines is to counter U.S. carrier strike forces. The Soviets have a new submarine force of about 375. By the end of this year the United States will have in commission 145 submarines, which includes 59 diesel submarines, most of which are of World War II vintage. By the end of next year, it is estimated that the Soviets will have a numerical lead in nuclear submarines.

To achieve this the Soviets have greatly expanded and modernized their submarine building facilities. Just one of their numerous submarine building yards has several times the area and facilities of all U.S. submarine yards. They use modern assembly-line techniques under covered ways, permitting large-scale production regardless of weather conditions.

In the single year 1968, the Soviets put to sea a new type ballistic missile submarine as well as several new types of nuclear attack submarines—a feat far exceeding anything we have ever done. In looking to the future, it is estimated that by 1974 they will add about 70 nuclear-powered submarines to their fleet, whereas we will add but one-third as many—further increasing their numerical superiority. In the case of the ballistic missile submarine the Soviets have undertaken a vigorous building program to surpass our Polaris fleet of 41. They have completed at least 7 of their new Polaris-type submarines, and have the capability to turn out about one a month. We have no Polaris submarines under construction or planned. We must assume that by the 1973–74 time period they will be up to us.

Numerical superiority, however, does not tell the whole story. Weapon systems, speed, depth, detection devices, quietness of operation, and crew performance all make a significant contribution to the effectiveness of a submarine force. From what we have been able to learn during the past year, the Soviets have attained equality in a number of these characteristics and superiority in some.

Their progress over the past few years in nuclear submarine design, construction, and operation could only have been accomplished through the efforts of a large group of highly competent technical people. We must assume the talents and efforts of this group will continue to provide them with additional advances in nuclear submarines.

The steady build-up of the Soviet submarine Navy from an ineffective coastal defense force at the end of World War II to the world's largest underseas navy today deserves admiration; also it should deeply worry every American. By the end of this year we face the prospect of losing the superiority in nuclear submarines we have held for many years. The threat posed by their submarine force—with their new ballistic and cruise missile launchers and new attack types, is formidable. If more sophisticated types are added in the near future, as is probable considering their large number of designers and their extensive facilities, the threat will rapidly increase.

Soviet tactical air efforts have also resulted in significant gains in their capability. Between 1952 and 1967, the Soviets have built some 20 different fighter prototype aircraft. At least eight new designs have appeared since 1961. Since the F–4 Phantom II became operational in 1961, we have not introduced any new operational fighter aircraft.

To achieve the results so far attained in all areas of modern technology, the Soviets had to develop their most important resource—technical and scientific personnel. Their educational program enjoys highest national priority. The statistics on the total number of degree graduates are impressive. The U.S. National Science Foundation data indicates that in 1966 alone, 168,000 engineers were graduated; the United States, on the other hand, produced but 36,000. With specific application to their Navy, the Leningrad Shipbuilding Institute, just one of several naval institutes, had over 7,000 students in 1966 studying naval architecture and marine engineering. I doubt we had over 400 enrolled in these subjects in all U.S. colleges.

While we cannot specifically count the number of Soviet scientists and engineers devoted to naval work, it is apparent that they have created a broad technological base; they have committed extensive resources to support development of their naval forces.

The Soviets have frequently announced their intent to be the pre-eminent world power. Why do we not believe them? Hitler in Mein Kampf plainly announced his intent to dominate the world. We did not believe him either—until it was nearly too late. Admiral Gorshkov, Commander in Chief of the Soviet Navy, said recently: "The flag of the Soviet Navy now flies proudly over the oceans of the world. Sooner or later, the United States will have to understand that it no longer has mastery of the seas." And just a few months ago the Russians announced a projected 50 percent increase in the size of their merchant fleet.

While the Russians have been taking giant strides, we are being held back by those who argue that we must do nothing to undermine their confidence in us, that we must not jeopardize the possibility of disarmament by escalating the armaments race, no matter how rapidly they are moving ahead in their own preparations.

These facts should be weighed when assessing the judgment of those who argue for a reduction of American naval power while Soviet naval power is rapidly expanding.

Let me now address each of the three nuclear-powered warship building programs you have asked me about and explain why I think each is vital to give us the capability to meet the rapidly expanding Soviet naval threat.

HIGH SPEED NUCLEAR ATTACK SUBMARINE PROGRAM

Earlier this year I testified at length to the Joint Committee on Atomic Energy concerning the urgency of proceeding as rapidly as possible with the High Speed Nuclear Attack Submarine Program. The Joint Committee, in their foreword to the hearing record on the "Naval Nuclear Propulsion Program—1969" stated:

"Last year Congress appropriated funds to start work on a new design high-speed submarine. . . . After a great deal of discussion, including several congressional hearings, Secretary Clifford announced on July 1, 1968 that the Department of Defense would proceed with the high-speed submarine class (SSN688 Class).

It is clear that the Soviets have made their nuclear submarine construction program a matter of high national priority. In contrast, the Department of Defense in the last several years has delayed new submarine programs and has approved fewer submarines than recommended by the Joint Chiefs of Staff.

The rapidly increasing Soviet naval threat . . . makes it essential that the United States get submarines of the new high-speed class into the fleet as soon as possible. The earliest practicable delivery of ships of this class requires authorization to award shipbuilding contracts for the first three submarines in fiscal year 1970 and procurement of long leadtime items for the next five be started in fiscal year 1970. Therefore, the Navy's request for the fiscal year 1970 shipbuilding program included three high-speed submarines fully funded and long-lead funds for five more.

Because of the urgency of delivering these new ships to the fleet, the Joint Committee strongly recommends that the fiscal year 1970 nuclear warship construction program include as a minimum the funds necessary to award contracts for the first three high-speed submarines and advance funding for five more.

Historically, the development of nuclear propulsion has been accomplished largely through the efforts and insistence of the Congress. As recently as last year, while the Department of Defense debated and vacillated over whether to initiate development of a high-speed submarine and to proceed with the quiet electric drive submarine program, the Congress acted—affirmatively. The Defense Department belatedly but finally recognized the vital importance of these programs and is now supporting them. However, had it not been for the initiative of the Congress in authorizing and appropriating funds for the high-speed submarine program the Defense Department would not be in a position to proceed with it now. Similar affirmative congressional action is called for now to insure against any slowdown in the development of advanced nuclear propulsion plants—a slowdown that could have a significant adverse impact on our future submarine program."

I hope the Congress will approve the recommendation of your committee to provide in fiscal year 1970 full funding for three new design high speed submarines and funds for procurement of long leadtime nuclear propulsion plant components for five more. This is the same high speed nuclear attack submarine building program initially recommended by the Navy, recommended by the Joint Committee on Atomic Energy, and included in the fiscal year 1970 Defense Authorization Bill passed by the Senate.

"NIMITZ" CLASS ATTACK CARRIER PROGRAM

For many years I have testified that because of the vast improvements being made in weapons technology the Navy should

wherever possible go underwater to carry out its missions. The most striking example of where this has been accomplished in the past decade is the transfer of the Navy nuclear war deterrent mission from bombers based on aircraft carriers to Polaris missiles launched from nuclear submarines. Increased emphasis has also been placed on nuclear-powered attack submarines for anti-submarine missions—a policy that should be continued.

There are, however, some important Navy missions which cannot, in any known practical way, be carried out by submarines. One of these is the provision of sea-based tactical airpower to protect our sea lanes and our air lanes over the seas, as well as to support amphibious operations and overseas military land operations beyond the range of the land-based tactical air power available to us.

In a memorandum of 25 August 1969 to the Secretary of the Navy, the Chief of Naval Operations discusses the urgent need to continue building attack carriers. The memorandum, a copy of which is enclosed, responds to questions raised this year by those opposed to proceeding with the carrier building program. I contributed to the preparation of Admiral Moorer's memorandum and I agree with its contents.

Each year for the past 4 years the Secretaries of Defense have presented to the Congress the Department of Defense plan to build three new two-reactor nuclear-powered attack carriers of the *Nimitz* Class in alternate years starting in fiscal year 1967. These three carriers, the CVAN–68, CVAN–69, and CVAN–70, are scheduled to replace World War II *Essex* Class carriers, which by that time will be from 26 to 30 years of age and will then continue in service as anti-submarine warfare carriers, if needed.

The *Nimitz*, CVAN–68, was authorized and funded in fiscal year 1967. The ship is under construction at the Newport News Shipbuilding and Dry Dock Company, Newport News, Virginia; the keel was laid over a year ago.

Congress authorized and appropriated $50.5 million in fiscal year 1968 for procurement of long leadtime nuclear propulsion plant components for the second *Nimitz* Class carrier, the CVAN69. The remainder of the funding for this ship was originally scheduled for fiscal year 1969. However, in order to reduce the new obligational authority in fiscal year 1969 to a minimum, the Department of Defense and the Congress included only $82.4 million more in fiscal year 1969 which was enough to keep the CVAN69 on schedule. The remaining $377.1 million needed to complete the funding of the ship was slipped to the fiscal year 1970 budget request now before the Congress.

The propulsion plant machinery for the CVAN69 is well along in fabrication. The remaining funds for the CVAN69, which are included in the fiscal year 1970 budget request, must be made available in fiscal year 1970 if the ship is to stay on schedule and major increase in cost is to be avoided.

Both Secretary McNamara and Secretary Clifford approved including the third *Nimitz* Class carrier, the CVAN70, in the fiscal year 1971 program. In a letter to the Chairman of the Senate Armed Services Committee dated August 16, 1969, Secretary of Defense Laird reconfirmed that the third *Nimitz* Class carrier, the CVAN70, is still planned for fiscal year 1971.

The Navy recommended that advance procurement funds be provided in the fiscal year 1970 budget for procurement of long leadtime nuclear propulsion plant components to prevent delivery of the CVAN70 from being delayed. These components are the most limiting carrier components.

If the Navy is provided $100 million in fiscal year 1970 for procurement of long leadtime nuclear propulsion plant items for CVAN70, as recommended by your committee, it is expected that less than $10 million would not be recoverable should Congress decide next year not to go ahead with the CVAN70 based on the results of the Congressional study of attack carriers directed by the Senate amendment to the fiscal year 1970 Defense Authorization Bill. If the long lead funds for the CVAN70 are not provided in fiscal year 1970, the ship will be delayed about a year and its cost will be significantly increased due to the break in the planned production schedule for the three *Nimitz* Class carriers.

I do not believe further study of the attack carrier issue will change the basic facts I summarize below. These, in my opinion, establish the need to proceed with construction of the three *Nimitz* Class carriers. These facts are discussed in more detail in the attached memorandum:

Three-fourths of the earth's surface is covered by water; 95 percent of the world's population live within range of carrier aircraft.

No valid plan exists for overseas military operations by the Army, the Air Force, or by amphibious forces, which does not depend on our ability to guarantee free use of the seas.

Without a modern attack carrier force, the United States is not assured free use of the seas in those areas of the world that are important to us. It is simply not practicable to establish enough land air bases adequately prepared, provisioned, defended, and within range of potential areas of conflict.

To match the continually improving capabilities of our potential enemies, the Navy's carrier force must have a steady input of new ships. This is necessary to upgrade its capability through infusion of modern technology and to replace ships no longer capable of meeting the demands on them—whether because of their inherent design limitations or because of their age.

Seven of the sixteen carriers currently operating in the attack carrier role were launched during or shortly after World War II. Five of these cannot operate several of the modern aircraft types now in the fleet. They will not be able to operate air wings which can survive against Soviet weapons technology of the 1970's.

Each *Nimitz* Class carrier will carry 50 percent more aircraft ammunition and twice as much aircraft fuel as the latest conventionally powered attack carrier. This, combined with the unlimited high speed endurance provided by nuclear power will greatly increase their capability for sustained combat operations.

The *Nimitz* Class will incorporate improved design features in the areas of command and control, intelligence processing, ammunition handling, aircraft catapulting, fire fighting and damage control.

The *Nimitz* Class will be the best protected and least vulnerable carriers ever designed. The added protection is provided by extensive use of armor against bombs and guided missiles, as well as by improved anti-torpedo hull design. The unlimited endurance at high speed and freedom from the need to slow down to refuel provided by nuclear propulsion further reduces the carrier's vulnerability.

The second ship of this class, the CVAN69, is scheduled for delivery in 1976. It will replace the *Bon Homme Richard* which will then be a 30 year old veteran of World War II, Korea, and Vietnam.

The third ship of this class, the CVAN70, is scheduled for delivery in 1976. It will replace the *Oriskany*, launched in 1945.

If future analysis or budget stringency should require reduction in the attack carrier force level, this should be accomplished by retiring old carriers, not by cancelling construction of new ones.

Were the Navy required to operate a smaller carrier force, the improved capabilities of the *Nimitz* Class would become even more important. The smaller the force, the more important it is that each carrier have the greatest achievable capability.

The maximum life of an attack carrier is 25 to 30 years. A 15 carrier force level requires construction of one new carrier every 2 years if they are to be replaced when they are 30 years old. If the force level were to be reduced to 12, it would be necessary to building a new carrier every 2.5 years.

The three *Nimitz* Class attack carriers are the only ones authorized or planned from fiscal year 1964 through 1972, a period of 9 years; this will average out to but one new attack carrier every 3 years.

If the attack carrier force level were reduced, for example to as few as 12, the CVAN69 would then replace the then 27 year old *Coral Sea;* the CVAN70 would replace the then 31 year old *Midway*.

If we do not continuously modernize our attack carrier force, its ability to protect our naval and overseas military forces and the logistic lifeline for our military and industrial needs against the increasing capabilities of potential enemies will be degraded.

To build and equip a modern aircraft carrier takes 5 years. If we do not have enough of them when war erupts, it will be too late—no matter what effort and money we may then be willing to expend.

For these reasons I recommend that Congress this year approve construction of the second *Nimitz* Class carrier, the CVAN69, and make available advance procurement funds for long leadtime nuclear propulsion plant components for the CVAN70.

DXGN GUIDED-MISSILE FRIGATE PROGRAM

Additional frigates with guided-missile anti-air warfare systems and anti-submarine capability are required to provide air and submarine defense for the Fleet.

For both independent duty and task group operations, nuclear power in frigates gives the capability of steaming great distances at high sustained speeds. It permits the commander to position his ships with much more flexibility, since they are not dependent on oiler support. It also gives him more flexibility in his choice of actions because here again he does not have to concern himself with the problem of sooner or later having to join up with an oiler.

The overall capabilities of a nuclear carrier task force are improved each time a nuclear-powered guided missile frigate is substituted for a conventional guided-missile ship. The incremental gain in military effectiveness is larger as each nuclear frigate is substituted with the largest increment being added when the all-nuclear task group is achieved.

We now have three nuclear-powered, guided-missile ships in the Fleet—the cruiser *Long Beach* (CGN9) and the frigates *Bainbridge* (DLGN25) and *Truxtun* (DLGN35). Two more frigates, the DLGN36 and DLGN37, are now under construction.

Last year the President agreed with a Department of Defense proposal to build four more nuclear-powered, guided-missile ships of a new class called DXGNs—two in fiscal year 1970 and two more in fiscal year 1971. Funds were appropriated in fiscal year 1969 for procurement of long lead items for the first two of these ships; contracts for these components have been awarded.

This year the Department of Defense and the Navy concluded that the original sched-

ules for the first four DXGNs would not be delayed if only one DXGN were fully funded in the fiscal year 1970 program, provided additional long lead components for the second DXGN and long lead components for the third and fourth DXGNs were also ordered this year.

The Navy has recommended expanding the building program for nuclear-powered, guided-missile frigates. Even if all the nuclear frigates recommended by the Navy are built, only 10 percent of the destroyer-type ships in the Fleet of 1980 will have nuclear propulsion. Thus, it is clear that the Navy is recommending a relatively modest rate of changing the destroyer forces to nuclear power.

By following the Department of Defense plan to build the nuclear frigates DLGN36 and DLGN37 now under contract, and following these with but four ships of the new DXGN Class, the *Enterprise* will have been in operation 11 years and the *Nimitz* 4 years before they will have a full complement of nuclear-powered missile ships to accompany them. By that time, the CVAN69 and the CVAN70 will also have been delivered to the Fleet with no nuclear frigates available for them.

The rate of authorization of nuclear frigates must soon be increased to three or four per year if the Navy is to come close to meeting the goal for nuclear-powered missile ships in the Fleet of the 1980's. At the rate of one per year, it will be almost the year 2000 before this goal is reached.

The provision in the fiscal year 1970 House Defense Authorization Bill for procurement of long leadtime components for three guided-missile frigates in lieu of the long leadtime funds for the two requested by the Department of Defense is a significant step forward. I hope that the Congress will approve these funds recommended by your committee.

The area of the world covered by our overseas land base system has been shrinking. Pressure continues at home and abroad to withdraw our deployed forces. As we approach the "Fortress America" situation there is a growing need for nuclear-powered attack carrier task forces capable of steaming at high speed to any point on the ocean of the world, and of conducting maximum sustained air operations for many days entirely without logistic support—a capability that can be obtained only by continuing to build nuclear-powered warships.

I would like to add a comment concerning the vulnerability of carrier task forces. Everything is vulnerable in war—including carrier task forces. But it must be thoroughly understood that the United States cannot conduct overseas military operations without naval support for the simple reason that 98 percent of our supplies must be transported by ship.

Those who cite the vulnerability of naval task forces appear to believe we would be able to transport men and supplies without the protection afforded by our aircraft carriers. They seem to have arrived at this conclusion on the basis of a naive belief that, if we did not have carriers, the enemy would permit our cargo shipping and transports to proceed unmolested. These are arguments based on wishful and illogical thinking. If there is a possibility that we may become engaged in an overseas war—and our foreign commitments imply this—then there is no viable way we can use our Army or our Air Force unless we are able to protect the ships which transport supplies to them.

Another point made by opponents of our aircraft carriers is that their very existence creates the desire to use them—thus making it easy for us to engage in military ventures. The notion that a "weapons race" causes war was once a widely-held theory, but many historical studies of the causes of World Wars I and II disprove it. Certainly it cannot be claimed that World War II was caused by an armaments race. In fact that war might well have been prevented had Britain, France, and the United States been better prepared. It was for this very reason that at the end of World Wars I and II we vowed never again to be caught unprepared. Whether or not to use our military forces is decided by our civilian leaders, not by the military. The military is asked for advice; the decision is that of the civilian leadership.

The Navy's strength lies in its ability to be deployed rapidly at distances from the United States. Its very existence as a "fleet in being" serves to deter those who might otherwise think lightly about starting hostilities. It is no threat to any country that does not itself attack us.

Nuclear submarines, aircraft carriers, and frigates are expensive, as are all modern weapons. But delay in their procurement will only serve to further increase their cost.

In summary, Mr. Chairman, I agree with the position taken by your committee that the fiscal year 1970 Defense Authorization should include:

Three high speed nuclear attack submarines, with $110 million for procurement of long leadtime nuclear propulsion plant components for 5 more;

Completion of funding for the CVAN69, and $100 million for procurement of long leadtime nuclear propulsion plant components for the CVAN70;

Completion of the funding for one nuclear-powered, guided-missile frigate with $100 million for procurement of long leadtime components for 3 more.

I sincerely hope that the Congress will approve these recommendations of your committee.

Respectfully,

H. G. RICKOVER.

MEMORANDUM FOR THE SECRETARY OF THE NAVY ON ATTACK AIRCRAFT CARRIERS

1. There has been a great interest expressed in the Congress and reflected in the press, concerning the nuclear powered attack carrier in this year's budget. To assist in answering queries of the Congress, the press, and the public related to this particular carrier and to the Defense Department carrier program in general, questions and answers keyed to the principal issues involved have been prepared and are attached herewith. In addition, I have set forth below a summary of some of the more important factors associated with carrier requirements.

For all levels of military action other than all-out nuclear war—from a show of force to general war—the attack carrier is the primary striking force of our Navy. It provides the offensive power necessary to assure free use of the seas and the air over the seas in support of our national objectives.

Despite the tremendous technological progress that has been made in transportation and weapons systems in this century, free use of the seas—which cover three-fourths of the earth's surface—continues to be essential to the security of the United States, whether we are forced to fight to defend ourselves or to help defend our allies.

Today our overseas allies depend upon our support, which must come by sea. There is no valid plan for overseas military operations of the Army, Air Force or amphibious forces with embarked Marines that does not depend on our free use of the seas. For example, 98 percent of all of the supplies which have gone to Vietnam have been carried by ships.

Our present national strategy relies heavily upon military forces deployed overseas—forces capable of responding to a spectrum of contingencies in overseas areas of primary national interest. These forward deployed forces, which must be supplied by sea, provide this country with flexible and rapid response to whatever pressures our potential enemies may apply.

A change in national strategy resulting in the withdrawal of our deployed military forces would increase the requirement to maintain a strong maritime posture. The capability of the United States to fight for an extended period in defense of its territory and areas of interest is dependent on our ability to maintain the flow of materials and oil over the seas. The sheer bulk of the daily use of oil for military and industrial needs precludes stockpiling quantities for more than short-term needs.

An effective tactical air capability is essential to sustain our general purpose and logistic support forces against a determined enemy using modern weapons. Sea-based and land-based tactical aircraft are required to provide support for our forces in the areas of the world where we must be prepared to fight.

Land-based tactical aircraft can be employed when their land bases have been adequately prepared, provisioned and defended, and when they are located within range of the area of conflict.

Sea-based tactical aircraft are required when land bases are not available or do not have the capacity to meet the required tactical aircraft needs. The attack carriers can quickly concentrate this sea-based tactical air power.

2. In order to continue modernization of the Navy's attack carrier force, including increased use of nuclear propulsion in the fleet of the mid-1970's, the President's budget for fiscal year 1970 includes a request for $377 million to complete funding for the second of three *Nimitz* class nuclear-powered attack carriers. Contracts amounting to $133 million have already been placed for components authorized during the past two years for this second ship, the CVAN 69. The nuclear propulsion plant for the CVAN 69 is currently being manufactured and the ship is scheduled for delivery in 1974.

3. The United States is currently reassessing all of its defense needs including the number of attack carriers that will be required in future years. We must make clear the need to continue with procurement of the CVAN 69 in fiscal year 1970, regardless of any change that may be made in the attack carrier force level. The CVAN 69 will replace an old World War II carrier; hence, it will not increase the force level.

T. H. MOORER,
Admiral, U.S. Navy.

THE ATTACK AIRCRAFT CARRIER

The following questions and answers have been prepared to set forth in simple terms, facts and rationale relating to the United States Navy carrier program. In their brief form, these answers cannot cover in detail all aspects of carriers, but they do present an unclassified discussion of the principal issues involved.

REQUIREMENT

Q. *What is unique about the attack carrier?*

A. First, the carrier provides air power at sea. World War II conclusively demonstrated that surface forces cannot survive in the face of a strong air threat without air superiority. The carrier's fighters provide the protective cover under which her attack aircraft can strike, or other naval operations such as amphibious assaults and logistic support can be accomplished. It is an historical fact that in World War II the carrier strike forces, Japanese as well as American, always defeated land-based air forces. This was due primarily

to the mobility of the carrier which permitted the sea-based force to select the time and place of the action.

Today, carrier-based air still enjoys a superiority over the tactical air forces of our potential enemies. The radius of action of U.S. Navy carrier-based aircraft is about 600 nautical miles. Only 20% of the current Soviet bloc tactical aircraft have a combat radius exceeding 600 nautical miles. The carrier can stand off and reach the enemy with the full weight of its strike effort, but only a small part of the enemy's air forces can be directed against the carrier.

Second, the tactical air capability provided by the carrier is mobile. It can be moved any place on the three-fourths of the earth's surface covered by the seas, without any international agreements, at a rate of more than 600 nautical miles per day, 85 percent of the area covered by our military contingency plans and 95 percent of the world's population lie within range of carrier aircraft operating in international waters. Carrier mobility permits the concentration of sea-based air power to the degree required by the task at hand. In the latter stage of World War II, 16 aircraft carriers were concentrated in Japanese home waters, and on a single day, more than 1100 fighter and attack missions were launched by this force against Japan. As recently as the air campaign against North Vietnam, five attack carriers were maintained in the western Pacific.

Third, the carrier itself is a floating air base, complete with aircraft; ordnance and jet fuel required to fly them; shops to support them; men to maintain and operate them; and facilities to house and feed those men.

Fourth, a particular feature of the carrier weapons system is its operational flexibility which permits it to be effectively employed across the full spectrum of warfare, from show of military force, through limited wars, to general conflict with conventional weapons, to nuclear war.

Q. *What other naval forces are there to contest the free use of the seas?*

A. The Soviet Union is embarked on a program which reveals a singular awareness of the importance of sea power and an unmistakable resolve to become the most powerful maritime force in the world. They demonstrate a thorough understanding of the basic elements of sea power: knowledge of the seas, a strong modern merchant marine, and a powerful new Navy. They are surging forward with a naval and maritime program that is a technological marvel.

The Soviet Navy has undergone a continuing modernization program including the building of missile-armed cruisers, helicopter carriers and several new classes of nuclear and conventional submarines. As a result, the Soviet Navy has become a fleet capable of sustained open ocean operations. For the first time in its history, the Soviet Union is using a deployed naval force in support of foreign policy in areas not contiguous to its borders. Their force in the Mediterranean includes warships armed with surface-to-surface and surface-to-air missiles, amphibious ships with naval infantry embarked, as well as torpedo and missile-armed submarines.

The Soviet submarine force constitutes a threat against the continental United States, U.S. naval forces, and our unrestricted use of the seas. Several classes of Soviet submarines, both conventional and nuclear powered, carry cruise missiles which have a maximum range of about 400 nautical miles.

Q. *Since the U.S. considers attack carriers to be so important, why do the Soviets not have carriers, and why is Britain no longer building them?*

A. We, of course, do not know all the reasons the Soviets are not building attack carriers. An obvious factor affecting their decision must be their central geographic location, within and physically contiguous to the European and Asian land masses. This makes them far less dependent on overseas logistic supply lines and on overseas alliances for their national objectives and for their defense than is the case for the United States. The United States is essentially an island lying between the Atlantic and Pacific oceans. We do not have contiguous land masses whence we can conduct military operations to protect our national interests or whence we can obtain the fuels and materials necessary to sustain a war effort. For these reasons, sea-based air power is not nearly as vital to the security of the Soviets as it is to the United States.

The Soviets control an extensive system of land air bases throughout areas of the world vital to them. We have no such comprehensive land-base system. Their predominant land position has required mutual defense treaties with but two nations which do not share a land border with her. Our island position, on the contrary, has led us to negotiate treaties with 43 overseas nations. From our island positions, the only way by which we can project our national power beyond range of our land bases is through our Navy. For this, other than all out nuclear war, we must depend primarily on our attack aircraft carriers.

The Soviets, because of their advantageous position as the predominant land power, and because they understand how vital it is for the United States to maintain free use of the seas, have to date structured their Navy with the objective of interdicting our sea lanes.

An analogous situation is that of Germany, in World War I and II. As the predominant land power she was able to use land transportaton to extend her influence and support her military and industrial effort. The Germans full well knew that the Allied war effort was almost totally dependent on overseas transportation. Therefore, they designed their naval forces around interdiction of sea lanes.

On the contrary, Japan, an island empire, must depend on the seas for her survival. Their attack carriers in World War II were, therefore, the heart of their Navy. The turning point in the Pacific war was the sinking of her carriers in the Battle of Midway in 1942. And the deciding factor in her defeat was the ability of United States air and submarine forces to interdict the flow of oil from overseas to the Home Island; this strangled her industrial and military effort and brought about her eventual collapse.

Britain, also an island empire, understood the need of a Navy to implement its national interests and to assure the in-flow of food, raw materials and fuel. She maintained a powerful carrier fleet throughout World War II. The British Navy and its carrier force declined along with Britain's reduced stature as a world power and because of her fiscal stringency. She was able to accommodate this decline because of her increased reliance on American power.

There is no doubt that attack carriers would enhance Soviet capability to operate their surface fleets beyond the range of their extensive network of land air bases. Lack of this capability was evident during the Cuban crisis. A Soviet Naval Chief has said that they expected to have four large carriers in operation by about 1948. World War II, however, intervened. By the early 1950's, when they began to build their modern Navy, the Soviets were far behind the United States in capability. Recently, they built two medium sized modern helicopter carriers. As they gain experience with these, and as they continue expanding their naval power, they may well build attack carriers to extend the areas in which they can project their national power.

Despite the tremendous technological progress made in transportation and weapons systems in this century, free use of the seas—which cover three fourth's of the earth's surface—continues to be essential to the security of the United States, whether to defend ourselves or to help defend our allies.

The United States—a maritime nation—cannot maintain its position as a first rank world power if it does not possess the capability to maintain free use of the seas. For this we must have a modern attack carrier force capable of establishing air superiority in those areas vital to our national defense but not within reach of our land-based tactical air power.

Whether one takes the optimistic view that a permanent East-West detente can be negotiated or the pessimistic view that ultimately we shall have to fight for our liberties, this Nation has no future if it allows itself to be outmatched militarily.

Q. *It has been suggested that the United States has been playing the role of world policeman and that we should withdraw from overseas bases. Would carriers continue to be useful under these conditions?*

A. Yes, in fact the flexibility of the mobile carrier would make it the most useful and least provocative of all our major weapons systems under this kind of strategy.

The carrier can deploy quickly, can remain over the horizon out of sight in order not to upset a delicate situation, and still be available to use its air power at a moment's notice; or, should the situation so indicate, the deployed carrier can appear on the scene, and by its very presence provide a stabilizing influence by serving as tangible evidence of U.S. interest. Without overseas bases, the attack carrier would be the only means by which the U.S. could provide tactical air support for overseas military operations in response to enemy actions and protection of logistic supply lines for material and oil essential to sustain our industrial and military capability.

Q. *Would carriers be of use in a major conflict?*

A. In World War II there were more than 100 carriers of all kinds in the U.S. Navy, employed in all theaters. The need for the carriers was so great that 85 percent of the carrier force was kept in a deployed status.

Because all of the tactical air fields in South Korea were quickly overrun and captured by North Korean ground forces in the first campaign of that conflict, virtually total reliance for tactical air support for our beleaguered ground forces was placed on the carriers during the initial part of the war.

In the Vietnam War, the first strikes delivered against the North Vietnamese were flown from carriers. During the air war in North Vietnam, five attack carriers were deployed to the Seventh Fleet.

Attack carrier forces feature prominently in all of our current major war plans. Although carrier employment has been primarily concerned with conventional wars, the carrier has a potent nuclear capability. All carrier attack aircraft are designed to deliver nuclear weapons and all attack pilots are trained in their delivery. Tactical nuclear weapons on board our carriers for delivery by carrier-based aircraft are at all times in the hands of U.S. nationals and cannot be seized by the enemy.

The carriers could play an essential role in a large scale conflict in Europe. Such a war could escalate rapidly. Forward bases, fuel supplies, and stockpiles might be overrun by advancing Soviet Bloc forces. Under such circumstances attack carrier forces could be our best and possibly our only means of providing tactical air support in a controlled response to include tactical nuclear weapons. In an all out nuclear exchange, the mobile carrier, which is more

likely to survive than fixed land bases, could well provide the balance of power.

EFFECTIVENESS

Q. It has been said that only one third of the carrier force is ready to fight at any one time—is this true?

A. No. At any one time more than three-fourths of our carriers are ready. For example, on 1 August 1969 fourteen attack carriers were at sea or immediately ready for sea. One more could be ready in 5 days and the one carrier which is in overhaul, could be deployed in 60 days.

Q. Why can't land air bases be used instead of carriers?

A. Land bases can be used effectively only when they are within range of the trouble spot. An extensive network of overseas bases would be required to cover the potential crisis areas of the world covered by the contingency plans of our military strategy.

The area of the world covered by our overseas land base system is constantly shrinking. For example, at the end of the Korean War, this country had 551 overseas bases. Today we have fewer than 173. Operational U.S. overseas land air bases have declined in number from 105 in 1957 to 35.

Retaining existing U.S. land bases on foreign soil or adding new ones can involve additional U.S. political and military commitments in exchange for base rights. These commitments may be far more onerous than dollar costs. Additionally, the presence of bases on foreign soil has been a source of "Yankee go home" sentiment and charges of U.S. intervention and neo-colonialism.

Furthermore, land bases on foreign soil are vulnerable to political action. Regardless of pacts or base agreements, one nation can, as has been demonstrated repeatedly in recent years, unilaterally cancel a treaty, and our bases in that nation are lost to us. This has occurred in Morocco and France.

Even when our bases are not taken from us outright, their use can be temporarily denied to us for political reasons. This occurred during the Lebanon incident in 1958, when the Greek government denied landing and even overflight permission to our land based tactical air forces deploying to the near east.

Attack carriers, on the other hand, are mobile air bases which can be retained in home waters and deployed or withdrawn to meet changing international situations without altering our international commitments.

Q. Why can't we build land bases after a war starts?

A. We can, after agreement is reached with the host country, and provided suitable sites are available which can be defended and logistically supported.

An individual base has been constructed in nine months. However, in Southeast Asia, our experience was that two years from decision time were required to build up the needed base facilities. An eventual goal of moving into place in 90 days is planned.

Q. Why can't commercial air fields be converted to military fields?

A. They can. Kits are being developed to be used for converting available runways into military airfields. However, for one tactical aircraft wing (approxmiately 90 aircraft—the equivalent of one carrier air wing) a kit includes over 6000 people, 7000 tons of cargo, and 1500 vehicles in its initial lift. It must be maintained by a daily logistic resupply flow of 3200 tons of consumables. This daily resupply, if provided by airlift, would require more than 100 C–5A transport aircraft. Since this is obviously impractical, overseas land bases are dependent on keeping the sea lanes open for logistic support. 98 percent of supplies, material, and equipment in Vietnam are sent by sea lift. In many areas adequate air defense of our sea lanes, and air lanes over the sea, can only be provided by carrier aircraft.

SURVIVABILITY

Q. Can carriers survive in today's kind of war?

A. Yes. Modern attack aircraft carriers with their embarked aircraft are the most powerful and toughest warships ever built. They are essentially offensive weapon systems designed to conduct strike operations against an enemy in a combat environment. Although the inherent mobility of the carrier makes it a difficult target for an enemy to find and attack, carriers are nevertheless designed to absorb damage from enemy action with minimum disruption to their operational capability.

Within the range of warfare situations, the greatest probability of conflict lies below the general war threshold. There have been fifty wars or near wars since the end of World War II. Yet no carrier has suffered loss or damage from hostile action during this period, in spite of the fact that all but two of our currently designated attack carriers have been involved in actual combat operations since World War II.

In contrast, all of the tactical air bases in South Korea were overrun by enemy ground forces in the Korean War. Some, with their stocks of ammunition and aircraft fuel were captured a second time by Chinese Communists. In South Vietnam over 300 helicopters and fixed wing aircraft have been destroyed on airfields and over 3000 more damaged by enemy ground attacks.

Q. Can a carrier survive in a nuclear war?

A. If a carrier suffers a direct hit by a nuclear weapon it will be destroyed, as well as any other target, but the carrier is hard to hit.

The mobility of the ship target offers considerable protection, which increases with the range of the weapon considered. Against ICBM attack, the aircraft carrier, in contrast to cities, industrial complexes, land air bases, ports, missile sites and similar fixed targets, is virtually immune to pre-targeting. It can move twelve miles or more during the time of flight of an ICBM. If its position is precisely known at a given time, three hours later the carrier is somewhere in the area of a circle of more than 25,000 square miles.

The greatest threat to the carrier in a nuclear war would be posed by the Soviet air and naval forces, especially submarines. There would undoubtedly be heavy losses on both sides. However, because of the enemy's problems in locating and targeting the carriers and penetrating their defenses, the probability is very large that some of these ships would survive to deliver their own nuclear punch.

Q. Isn't the carrier vulnerable to cruise missile attack?

A. Anti-ship missiles, whether air, surface, or submarine launched constitute the major threat to U.S. surface forces. Missiles can outrange the guns of the U.S. Navy's surface combatant ships.

However, the carrier's aircraft greatly outrange even the most advanced Soviet cruise missile. Further, the launching platforms, the surveillance systems, and the cruise missile itself are all vulnerable to attack and destruction by carrier aircraft and other defense forces.

Carriers have faced the threat of guided missiles before, and have survived by a clear margin. In World War II, the Japanese launched 2314 aircraft in Kamikaze attacks against the U.S. fleet, with the carriers as the principal target. Despite the fact that the Kamikaze was a guided missile with the most sophisticated guidance system possible—the human brain—not a single attack carrier was sunk by them.

Today, the carrier is the fleet's best defense against cruise missiles because of the ability of its aircraft to attack the launching platforms before they are within missile firing range of our forces and to shoot down the anti-ship missiles that are launched while they are in flight.

The carriers themselves are able to evade missile capable forces both by their mobility and by the task force defense in depth. A recent analysis shows that carriers could continue to operate in the Gulf of Tonkin and still remain out of range of any possible Soviet Styx surface-to-surface guided missiles emplaced at launching sites in North Vietnam. It is an important related fact that no potential North Vietnamese missile launching platform, aircraft or PT boat, has penetrated the U.S. carrier task force defense to within attack range of the carriers.

Q. Isn't the carrier vulnerable to torpedo attack from submarines?

A. The Soviets now have by far the largest submarine force in the world—about 375 submarines, all built since World War II. We have 143, including 61 diesel submarines most of which are of World War II vintage. Thus, they have a net advantage of about 230 submarines. It is estimated that by the end of 1970 they will have a numerical lead even in nuclear submarines. Nuclear powered submarines pose a greater threat to our surface ships than diesel powered submarines because of their submerged high speed endurance.

It is because of this threat that the Navy maintains a substantial force including carriers, long range aircraft, submarines, and surface combatants assigned to the anti-submarine mission. These forces work in conjunction with an extensive ocean surveillance system.

The attack carrier forces, with their integrated anti-submarine defenses and their high speed, are the least vulnerable of our surface forces to torpedo attack. A nuclear powered carrier force, with its sustained high speed endurance and freedom from the need to resupply propulsion fuel, can minimize the opportunities for enemy submarines to gain attack position.

Q. If enemy bombs, missiles or torpedoes are able to reach the carrier—break through the defenses—then can't the carrier be sunk?

A. If our carriers do sustain hits from conventional bombs, torpedoes or missiles, damage will occur, but that does not mean that the ship will be put out of action or sunk. Modern carriers are extremely tough ships.

No attack carrier built during World War II or subsequently has been lost to enemy action. The *Essex* class fought through the aircraft attacks, Kamikazes, and submarine attacks of World War II.

Subsequent carrier designs have incorporated even more extensive protective features, such as armored flight decks, improved torpedo protection systems, and internal damage-limiting features which make them very difficult to sink with non-nuclear weapons.

The hardness of the modern attack carrier is illustrated by the accident in the *Enterprise* early this year when nine major caliber bombs detonated on her flight deck. Yet the ship could have resumed her scheduled air operations within hours, as soon as the debris was cleared from the after end of the flight deck.

This accident, as well as other carrier accidents which have occurred in recent years, have been studied in detail to develop corrective action to reduce the possibility of future occurrence and to determine design features which can be incorporated in our new carriers to make them even less susceptible to damage.

The new carriers will give our attack carrier forces the best protective capability we can build into our ships. The new Nimitz class nuclear powered carriers are the best protected and least vulnerable carriers ever designed. The added protection is provided by the etxensive use of armor plating against

bombs and guided missiles and improved anti-torpedo hull design. The high speed endurance and freedom from the need to slow down to refuel provided by nuclear propulsion, significantly reduces the nuclear carrier's vulnerability to attack.

If we were to reduce our future sea-based tactical air capability by failing to provide the needed improvements in carrier design, the overall vulnerability of the Navy and the logistics life line for all services would be increased.

COST

Q. *Isn't a carrier very expensive?*

A. Yes, carriers are expensive. But so are all modern weapons systems. In fact the carrier has increased in cost the least of any other major weapon system since World War II. The Nimitz will cost about 10 times as much as the *Essex* did in 1944. But many of the latest fighter, attack, and transport aircraft are more than 100 times as expensive as their World War II counterparts.

Of course, the capabilities of today's weapon systems are much greater than their World War II counterparts. For example, the World War II carrier *Enterprise* fought throughout the Pacific Campaign; yet, the nuclear carrier *Enterprise* delivered more than twice the tonnage of bombs in one month in Vietnam that her predecessor delivered throughout World War II.

Carriers are not more expensive than alternative systems, on either an investment or operating cost basis, particularly when their long life and active utilization are considered.

The investment in an attack carrier has an assured return for about 30 years. During this time the carrier can provide an air base anywhere in the international waters of the world without prior international agreements or U.S. commitments in exchange for base rights. Of the 44 carriers built by the Navy since the *Langley*, CV–1, in 1922, which would today be classed as attack carriers, 41 have launched air strikes in combat. One of these, *Bon Homme Richard*, has been in action in three wars.

The investment in a land base has an assured return only as long as the base is needed in the specific location, and international, political, and military conditions do not deny or restrict its use when needed. The large investment is lost as soon as the particular job is finished for which the base was created. The investment in an aircraft carrier remains valid for the 30-year life of the ship.

Q. *How do the cost of sea-based and land-based tactical air power compare?*

A. Relative investment and operating costs vary in different situations, but overall costs are about the same when basing, support, logistic and defense costs are considered for both. A land-based tactical air wing has about the same number of attack aircraft as a carrier air wing, and some types of tactical aircraft are common to both services; for example, the Navy-developed *Phantom* fighter-bomber.

Historically, in the recent bombing campaign into North Vietnam, it cost more to deliver one ton of ordnance to North Vietnamese targets from land bases than from attack carriers, even though the land-based tactical jet aircraft averaged more tons delivered per sortie. The higher cost of land-based air was due primarily to greater base-to-target distances, because the mobility of sea-based tactical air permitted stationing attack carriers closer to the targets. The longer base-to-target distances generated a heavy aerial refueling support requirement for land-based air operations.

Q. *What is the composition of a carrier task force, and how much of it is required for its own defense?*

A. There is no standard carrier task force composition. An attack carrier task force includes carriers and surface combatants with anti-aircraft and anti-submarine capability; sometimes a task force includes submarines or fast replenishment ships. As the name itself implies, a task force is constituted to perform a task, and the number and kinds of ships involved are related to that task. Under some conditions a carrier might be accompanied by six surface combatants, under other circumstances, such as prevail today in the Gulf of Tonkin, by only one or two.

We do not buy ships on a task force basis. New ships are procured to keep our Navy modern and capable in numbers based on the expected threat. Naval task forces are constituted from the overall inventory of ships in the fleet.

The number of surface combatants included in a carrier task force is directly related to the anticipated enemy opposition. The cruisers and destroyers attack and destroy the enemy's submarines, surface ships and aircraft. The carriers and other ships operate together in a task force for mutual support and increased effectiveness in the destruction of enemy forces, an essentially offensive action.

Although the carrier does carry fighters for defense of the force in depth against aircraft and missile attack, these fighters can be employed offensively to achieve air superiority, and then used as bombers in an attack role. Again, the percentage of the carrier's aircraft devoted to defense depends upon the threat. Today in Southeast Asia, only 5 percent of the aircraft being operated by the engaged attack carriers are assigned the role of defending the carriers.

FORCE LEVELS

Q. *Is it true that the force level number of 15 attack carriers is simply a tradition based on the fact that the Navy has maintained 15 carriers since World War II?*

A. No, this recently publicized assertion has absolutely no basis in fact. At the end of World War II, during which the Navy had more than 100 carriers of all types, there were 20 carriers in the active fleet which could be classed as attack carriers. By June 1950, at the beginning of the Korean War, the number of attack carriers had been reduced to seven. The loss of all of our tactical airfields in Korea during the first days of that conflict, created an urgent requirement for carriers to provide the desperately needed air support for our ground forces. Fortunately there were relatively new *Essex* class carriers, laid up in mothballs in the reserve fleet. By reactivating these ships, the number of attack carriers was increased to 16 by the war's end.

Since 1953, the number of attack carriers has fluctuated between 19 and 14 to meet changing defense requirements and budget constraints.

For the past five years a total of 16 attack carriers have been operated at a very high tempo to meet our defense needs.

Q. *What is the currently authorized carrier attack force level?*

A. Fifteen attack carriers plus an anti-submarine carrier acting in an attack carrier role for the duration of the war in Southeast Asia.

Q. *How is the attack carrier force level determined?*

A. The attack carrier force level is determined by the requirements of national strategy derived from our foreign policy. Attack carrier force levels reflect the portion of the total tactical air requirement that it is necessary to operate from sea bases. The desired force level is affected by the geographical areas and the contingencies considered.

A major element of our foreign policy is predicated on overseas alliances. Our overseas allies depend upon our support, which must come by sea and the air over the sea. There is no viable plan for overseas military operations of the Army, Navy, or Air Force that does not depend on our free use of the seas. For example, 98 percent of all the supplies which have gone to Vietnam has been carried by ships.

Our present national strategy relies heavily upon military forces deployed overseas—forces capable of responding to a spectrum of contingencies in overseas areas of primary national interest. These forward deployed forces provide this country with flexible and rapid response to whatever pressures our potential enemies may apply.

Even if our future national strategy were to be changed to withdraw our deployed military forces, our requirements for defense would still extend overseas. The capability of the United States to fight for an extended period in defense of its vital national interests is dependent on our ability to maintain the flow of materials and oil over the seas. The sheer bulk of the daily use of oil for military and industrial needs precludes stockpiling quantities for more than short-term needs.

An effective tactical air capability is essential to sustain our general purpose and logistic support forces against a determined enemy using modern weapons. Sea-based and land-based tactical aircraft are required to provide support for our forces in the areas of the world where we must be prepared to fight.

Land-based tactical aircraft can be employed when their land bases have been adequately prepared, provisioned and defended, and when they are located within range of the area of conflict.

Sea-based tactical aircraft are required when their land bases are not available or do not have the capacity to meet the required tactical needs. The attack carriers can provide this sea-based tactical air power.

In our current national strategy, there are two primary overseas areas critical to our national interest, where an adequtae base structure under U.S. control is not currently available. They are the Mediterranean and Western Pacific littorals. Attack carrier forces in the Sixth and Seventh Fleets provide the only assurance of a capability for quick reaction to threats to our national security and objectives in these areas.

Attack carriers are also required in the Atlantic and Pacific areas contiguous to the United States. For example, the U.S. response to the Cuban and Dominican Republic crises relied heavily on attack carriers in the Atlantic.

Attack carriers operating near the U.S. in the First and Second Fleets also provide for fleet training and maintenance time in home ports. These carriers may be sent individually to reinforce deployed forces, or the entire fleets may deploy from home waters. In this latter connection, the home fleets conduct frequent maneuvers and fleet exercises, proving new equipments, and developing new doctrines for their employment. Not more than one or two carriers of the total are in overhaul at any one time.

The number of 15 attack carriers is based upon commitments as well as empirically established planning factors including maintenance and training requirements, which have been validated through experience.

In the past, when similar deployment cycles and operating conditions prevailed, the carrier commitments dictated by the strategy could not be fulfilled when the force level was reduced below 15.

Q. *Does a force level of 15 provide enough carriers to cover contingencies?*

A. Recent experience has demonstrated that a force level of fifteen carriers is inadequate to prosecute the war in Vietnam and simultaneously maintain the posture dictated by our present strategy. In recognition of this deficiency, the Department of De-

fense has approved a force level of sixteen attack carriers for the duration of the war in Southeast Asia. The Navy was able to meet this augmented force level only by employing one anti-submarine carrier in the attack carrier role.

Whether fifteen carriers is an adequate number under wartime conditions is open to question. It is not possible accurately to foresee the locales of future conflicts as they relate to the existence of adequate land bases, the political availability of such bases, and their survivability in action.

Our capability to augment our active carrier force in time of war or crisis is almost gone. There are no longer any attack carriers in the reserve fleet. Since 1952, nine modern attack carriers have been built. The remaining six attack carriers operating today were launched during or shortly after World War II. Four of these are of the *Essex* class. Even the most modern of the *Essex* class carriers cannot operate the latest generation of tactical aircraft, the F–4, A–6, RA–5C, and E–2. We will soon reach the point where the *Essex* class air wing cannot survive in the threat environment established by new Soviet tactical aircraft.

As this capability to augment the established attack carrier force from the reserve fleet or from *Essex* class carriers in the anti-submarine force disappears, so does our flexibility in attack carrier force levels. It is apparent that we will fight future wars with the attack carriers in the fleet at the war's inception.

In summary, a force level of fifteen attack carriers of modern design has been determined to be a minimum requirement for the type of conflict we have experienced since World War II and to permit us to meet peacetime deployment requirements giving due consideration to peacetime planning factors. This number may not be adequate to provide the required tactical air power for future contingencies, particularly in view of the steady deterioration of our overseas base structure. We will be unable to compensate for the loss of overseas bases to military force or political action in the future by quickly building up carrier force levels over and above peacetime levels. It takes about five years to build a new attack carrier. There are no longer any modern attack carriers in reserve.

Q. *Couldn't the attack carrier force level be reduced by using some form of dual crew arrangement on our carriers, as we do on Polaris submarines, to keep all of our carriers overseas?*

A. The Navy has conducted studies to determine the feasibility of additional crews for carriers to increase the number continually deployed. It has been determined that such measures are not economical, efficient or desirable in view of the inherent mobility of the carrier itself with its crew aboard.

In the Polaris system, dedicated as a nuclear deterrent, only the deployed ships have maximum effectiveness. The full Polaris fleet must be overseas ready to fire its missiles in the first few critical hours of a nuclear war.

By contrast, attack carriers must be ready over a longer span of time, for a wider spectrum of war situations, where sustained capability over weeks and months is important. Moreover, we need carriers in home waters to react to crises close to the United States. For example, our contingency operations for the Cuban crisis and for the Dominican Republic crisis relied heavily on sea based tactical air to be furnished by home fleet carriers.

It is most efficient, under peacetime conditions, not to keep all carriers at forward stations. In emergencies, however, 85 percent could be maintained in a deployed status. To keep a larger part of our carrier inventory overseas year in and year out during peacetime would require overseas bases for routine maintenance and repair, and homes and schools for dependents. This would certainly add significantly to our gold outflow problems.

Q. *Will the new carrier requested by the Navy, CVAN–69, this year increase the attack carrier force level?*

A. No. When the CVAN–69 joins the fleet it will not increase the number of carriers in the Navy's active inventory. It will replace one of the old World War II veterans which will then be thirty years old.

Q. *Since the nuclear powered Nimitz-class carriers are so much more capable than the older ships they will replace, why do we need a one for one replacement?*

A. Attack carriers must be able to conduct operations at sea against determined opposition, with aircraft capable of achieving air superiority against first line enemy equipment.

The new Nimitz class carriers are needed to meet the growing Soviet threat.

The World War II Essex class ships in our carrier force cannot operate several current modern aircraft necessary to cope with present Soviet planes and weapons. The Essex class will not be able to operate an air wing in the seventies which can survive in the environment of Soviet weapons technology.

As our weapons improve with time and technology, so do those of our potential enemies. In World War II, the Essex class carriers operated about 90 aircraft representing the most advanced technology of that era, and able to meet the Japanese threat on better than equal terms. Today, the replacement for the Essex will be the Nimitz, again capable of operating about 90 aircraft capable of coping with the most advanced Soviet weapons technology.

Q. *Why can't our old carriers be modernized instead of building new attack carriers?*

A. It is not practical or economical to attempt to further modernize the Essex class attack carriers. These ships have previously been converted from straight deck, hydraulic catapult configuration to angle deck, steam catapult configuration. No growth factor is left.

The Essex class attack carrier cannot operate a number of the newer aircraft already in the fleet, such as the F–4 Phantom II, RA–5C Vigilante, A–6 Intruder and the E–2 Hawkeye. A significant fact is that these older carriers experience about twice the landing accident rate with attendant higher cost in lives and aircraft, compared with the larger deck Forrestal class. The problem is simply that aircraft size and speed have become excessive for the smaller size World War II carrier decks.

The Essex design will be over 30 years old when the CVAN–69 joins the fleet. These old ships which have served the Navy well through three wars, will simply be worn out.

Q. *If the attack carrier force level is reduced, will the CVAN–69 still be required?*

A. Yes. The *Nimitz* class carriers would be required even if the attack carrier force level were reduced. The improved capabilities of the *Nimitz* class carriers would become even more vital if the Navy were required to operate a smaller carrier force, since the smaller the force, the more important it would become for each carrier to have the most capability achievable.

If a reduction in force level becomes necessary, it should be accomplished by retiring older carriers in the fleet, not by cancelling new construction ships; six of the Navy's fifteen attack carriers were launched during or shortly after World War II.

The Navy's carrier force must have a regular input of new ships, both to upgrade the capability of the force through the infusion of modern technology, and to replace older ships which can no longer meet the requirements demanded of an attack carrier because of design limitations and the fact that old ships simply wear out.

Within a fifteen carrier force level, for example, the construction of a new carrier every other year means that attack carriers will reach an age of thirty years before they are replaced—the nominal maximum useful life of a carrier. Even with a force level as low as 12, it would be necessary to build a new carrier every 2½ years to replace the carriers when they become thirty years old.

NUCLEAR PROPULSION

Q. *What are the advantages of nuclear propulsion for the attack carrier?*

A. The principal advantages afforded by nuclear propulsion in surface warships derive from the ability to steam at high speed for unlimited distances without refueling. In the carrier, there are important additional benefits. Because the nuclear carrier does not have to carry black oil for propulsion, there is more room in the ship's hull for aviation fuel and other combat consumables. This gives the nuclear carrier greatly increased combat staying power compared to its conventional counterpart.

These two qualities give the nuclear carrier a capability unmatched by any other tactical air system. This is the ability to:

Respond immediately to a contingency beyond the range of emplaced U.S. forces without waiting for supporting units or the prepositioning of logistic support.

Conduct combat operations while approaching the objective area.

Continue combat operations without support or replenishment for the period of time required to establish sea-based logistic support lines.

An all-nuclear carrier task force can steam at high speed to any point on the oceans of the world and conduct maximum sustained air operations for many days entirely without logistic support. An all-nuclear carrier task force also has the capability to transit at high speed to and from distant and less vulnerable sources of ammunition, aviation fuel, and other supplies needed to continue in action.

As the number of nuclear submarines and air striking capabilities of our potential enemies increase, the difficulty of providing logistic support when supply lines to our combat forces are under attack will increase. A principal reason for developing nuclear power for surface warships is to reduce the logistic support required for our fighting forces.

Q. *Can we convert our present attack carriers to nuclear power?*

A. It is technically possible, but not practical or economical. It would cost about as much to put nuclear power in an older carrier as it would to build a new one. The new one, of course, would be far more effective, and have a longer lifetime.

"NIMITZ" CLASS

Q. *What is the Department of Defense program for building Nimitz class attack carriers?*

A. In 1966, the Secretary of Defense approved the construction of three nuclear powered attack carriers for the U.S. Navy, called the *Nimitz* class. This Department of Defense carrier building program was decided on the basis of analytical studies which projected a continuing need for sea-based tactical air.

Since this initial Department of Defense approval in 1966, the continuing military requirements for carriers has been further demonstrated by the carrier operations in Southeast Asia, which have again shown the capability and inherent mobility of sea-based striking forces. Trends in international affairs have reinforced the soundness of the decision to maintain a modern carrier force

and to retain the ability to operate in those areas of the world where bases are denied or not available.

The three ships of the *Nimitz* class are planned to replace the last of the aging World War II *Essex* class ships still serving as attack carriers. In order to acquire these programmed carriers at least cost, all three ships are to be of the same design, procured in series production from a single shipbuilder. The success of this plan depends upon the availability of funds in accordance with the program schedule. The continuity of component and ship production lines is essential to avoid major cost increases. Delay or deferment of scheduled funds would result in increased component costs and result in ship construction delays which are in themselves costly.

Q. *Does the design of the Nimitz class provide a substantial improvement in attack carrier capability?*

A. Yes. The design of the *Nimitz* improves upon the designs of preceding attack carriers as the result of analytical studies, technological advances and lessons learned from the combat experience of carrier operations in Southeast Asia.

An important difference between the *Nimitz* design and that of the *Enterprise* is that the *Nimitz* will have a two-reactor plant instead of the eight-reactor plant on our only previous nuclear carrier. Technology has permitted advances in nuclear reactor core construction which are most significant. The initial cores in the *Enterprise* provided propulsion for three years before replacement was necessary. In the *Nimitz*, the initial cores will furnish energy to propel the ship for thirteen years. Also, the two-reactor plan will require fewer operating personnel.

The Navy has incorporated into the *Nimitz* design many lessons learned in carrier operations in Southeast Asia. Carriers in the South China Sea have operated at a tempo never foreseen for these ships. Day, night, and all-weather operations have become routine, and sortie rates have risen. Carrier systems and crews have been operated near their limits, beyond what was considered maximum a few years ago. This combat experience has taught much about ways to improve these ships, and these are reflected in the *Nimitz* design, particularly in the areas of command and control, intelligence processing, ordnance handling, fire fighting and damage control.

The *Nimitz* is being designed to carry 50 percent more aircraft ordnance and more aircraft fuel than any previous attack carrier, which combined with nuclear power will greatly increase its capability for sustained combat operations.

Q. *What is the status of the Nimitz class construction program?*

A. The *Nimitz*, CVAN–68, first of three attack carriers of the class in the approved Department of Defense program, was authorized in fiscal year 1967. It is fully funded. The keel was laid June 22, 1968, and construction is about 20 percent complete. It is scheduled to be delivered to the fleet in 1972.

The second ship, CVAN–69, was originally planned for authorization in 1969. Congress appropriated $50.5 million in fiscal year 1968 for long lead time nuclear propulsion plant components. However, only $82.4 million in additonal long lead time funding was requested in fiscal year 1969 to minimize the new obligational authority in that year, and the balance of $377.1 million was slipped to fiscal year 1970. Therefore, contracts amounting to $132.9 million have been placed for the CVAN–69, and $377.1 million is needed in fiscal year 1970 to complete the ship. The nuclear propulsion plant for the CVAN–69 is currently being manufactured and the ship is scheduled for delivery in 1974.

The third ship is planned for full funding in fiscal year 1971. The original Navy request for long lead time funding for nuclear propulsion plant components in fiscal year 1970 was deleted in the budget review process. If this funding is not restored in the fiscal year 1970 appropriation, the ship will be delayed a minimum of one year past the 1976 date originally planned for delivery, and the cost of the ship will increase.

Q. *What would be the impact of deferral of funding for the CVAN–69?*

A. Deferral of the funding required this year to continue procurement of the CVAN–69 would have the following undesirable effects:

A delay in ship completion which would hinder necessary improvement in the combat capability of the carrier inventory and considerably delay the increased availability of nuclear propulsion in the fleet. As presently planned, CVAN–69 will join the fleet in 1974 to replace the *Bon Homme Richard*—a veteran of World War II, Korea, and Vietnam.

An increase in the cost of CVAN–69 due to inflationary effect; the inability to take advantage of multiple procurement with the CVAN–68; and a break in the learning curve achieved by series production, because of the gap which would occur between the CVAN–68 and the CVAN–69.

A disruption of the production continuity of the CVAN program which would cause additional delay and further cost escalation. Because of the large number of existing orders in the heavy equipment industries, they are not willing to make long range commitments without firm contracts. Consequently, price and delivery of components not covered by firm contracts are subject to considerable escalation and delay.

The $132.9 million appropriated for the CVAN–69 in the last two years is already obligated in contracts, and manufacture of components is proceeding. If the unexpended balance of these funds were deferred, cancellation of contracts and disruption of component production lines would result. Since most of these contracts are for nuclear propulsion plant components, their termination would have a severe impact on the industrial base for the overall naval nuclear propulsion program.

OPERATION INTERCEPT

(Mr. DE LA GARZA asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. DE LA GARZA. Mr. Speaker, yesterday radio reports quoted Attorney General Mitchell saying the inconveniences of Operation Intercept would soon end. This report is most encouraging inasmuch as the challenge of narcotics control across the border has always been to concentrate effectively on law violators and to establish operations imposing the burdens and inconvenience on the criminal classes and not upon—repeat—not upon the law-abiding citizens engaged daily in legitimate and desirable traffic across the border.

In this regard there have already been discussions from my part of the country as to whether traditional border celebrations should be canceled such as those forthcoming in the next few months at Brownsville-Matamoros, Del Rio, Ciudad Acuna, and the International Good Neighbor Council meeting at Houston this month.

It is improbable that such celebrations can be carried on successfully when individuals and vehicles are exposed to search as at the present time.

In the light of the Attorney General's statement perhaps there are going to be special provisions to permit people to enter the United States for these enlightened demonstrations of border friendship.

The Mexican Government has mounted campaigns in the past to cooperate with our Government against the narcotic traffic and other mutual problems. Perhaps the greatest example has been the campaign against the hoof and mouth disease, and the present one against the screw-worm. So it would seem a precedent has been established. I am a product of this great border country, and I know its people and their feelings. If it would be helpful to the objects of narcotics control and harmonious border relations, I hereby offer my efforts to both our countries to help in every way possible.

Shortly after noon today, I was informally advised that the Mexican Government has advised officers manning ports of entry along the border to assist U.S. efforts on Operation Intercept. While I cannot account for the authenticity of these reports, I can present this as an example of the type of cooperation the Mexicans are always willing to afford on projects of such importance.

Assistant Treasury Secretary Eugene T. Rossides, head of Operation Intercept, told a Senate committee yesterday that the same airborne sensors used to find enemy troops in Vietnam were being adapted to detect fields of marihuana and poppies, the base for heroin. Eventually the sensors might be used at border crossings to detect travelers with the narcotics.

He said the United States was offering Mexico planes and the sensor devices to help it detect the fields as well as a chemical spray that makes marihuana very bitter when smoked. This equipment has already been carefully tested for agricultural purposes.

The question arises as to the extent we can lend assistance of this nature to the Mexican Government in acting to control the growth and movement of narcotics and at the same time permit normal traffic across our peaceful border.

Though I wish to assist in every way possible for the control of narcotics, I am compelled to stand for and to enlarge where possible the peaceful relationships along an unarmed border between free people with a whole generation now of uninterrupted harmonious and mutually profitable commerce. We cannot—we must not—destroy or impair that which we have achieved through mutual trust and understanding, and the joint effort of so many of our people on both sides of the border.

NAVY RESPONSE TO DEMOCRATIC STUDY GROUP

(Mr. RIVERS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RIVERS. Mr. Speaker, on Friday, the Democratic Study Group published at length in the CONGRESSIONAL RECORD its findings. Under unanimous consent, I include in the RECORD the findings, together with the Navy's responses thereto:

Navy Response to Democratic Study Group

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)

(Extracts of Navy portions of the Democratic Study Group Report)

[Annotated]

Description	*Comment*
The U.S. has maintained 15 carriers and their escort fleets ever since World War II.	This is wrong. The Navy's attack carrier force level consisting of World War II *Essex* class ships and subsequent classes has been as follows: 1945, 20; 1946, 14; 1947, 12; 1948, 11; 1949, 8; 1950, 7; 1951, 14; 1952, 16; 1953, 16; 1954, 15; 1955, 17. 1956–1969 attack carrier force levels have varied between 14 and 19. Today we have a total of 22 carriers. 16 (not 15) are serving as attack carriers and 6 in the anti-submarine warefare carrier role.
They are used to provide bases for tactical aircraft operations on short notice in places where land bases cannot be used.	
Each carrier is a base for about 75 aircraft.	The smaller World War II *Essex* class carriers carry about 75 aircraft. The larger carriers carry about 100.
The Joint Chiefs of Staff calculate that 13 carriers would be needed to fight 2 major/1 minor wars simultaneously in Europe, Asia, and Latin America, and that two more are needed as reserve.	This statement is not correct. Although specific positions of the Joint Chiefs of Staff on matters of this nature are classified, it can be correctly stated that in recent years they have consistently supported a total attack carrier force level greater than the Department of Defense approved force level of 15.
During peacetime, two are stationed in the Mediterranean, three in the Pacific, and ten are not deployed.	During peacetime five carriers are deployed in support of our national strategy to areas of primary national interest, where adequate land bases are not available. The other ten carriers are in home waters undergoing training and maintenance, or assigned to the First and Second Fleets where they are immediately available to reinforce overseas forces or to respond to contingencies in other areas, such as they did during the Congo, Cuban, and Dominican Republic crises. It should be clearly understood that this ratio is a routine peacetime operation. Because of the conflict in Southeast Asia, the DoD has augmented the attack carrier force by an anti-submarine warfare carrier, operating in an attack carrier role. Until ROLLING THUNDER campaign (in which about half of the combat sorties into North Vietnam were flown from carriers) was terminated, there were never less than seven attack carriers continually deployed, five of them in the Western Pacific. In an emergency all available carriers would be deployed. For example, in mid-1969, 14 of the Navy's 16 attack carriers are either at sea or immediately ready to go to sea. One more would be ready in five days. The 16th carrier (in overhaul) could be deployed in 60 days.
The carriers are not designed to be used as permanent airbases, but rather as temporary bases until land bases can be established or constructed.	The Commander of the USAF Tactical Air Command (General Momeyer) in a recent discussion of the build up of land bases (*Armed Forces Management*, Feb 1969) has said that two years from "decision time" were required to build up the needed base facilities in Southeast Asia. An eventual *goal* of moving into place in a matter of ninety days is planned. Thus the temporary use of carriers may involve a time period of between three months and two years. But this period required for base construction is at the initiation of hostilities, the most critical period of a war. In Lebanon, the crisis was over in three months. In Korea, the North Korean ground forces overran all of South Korea except for a small perimeter around PUSAN in the opening phase of that conflict. All of the tactical airfields in South Korea were captured in the first five days. Virtually all of the air support for our beleaguered ground forces came from the carriers. Although the force level of attack carriers had been permitted to drop to a total of seven, the experience of the initial campaign of the Korean War resulted in an immediate build up of carrier force levels to about 15. It is also true that the use of carriers is not necessarily a temporary expedient. When due to political, military, logistical, or economic considerations, an adequate number of shore bases cannot be provided, the carrier fills the gap on a virtually permanent basis. Today four attack carriers are committed to the war in Vietnam.
Carriers are useful for quick response in a crisis situation.	
The Soviet Union has no carriers.	The Soviets do not have carriers in the same sense as the U.S. Navy's attack carriers. But the historical record shows that as early as the thirties the Russians planned a carrier fleet and expected to have four carriers (equivalent to attack carriers) by 1948. World War II intervened, and by the early fifties which is considered to be the period marking the genesis of the modern Soviet Navy, the Russians were hopelessly behind the U.S. Navy in carrier numbers, experience, technology, and industrial capability. The Soviet awareness today of the essentiality of sea-based tactical air has been clearly shown in their cruise missile (basically an unmanned aircraft) capability and their two helicopter carriers.
Costs	
The FY 1970 budget contains a request for $377 million to complete funding of a third nuclear carrier, CVAN–69.	$377 million is required to complete the funding of CVAN–69, since $133 million has already been obligated for long lead time components. CVAN–69 will be the second ship of the *Nimitz* class of nuclear powered attack carriers. When CVAN–69 joins the fleet in FY 1974, it will join *Nimitz* and *Enterprise* in the Navy's nuclear carrier forces.
The estimated total cost of this ship is $510 million. Pentagon sources indicate that estimates have already been revised upward and that a final cost of $700 million is not unlikely.	These Pentagon sources are not the Navy, nor can they be considered credible since they are not known to the Navy. The true facts are that the official Navy estimate for CVAN–69 has not been revised in any direc-

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)—continued

Cost	*Comment*
	tion. It is $510 million. The Navy is using every means possible to keep the cost of this ship down. CVAN–69 will cost *less* than *Nimitz* (CVAN–68) because it will be built in the same shipyard, to the same plans. Economies can therefore be achieved by: learning curve, since ships of the same class will be built by the same shipyard; multiple procurements with CVAN–68; the shipbuilder's ability to make optimum use of facilities.
	Obviously the cost of the ship cannot be precisely known since the Navy has little control over the economy of the country. Escalation in the costs of labor and material are allowed for according to a standard DoD formula. If actual escalation turns out to be different, the end cost of the ship will vary up or down a corresponding amount.
	More importantly, the Navy's ability to keep the ship cost down depends in large measure on the Navy's being able to plan and manage the acquisition effort. Any disruptions in production will have a large impact on costs. The Navy has carefully laid out plans and is exerting intensive management effort to keep costs down. The optimum means of acquiring these needed ships at least cost and in the time frame when they are needed is the Navy's present plan.
Because a carrier never sails without its escort fleet, that cost must be added to that of the carrier—$405 million for escorts and $400 million for logistics ships.	The point at issue is the acquisition of the CVAN–69. This ship is needed to maintain the capability of the carrier force. It will replace one of the old World War II *Essex* class ships in our attack carrier inventory. These *Essex* class ships cannot operate the latest generation of tactical aircraft, the F–4, A–6, RA–5C, and E–2. We will soon reach the point where the *Essex* class air wing cannot survive in the threat environment established by new Soviet tactical aircraft.
	When the CVAN–69 joins the fleet it will not add to the number of attack carriers in the Navy. It will replace an obsolescent carrier. The Navy does not buy new escorts and logistic ships for each new carrier. They are already in the fleet, serving the carrier which is to be replaced.
The total cost of a task force without aircraft is $1.3 billion.	There is no such thing as a standard task force. A task force is made up to accomplish a specific task (hence its name) and thus may include more, or fewer, or even no destroyer type ships, depending upon the mission.
The Pentagon estimates the yearly operating costs of a carrier at $114 million, not including the costs of fueling and repair bases or operating the aircraft on the carrier.	Again, these figures are not correct. They are not Navy figures. Further, the source of these Pentagon estimates is not known. However, the total *direct* operating cost of CVAN–69 (including overhaul and prorated fuel costs) is estimated to be $28 million per year. Even if *indirect* costs are included (support personnel costs), the highest total cost per year which can be calculated is $36 million.

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)—continued

Rationale	*Comment*
The carrier provides a mobility impossible to obtain otherwise.	
In addition, this form of airbase requires no basing rights or diplomatic negotiations to obtain, and does not contribute to the balance of payments problem.	
Critique	
Many military strategists argue that surface navies are themselves obsolete, because of the effectiveness of submarines and the limitations of anti-submarine warfare.	Very true. And when the crisis is settled, the carrier can depart without leaving behind any long range commitments which may be more of a problem in the future. And the carrier is not subject to any agreements which may restrict the use of land bases. The airplanes and weapons aboard carriers are under U.S. control. No restrictions can be imposed on the operation of the carrier.
	No weapon is completely invulnerable. In deciding whether or not to procure a specific weapon system its vulnerability must be weighed against its predicted usefulness. For example, it cannot be argued that it is easy to shoot a human being and therefore we should not have any soldiers. Rather we say that we have to have soldiers despite their vulnerability. The same applies to carriers: we need the capability they provide—rapid response, mobility, complete U.S. control—whether or not they are vulnerable in a given set of conditions.
	Put in truth, attack carriers are relatively the least vulnerable of our major weapons systems. Since World War II there have been fifty wars or near wars in the world. In none of these was there a serious threat to surface ships. In the real world, then, surface ships have not proved to be vulnerable.
	In any consideration of conflict which could threaten the surface Navy, the entry of the Soviet Union must be postulated. In this case *all* weapon systems would exhibit vulnerability. The carrier's mobility and defense in depth against all kinds of attack make it a tough target and certainly less vulnerable than any alternative land-based means of providing tactical air power. In Southeast Asian air bases, despite precautions taken, over 300 aircraft have been lost and over 3000 damaged while on the ground.
Carriers are only effective against enemies without submarines, and in situations in which the U.S. has air superiority.	Not true. The carrier's planes are, in fact, one of the best weapons against submarines. And rather than operating where the U.S. has air superiority, the carrier provides its own. In many areas, in fact, it is the only way the U.S. can acquire initial air superiority. A principal function of the carrier is to provide the air superiority which land-based air needs initially until the development of land bases is complete.
Thus they are only effective against weaker nations in limited wars.	The type of aircraft operated by the Navy and the Air Force are similar. In some cases they are identical. Thus, both the Navy and Air Force share the ability to operate against all conceivable enemies.
Because such wars are likely to develop slowly, quick response forces may not be needed.	Recent history argues otherwise. In Korea the role of carriers in the first days of the conflict was vital. Virtually all tactical air support for our ground forces had to come from carriers, because the North Koreans overran all the land bases. The war did not

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)—continued

Critique	*Comment*
For the situations the U.S. is likely to face, land air bases can more effectively provide air capability than carriers.	develop slowly; the need for the carrier was dramatically demonstrated again. Our national military strategy depends upon general purpose forces, including tactical air, forward deployed in areas of primary national interest and ready to respond to a range of contingencies. Which contingency we will face next is never known. It is the communist strategy to initiate hostilities. We are not the aggressors; we respond to aggression. It is a military principle to strike when and where the opponent least expects it, and where he is least prepared. Our cold war foes are well aware of this principle as recent history has clearly demonstrated. Therefore, it is *not* likely that the U.S. will face hostile situations in areas where we clearly have the advantage—such as extensive base and logistic systems. As crisis areas are removed further from U.S. air bases, the effectiveness of land based air falls off. The nominal range of both carrier and land-based air is the same, about 600 miles because, in general, the same aircraft are used. At these maximum ranges and beyond, tactical air strikes become quite inefficient because bomb loads must be reduced to carry additional fuel, or extensive use of airborne tankers is required, greatly adding to the vulnerability of the strike aircraft and their tankers while penetrating to and retiring from the target. The carrier, on the other hand, can move into optimum range of the target. This distance may be out far enough to stay out of range of the enemy's weapons, or when air and surface superiority have been achieved to the point where there is no threat, into minimum range.
The Air Force estimates the cost of a foreign base for a wing of aircraft at $6 million.	*Space/Aeronautics* November 1968 (p. 31) states that the "Air Force says it can build an air base to house a tactical wing for $85 million (Navy thinks this cost is drastically understated . . .) and operate and maintain it for ten years for $60 million. That brings the total to only $145 million . . . (but) the Air Force needs more than one base per wing (the present base inventory is at about 2.3 per wing . . .) Multiple bases are needed for mobility so that a wing can be useful in various places rather than being locked in to the 600-mile radius of its aircraft operating from one set of bases. Assuming three bases per wing, the land base structure would cost about as much as the floating base but would still not afford the world wide coverage of a carrier."
Since U.S. engagement would be on behalf of an ally, one can assume that such a base would be available. Should an ally deny landing rights, we might seriously question our commitment to defend him.	Bases were not available in Korea because the enemy captured them. At Lebanon, a base was available in Turkey, but use of that base was delayed because Greece, another ally, refused to permit overflights of deploying tactical aircraft and the supporting air lift. The two carriers then in the Sixth Fleet were moved to the eastern Mediterranean and

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)—continued

Critique	*Comment*
	were in position to launch tactical aircraft to cover the initial Marine landings. In his statement on The Fiscal Year 1969–73 Defense Program and The 1969 Defense Budget, Secretary McNamara testified before the Congress "we plan to replace all the old *Essex*-class CVAs, building to a force of four nuclear powered ships, eight *Forrestal* and three *Midway*-class carriers . . ."
Many suggestions from inside and outside of the Pentagon have been made to reduce the costs of carrier operation: Secretary McNamara had planned to reduce the carrier force to 12 in the 1970s.	As has been pointed out previously, the Air Force has as an eventual goal the build-up of a base in ninety days. Air Force plans show a requirement for over 6000 people, 7000 tons of cargo, and 1500 vehicles in the initial lift, to support one tactical wing. A daily logistic resupply of over 3200 tons would be needed. This would require the dedicated services of more C–5A's than are presently planned for the entire force.
The Air Force has the capability to convert existing airfields to air bases on extremely short notice, thereby reducing the need for carriers.	This appears to acknowledge the difficulties associated with establishing a land base, and proposes to substitute a deployed carrier for an overseas base. This would sacrifice the carrier's quick response and mobility in time of crisis, and would apparently gain nothing, since the carrier's air wing would evidently be based in the U.S. It is much more practical to keep the carrier's air wing with the carrier at all times. And there is no "reserve wing for each carrier." In order to be able to take advantage of the ability to concentrate as many carriers as can be made available in one crisis area, there should be one air wing per deployable carrier as a minimum.
Carriers could be deployed without aircraft, and aircraft flown to the carrier when needed, thus reducing the need for a reserve wing for each carrier.	
Since carriers are not defensible, they could be deployed without escort ships.	Carriers are certainly defensible, even against the anti-ship missile, the Soviet's most severe threat to surface naval forces. The record shows this. In World War II, the Japanese launched over 2000 Kamikaze aircraft against the U.S. fleet, with the principal objective being the carriers. Despite the fact that the Kamikaze was a guided missile with the most sophisticated guidance system possible, the human brain, not a single attack carrier was sunk. A recent analysis shows that carriers could continue to operate in the Gulf of Tonkin and still remain out of range of any possible Soviet Styx surface-to-surface guided missiles emplaced at launching sites in North Vietnam. It is an important related fact that no potential North Vietnamese missile launching platform, aircraft or PT boat, has penetrated the TF–77 defense to within attack range of the carriers. A future enemy faces a formidable task in attacking an aircraft carrier, because of the following problems associated with such an effort: Carriers cannot be pretargeted, because of their mobility. Unlike fixed bases, the carrier cannot be pre-planned for ballistic missile attack.

CVAN–69 (NUCLEAR ATTACK AIRCRAFT CARRIER)—continued

Description	Comment
	The carrier must be found before it can be attacked with any weapons. The reconnaissance effort to find the carrier involves aircraft which are vulnerable to the carrier's fighters. To complicate the reconnaissance problem the carrier can operate in a fully alert, electronically silent environment, which forces the reconnaissance aircraft to open up with active sensors and increase his own vulnerability. Even when a reconnaissance effort locates likely surface targets on radar the carrier must be identified from among the radar targets. This is made more difficult by the fact that ships with the carrier mask their identity with special electronic warfare equipment. If the reconnaissance aircraft succeeds in avoiding being shot down and in finding and identifying the carrier, the enemy's missile launching vehicle, whether it be surface, air or submarine, is next subject to attack from the task force's aircraft, missiles, and guns. Attacking missiles themselves are not unlike jet aircraft and, if successfully launched, still have to run the gauntlet of the carrier's fighter aircraft, the surface-to-air missiles of the defensive screen, and finally the point defense missiles and gunfire of the carrier. Even if the carrier is hit by a guided missile, it will probably not be put out of action. Some damage will occur, but modern attack carriers are extremely tough ships. Not one has ever been sunk, even from the kamikaze attacks of World War II. The hardness of modern attack carriers is illustrated by the recent experience of the ENTERPRISE, when nine major caliber bombs detonated on her flight deck. Yet the ship could have resumed her scheduled air operations within hours, as soon as the debris was cleared from the flight deck.

F-14 PROGRAM

Description	Comment
The F–14 is a multi-mission carrier-based fighter under development for the Navy. The A model, to be operational in 1973, is a swing-wing supersonic aircraft, using the engine and avionics of the now abandoned F–111B, redesigned for tandem seating, for fire control of existing Sparrow and Sidewinder air-to-air missiles and for the yet-to-be developed Phoenix system. Titanium is to be used in the airframe for lightness and maneuverability in dogfights. It is designed to replace the Navy's F–4 Phantom in the mid-1970's and, with the Phoenix missile system, to perform the fleet air defense mission of the F–111B. It could have air-to-ground attack capability. F–14B and C have the same airframe as the A model, but will have advanced technology engines. The C model will incoroprate advanced avionics. The B model is expected to be operational in 1975, and the C model in the late 1970's. The A model will be retrofitted with the advanced B engine.	The F–14 is the result of a Navy competition among five contractors. From inception, the F–14 was designed as an air superiority fighter around four Sparrow missiles and a 20mm gun. The F–14 is an optimized combination of speed, acceleration, maneuverability and radius of action; it includes a weapons control system with multiple weapon options. The F–14 will provide air superiority for the fleet and for friendly land forces. Included in the basic design is the capability for fleet air defense carrying 6 Phoenix missiles and for air-to-surface attack carrying conventional ordnance, both without degradation of fighter performance. This is accomplished by palletizing Phoenix and other ordnance equipment which is carried only when desired. The F–14A and F–14B will have an air-to-surface capability with accuracies comparable to the A–7E. When the F–14 is performing in either the fleet air defense or the air-to-surface attack configuration, it can return to its primary air superiority role immediately upon release of ordnance not required. The F–14 will fill the fleet air defense need for which the F–111B was designed. It will replace the F–4 as an air superiority fighter and in escort roles. A low risk development program was conceived for the F–14 to provide improved air-to-air capabilities in the earliest time frame. Improved versions of the existing Phoenix/AWG–9 missile control system and TF–30–P412 engines will be installed in the F–14A, to be operational in April 1973. The F–14A will meet the fleet air defense need and provide fighter performance considerably superior to the F–4 Phantom. An advanced technology engine under development in a Joint Navy/Air Force program will have 40% more thrust and weight 25% less than the TF–30–P412. This advanced engine will be incorporated in the F–14 for operational use in December 1973. Designated F–14B, it will have maneuverability and weapon system performance superior to the threat expected through the 1970's. Not more than 67 F–14As will be produced.
The F–14 is the outgrowth of an unsolicited proposal by Grumman in late 1967. The current estimate of the unit cost is $8 million. This assumes a production run of 460 aircraft in the A and B versions, and the absence of technical problems and delays. Other estimates within the Defense Department run $2 to $3 million higher. Not included in the estimate are the costs of procuring the Phoenix missile ($219,000 each) as well as the costs of other missiles and ordnance and part of the $2 million unit cost for Phoenix avionics. Current plans call for replacement of most F–4's; eventual procurement of F–14 could go as high as 1000. Estimates for systems cost of F–14 (R&D procurement, spare parts, training and maintenance) are classified, but unofficially reported estimates range from $15 to $30 billion over a ten-year period. The FY 1970 budget contains $275 million for procurement of 6 F–14A test models and $175 million for F–14B&C R&D.	The F–14 is the result of a Navy competition among five contractors. The Grumman Aircraft Corporation was awarded the engineering development contract on the basis of submitting the best overall technical proposal combined with cost. Present F–14 unit flyaway cost based upon a recent piece-by-piece priceout is $8.06M. The $8.06M takes into account inflationary factors estimated at 4% per year compounded. This estimate is based upon production of 716 aircraft and includes production costs of both the F–14A and F–14B. Other cost estimates must have used pricing techniques based upon incorrect weights, erroneous titanium content for the F–14, as well as a "dollars per pound" approach to electronics costs. The results are seriously in error. The Phoenix Missile Control System (AN/AWG–9) *is* included in flyaway costs. Expendable weapons are not in flyaway costs. The current cost for each Phoenix avionics unit is about $1.5M vice the $2M stated. Also, it is important to note that 91% of planned Phoenix RDT&E funding has already been expended. It is not possible to comment on the estimate of ten year systems cost without knowing how and on what basis the computation was made. The FY 1970 budget contains $175 million for R&D and 3 F–14 RDT&E aircraft. Addi-

F–14 PROGRAM—continued

Description	*Comment*
The F–14 replaces the F–4 as an air-superiority fighter and escort, performs the fleet air defense mission of the F–111B, and has an air-to-ground attack capability.	tionally, in the FY 1970 budget is $275 million for the procurement of 6 production F–14As, advanced procurement and investment shares.
While it meets a wide spectrum of possible threats, the key role of F–14 is air defense for carriers in a conventional war with the Soviet Union. It could also be used in a conflict with Communist China, in limited war, in show-of-force or deterrence situations and in nuclear engagements. By the mid-1970's present carrier-based airborne weapon-systems and aircraft will be outclassed in all roles by sophisticated Soviet capabilities.	The F–14 will have three missions: air superiority, task force/area defense, and air-to-surface attack. It will replace the F–4 in the air superiority and escort role in the mid-1970s. Possessing a carefully designed overload capability to carry six long-range PHOENIX missiles, it will provide far better fleet and area defense than the F–111B would have provided. The versatile AWG–9 in the F–14 also will generate solutions to provide a very accurate air-to-surface attack capability. Aircraft carriers can and do perform essential functions for the United States. Defense Department planning includes aircraft carriers in roles ranging from a show-of-force through all levels of conventional warfare to nuclear war, if that is ever needed. The effectiveness of carriers in many diverse roles is a matter of record. For this effectiveness to continue, carriers must be equipped with aircraft adequate to the tasks. The projected threat that will confront the U.S. in the 1970–80s currently includes four new Soviet fighter aircraft each with performance greater than that of the F–4J. A new U.S. fighter to meet this threat is already very late. The F–14 is designed and will have growth potential to provide adequate carrier fighter capability through the 1970–80 time period. The F–14/Phoenix system in addition to its fighter capabilities, will provide a significant capability to counter the Soviet cruise missile threat.
A recently-resigned Defense Department official says the F–14 is the weakest and; at $15 to $30 billion in eventual cost, one of the most expensive programs in the FY 1970 budget.	As previously stated, the present F–14 unit flyaway cost is $8.06M. This estimate is based upon production of 716 aircraft and includes production cost of both the F–14A and F–14B. The $8.06M takes into account inflationary factors estimated at 4% per year compounded.
Full scale conventional war with the Soviet Union seems unlikely now or in the foreseeable future. Nonetheless, if we prepare for the contingency, and if we assume Soviet use of the weaponry it currently has, then the U.S. carrier task forces appear to be exceedingly vulnerable with or without the F–14.	The F–14 is the only fighter aircraft currently under contract that will meet and exceed existing and postulated threat aircraft and missiles in the 1970s. The performance of the F–14 has been subject to thorough analysis by the Naval Air Systems Command, NASA and DDR&E. All agencies agree that the performance characteristics of the F–14 are attainable. A full-scale conventional war with the Soviets may seem improbable to many people. But this belief, to be valid, rests on continuing U.S. strength. The attack carrier is and has been a tough target. No attack carrier built during or after World War II has been lost to enemy action or to any cause. Some of these carriers, still in service, fought through the air

F–14 PROGRAM—continued

Description	*Comment*
	and kamikaze attacks of World War II. The newer attack carriers have extensive protection above and below the waterline. Armored flight decks, honey-comb internal structure, and many protective features have made our attack carriers the toughest ships on the seas. The result of a Soviet attack on a carrier task force is primarily a function of the combat capability of the task force. The inherent capabilities of the long-range, multi-shot F–14/Phoenix system is superior by an order of magnitude to the F–4J/Sparrow system. The F–14/Phoenix system augmented by the new technology surface-to-air missile systems will seriously attrite any Soviet attack. The mobility of sea-based tactical air makes it a valuable instrument of U.S. policy. Navy mobile striking power can be effectively applied at all levels of warfare—from deterrence to nuclear attack. A strong Navy in control at sea will deter the enemy. The F–14 is essential to effective deterrence.
The Navy's existing aircraft, such as the brand new and proven F–4J can do this job for show-of-force and deterrence missions, the roles for which carriers are best suited. There are also electronic counter-measures and point defense systems presently deployed or planned for the fleet for additional protection from the Soviet threat. Deterrence will be achieved as much by Soviet reluctance to directly engage American armed forces as by deployment of advanced fleet air defense capabilities.	The F–4 designed in 1954 became operational in 1961. Since that date the Soviets have built and flown 8 new fighters. The F–4 cannot be improved further without major redesign amounting to a new airplane and costing many millions of dollars. It still would be inferior to operational Soviet fighter aircraft. Credible deterrence requires balanced offensive and defensive capabilities.
The F–14 also is unnecessary in show-of-force roles which do not directly involve the Soviet Union. The F–4 has proved to be a match for the high performance MIG–21's in Vietnam. Even if the Soviet Union started to produce the more advanced MIG–23 its allies would be unlikely to get them for five years. The F–4J is equipped with 2 of the 3 air-to-air missiles planned for F–14.	The F–4 is our best U.S. fighter employed in Southeast Asia. Its performance in aerial combat has been marginal. Designed as an interceptor, and equipped with an avionics/weapons system to destroy high altitude bombers, the F–4 has been used as an air superiority fighter. It was not designed for this role. The ratio of MIG–21s downed by F–4s to F–4s downed by MIG–21s diminished from April 1966 to August 1967. Since August 1967 the F–4 has a 1:1 kill ratio against the older MIG–21s. In a confrontation with late model MIG–21s, and particularly with the newer USSR fighters, the F–4J would be totally inadequate.
Other contingencies in which it is contended that the F–14 is essential, such as convential war with Red China, initial surge operations at the outbreak of limited war, or skirmishes off the coast of hostile countries can also be performed with existing aircraft. In limited war operations land-based aircraft could be relied upon in any event.	Regardless of the intensity of conflict or how alliances or military aid programs may work out, having the air combat superior F–14 will make U.S. posture more viable. That *any* full-scale war continues to remain improbable is due mainly to this nation's deterrent capabilities. If we unilaterally reduce our military effectiveness, the options and prospects of our adversaries increase while ours diminish. Our carrier task forces are not now vulnerable to Red China forces. The F–14 with a 500 mile escort radius of action would significantly add to our ability to deal with a Red China confrontation.

F-14 PROGRAM—continued

Description

Additional technical considerations also call into operation the desirability of a new multi-purpose fighter—particularly one designed to carry the cumbersome Phoenix missile. The heavy engines, complex avionics, and the Phoenix are the same problems that plagued the F-111B. Navy pilots themselves have expressed reservations about the complexity and weight of the F-14 for the air-to-air combat mission. Like SRAM and Sheridan, F-14 is being designed to operate with a system (Phoenix) which does not yet work. In the best of worlds the F-14 would be only marginally superior to the presently deployed F-4 and a great deal more expensive.

Comment

Assuming a limited war, (U.S. USSR not in direct conflict) 85% of the land area of the world and 95% of its population are within 600 miles of sea-based tactical air. This 85% portion contains 56.5 million square miles: A single carrier task force could respond to a contingency in any one of the 56.5 million square miles. In addition, the carrier covers 100% of the sea area. There is no way to estimate the number of fair bases required to equal the carrier's capability, even if local governments would allow air bases to be constructed and maintained during peacetime. Carrier task forces can be gathered and applied promptly. Land bases take time to construct and get into effective operation. Carrier task forces buy time for this process and frequently provide the umbrella which make it possible.

The F-14 is designed as an air superiority fighter. The engines and airframe have been selected for optimum maneuvering performance. The versatile AWG-9 weapons control system will control Phoenix, Sparrow, Sidewinder or Agile air-to-air missiles, generate sighting data for the 20mm gun, and provide air-to-surface weapons delivery solutions. Such a wide variety of ordnance makes it possible to readily adapt the F-14 to air superiority, to fleet air defense or to air-to-surface missions.

The F-14A at combat weight (gun and four Sparrows) will have a thrust-to-weight ratio of .84. The F-14 with the advanced technology engines will have a thrust-to-weight ratio of 1.16. Acceleration from .8M to 1.8M will take 1.27 minutes. Aircraft weight penalties are avoided by palletizing equipment for fleet air defense and air-to-surface missions. The added weight is carried only on these missions. Phoenix and air-to-surface ordnance are carried as an overload. An insignificant penalty in maneuvering performance (0.5g) is accepted while the ordnance is aboard the aircraft. However, the full F-14 maneuvering performance returns when the missiles or ordnance are fired. This design approach enables an F-14 loaded with 6 Phoenix to remain on combat air patrol longer than the F-111B; yet it does not carry airframe weight penalty that was in the F-111B design.

Although Phoenix has not yet been used operationally, 21 of 26 planned R&D missiles have been fired with unprecedented success. These include hits by one missile fired at a range of 78 miles, two missiles fire simultaneously at two targets with 10 miles separation, one missile fired in the active mode for the close-in situation and a look-down missile at a low flying unaugmented drone. The Phoenix missile to date has demonstrated every design performance requirement.

F-14 PROGRAM—continued

Description

Comment

The inherent capabilities of the long-range, multi-shot F-14/Phoenix system is superior by an order of magnitude to the F-4J/Sparrow system.

PHOENIX

Phoenix is a long-range air-to-air stand-off missile designed to defend the fleet from air attack. It is extremely sophisticated with an electronic countermeasure capability. It weighs 1,000 pounds and requires a specially designed airframe currently under development for the F-14.

Comment

The Phoenix is a long-range air-to-air missile designed to engage threat aircraft and various modes of missile attacks. Although Phoenix has not yet been used operatively, 21 of 26 planned R&D missiles have been fired with unprecedented success. These include hits by one missile fired at a range of 78 miles, two missiles fired simultaneously at two targets with 10 miles separation, one missile fired in the active mode for the close-in situation and a look-down missile at a low flying unaugmented drone. The Phoenix missile to date has demonstrated every design performance requirement.

Cost

The unit cost is currently estimated at $219,000 per missile. F-14 avionics associated with Phoenix will add an estimated $2 million to the cost of the aircraft.

The FY 1970 budget contains $18 million for R&D.

The unit cost of Phoenix, as with other weapons, is sensitive to the number procured.

The Phoenix missile control system (AN/AWG-9) is included in F-14 flyaway costs. Expendable weapons are not in flyaway costs.

The current cost for each Phoenix missile control system is about $1.5M vice the $2M stated. Also it is important to note that 91% of planned Phoenix RDT&E funding has already been expended.

Rationale

Phoenix is needed to protect the fleet from air attack. It gives the F-14 an important standoff capability.

Comment

From time to time, missile carrying Soviet bombers fly over or near units of the U.S. fleet. Although detected early and intercepted, these overflights make clear this threat does exist. New Foxbat, Fiddler and Flagon fighters have long-range escort capabilities with advanced avionics and missiles, adding to the threat.

The F-14, designed for air superiority, is the weapon system that can shoot down long-range multiple-raid targets, aircraft and missiles, and can engage enemy escort fighters in close-in combat. Computer technology and weight reducing microminiaturization of avionics, property balances with airframe and engine design, have removed performance degradation in this multimission fighter. In the F-14, one percent of the aircraft's weight makes it possible to use Phoenix, Sparrow, Sidewinder, Agile, a gun and air-to-surface weapons. A significant amount of that weight is in removable pallets not carried in the "dogfight" configuration.

Critique

Since the Phoenix is designed for use with the F-14, the F-14 critique applies to the Phoenix. In addition, effective countermeas-

The F-14 is designed as an air superiority fighter. The engines and airframe have been selected for optimum maneuvering perform-

PHOENIX—continued

ures that will render Phoenix obsolete before it is deployed are foreseeable. Because of its weight and the special airframe required to carry it, it seriously impairs the dogfight capability of any fighter to which it is attached. The complex avionics required in the mother aircraft add weight and unreliability.

ance. The versatile AWG–9 weapons control system will control Phoenix, Sparrow, Sidewinder or Agile air-to-air missiles, generate sighting data for the 20mm gun, and provide air-to-surface weapons delivery solutions. Such a wide variety of ordnance makes it possible to readily adapt the F–14 to air superiority, to fleet air defense or to air-to-surface missions. Phoenix is but one of the missiles carried by this versatile fighter.

The Phoenix missile is designed to operate in an electronic countermeasure (ECM) environment. Its multiple guidance phases and multiple control frequencies make it effective against all predicted ECM techniques. The maneuvering performance of the F–14 with six Phoenix is degraded by 0.5g. Full maneuvering performance, however, is regained as the missiles are fired at their targets.

The F–14A at combat weight (gun and four Sparrows) will have a thrust-to-weight ratio of .84. The F–14 with the advanced technology engines will have a thrust-to-weight ratio of 1.16. Acceleration from .8M to 1.8M will take 1.27 minutes. Aircraft weight penalities are avoided by palletizing equipment for fleet air defense and air-to-surface missions. The added weight is carried only on these missions. Phoenix and air-to-surface ordnance are carried as an overload. An insignificant penalty in maneuvering performance (0.5g) is accepted while the ordnance is aboard the aircraft. However, the full F–14 maneuvering performance returns when the missiles or ordnance are fired.

LHA (AMPHIBIOUS ASSAULT SHIP)

Description

LHA is a large, conventionally-powered ship which can land 2,000 troops with landing craft equipment by helicopter in an amphibious operation.

Comment

True, LHA can land its troops and their equipment by landing craft, amphibious vehicles and helicopters. A brief description and significant features are:

Description of LHA

Length: 820 feet.
Beam: 106 feet.
Displacement: 38,900 tons.
Speed: Over 20 knots.
Propulsion: Geared steam turbines with 2 boilers and 2 shafts. Has a fully automated engineering plant.
Accommodations: Over 2800 bunks (troops and crew).
Landing Craft: 4 LCU and 4 LCM–6 and amphibian vehicles LVT.
Helicopters: Mix of CH–53, CH–46 and UH–1, AH–1.
Armament: Both 5" guns and Point Defense Missile System for self protection.
Troops and Equipment: Marine BLT and a large portion of its combat equipment.

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Description

The ship will replace four types of ships in the present amphibious fleet. . . .

Comment

Significant features of LHA

Ship's wet well can be rapidly flooded and deballasted.
Wet well has ability to handle 4 landing craft utility (LCU) and 4 landing craft mechanized (LCM–6); and has ability to handle growth versions of ground effect machines.
Large flight deck can simultaneously conduct several different types of airborne helo off-load; ie., personnel, internally carried cargo and externally slung cargo.
Cargo-handling systems, incorporate high speed elevators, conveyors, overhead cranes and related communication, command and control systems.
Pallet transporter/loader system to rapidly load and off-load supplies.
Complete selectivity of the different types of combat supplies.
Flight deck has no deck penetrations to spill burning fuel to decks below.
Ship designed for psychological as well as physical well being of troops. Acclimatization gym to condition troops to expected combat environment.
Optimized for combat vehicle stowage and discharge.
Design includes harbor pollution control system.
Modern medical facility provided to care for wounded.
True, the LHA will be capable of performing the function of the: Amphibious Cargo Ship (LKA), Amphibious Assault Ship (LPH), Amphibious Transport Dock (LPD), and the Dock Landing Ship (LSD).
The current Five Year Fiscal Defense Program (FYFDP) approves the purchase of 9 LHA, one in FY–69 and two each in FY–70 through FY–73. Six of these nine ships replace the previously approved SCN Program of:

Amphibious Cargo Ships (LKA)	2
Amphibious Assault Ships (LPH)	2
Amphibious Transports Dock (LPD)	4
Dock Landing Ships (LSD)	7
Tank Landing Ships (LST)	3
Total	18

which would have provided an equal lift capability. The remaining 3 LHA will replace the aging and costly to man and maintain, LPHs of the *Boxer* Class (ex WWII Attack Carriers).
While the 9 new LHA can be said to replace other less effective amphibious ships, the requirement is not generated solely to replace either a less effective mix of 21 modern amphibious ships that otherwise might have been built, or to replace a mix of less effec-

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Description	*Comment*
	tive aging WWII ships. The requirement is in response to an OSD JCS and Service requirement for a modern amphibious lift capability. That these new LHA are so cost effective, is merely part of the continuing effort by the Navy to develop more cost effective ships when the need for replacement arises.
	Significant cost savings, as well as greatly improved operational efficiency and effectiveness, will be realized. For example, approximately 5,000 less naval personnel will be required to man the 9 LHA than would be required to man the 21 other amphibious types referred to above.
and like the FDL, will be able to unload smaller vessels within its own hull.	This statement is misleading; the LHA is an entirely different ship from the FDL. The LHA is a combatant ship, manned by Navy personnel, designed to carry both Marine assault troops and their combat equipment. When necessary, the troops and their equipment can be landed in assault against enemy opposition. Because it is capable of operating in a hostile environment, and because it carries troops as well as equipment, the LHA is a highly complex and quite costly ship. The FDL is a much simpler, non-combatant, MSTS ship, manned by civilian merchant marine personnel. It is designed only to transport and stow Army combat equipment. It does not carry troops; they are transported separately by airlift. When required, the equipment is landed administratively in a secure area for marry-up with the troops. The FDL is a much simpler and less costly ship. Each has its own separate role. The LHA is too costly and complex to substitute for the FDL, and the FDL does not possess the necessary combatant features to serve as an LHA.
The concept emerged from a comprehensive review of the role of the amphibious forces while Robert McNamara was Secretary of Defense.	The LHA concept emerged from a Navy directed study, "Amphibious Assault Shipping in the Mid Range Period" (NAVWAG Study 44) which was promulgated by the Chief of Naval Operations on 1 October 1966. It is true that the Office of Secretary of Defense, then under Secretary McNamara, did concur with the concept.
The mission of the amphibious forces is . . .	The objectives for Amphibious Assault Shipping exceed those stated here by a considerable amount. It is important that the distinction be made between a Marine Division and a Marine Expeditionary Force (MEF). It is the latter which is used to determine assault shipping requirements. The MEF includes a Marine Division, a Marine Air Wing and major reinforcing elements appropriate to support the Division Wing/Team in combat against determined opposition. This organization, together with adequate assault shipping and fire support elements, provides a fully coordinated force that is self-contained and highly mobile with quick reaction capability unrestricted by limitations or access to foreign bases or air space.
	The Navy groups its ships tactically so that the men and equipment needed first will be embarked in fastest ships. Also as ships complete their useful life span and become too inefficient, too costly to maintain and operationally obsolescent, the Navy attempts to replace them with more cost-effective ships provided a requirement still exists to justify their replacement.
Older, slower ships would continue to be a part of the force.	
Costs	
In FY 1969 the cost of the first LHA was estimated at $153 million; the cost of an additional eight ships was to be $122 million each. For FY 1970 the estimate has risen to $185 million and $140 million, respectively.	This is not the entire story, thus tends to be misleading. The original $153M estimate for construction of the first, or lead, LHA was developed in August 1967, six months prior to receipt of the Development and Production (D&P) proposals from the three contractors engaged in the LHA Contract Definition (CD) effort. The original estimate consisted of $125M for the average cost of an LHA, plus $28M lead ship engineering costs. The price proposals received in January 1968 from the three CD contractors made it evident that the FY–69 budget was underestimated for lead ship non-recurring (one-time) costs and average ship cost.
	In June of 1968, VADM Colwell, in testifying before the Senate Appropriations Committee, stated the average cost for 9 LHA was expected to be about $143.7M (plus outfitting and post delivery costs).
The increase in price is attributed to inflation, better estimating methods and higher shipbuilding costs.	Not entirely accurate. The increase in cost for the lead ship is attributable to: 25% escalation, 50% non-recurring costs which as a result of the new CD process were given improved visibility, 25% upgraded and improvements in ship design resulting from CD effort.
No estimate of operating costs for the LHA are available, but operating costs for amphibious forces are estimated at $950 million annually.	Annual operating costs for the LHA have been estimated to be about $11–12M including personnel costs as part of the CD process. This will be considerable less than equivalent older ships. For example, the annual operating cost for the old BOXER Class LPH is between $20–22M per year.
The first LHA was authorized last year at the $153 million price, with $63 million for advance procurement. The FY 1970 request is $270 million for two LEA's and $17 million more for advance procurement.	In December 1968, DOD Reprogramming Action No. 69–44 revised the lead ship costs in the FY 69 program to $184.9M with advance procurement of $17M. The originally budgeted FY–69 advance procurement amount was $63M. This estimate was developed (along with lead ship costs) in August 1967 and was based on a planned three ship FY–70 program. Also, it assumed an award of Development and Production contract early in FY–69 (July). In January 1969, when $46 million was reprogrammed from the LHA advance procurement to the lead ship cost, the planned FY–70 program had been reduced from three ships to two, and delays in funding, program authorization and negotiations had moved contract award into the latter half of FY–69 (May) with

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Costs

The Senate Armed Services Committee recommended approval of the request.

Rationale

The present fleet of Amphibious Ships is obsolete. Previous classes of ships have dwindled to a few survivors of each class, creating operating, training and maintenance problems. LHA can solve all these problems.

Comment

a consequent deferment of construction schedules and procurement requirements. Also, the contract equipment schedule requirements were far better defined than in 1967. The cumulative effect of these factors was to reduce the LHA FY–69 advance procurement funding requirements to $17M.

The FY–70 request is not for $270M.

The FY–70 request is for $287.7M, for 2 LHA, plus advance procurement of $17M.

LHA Cost Information

Budget program

[$ Millions]

RDT&E (CF/CD):	
Fiscal years 1967–68	22.3
Procurement:	
Fiscal year 1969	1/184.9
Fiscal year 1970	2/287.7

Total program 9/1290.6M (FYFDP) with average cost of $143.M per ship.

True. The SASC, after reviewing the LHA program, did recommend its approval.

Comment

Not entirely true. While the present fleet of amphibious ships does have large blocks of old, obsolete, WWII ships, recent attempts to obtain an upgraded 20 knot amphibious fleet have resulted in a number of very excellent ships. For example, the new LPD's (Amphibious Transport Dock), LPH (Amphibious Assault Ships) and the new 20 knot LST (Tank Landing Ships). However, it is true that large blocks of obsolete amphibious ships do remain.

The requirement for an all 20 knot amphibious ship force to support national policy has been consistently supported by the JCS and Navy. An amphibious ship force of less than 20 knot capability significantly increases the vulnerability of the force to enemy submarine action. If the force proceeds in ship groups of varying speeds, the escort requirements for ASW protection also significantly increase. Conversely, if 20 knot ships proceed in company with ships of lesser speed, the 20 knot speed potential is wasted. An all 20 knot force thus provides increased responsiveness, less vulnerability to enemy action, and a lesser requirement for escort forces. Further, a 20 knot capability offers a rapid-reaction force when forward deployed.

This need can be illustrated by the situation which now exists in the Atlantic Fleet Amphibious Forces. Only 23% of current Atlantic Fleet amphibious shipping is capable of a 20 knot speed. The majority of the shipping (71%) is slow, 13 knots, with the remaining 6% in the 8 knot class.

The new LHA will be instrumental in permitting us to achieve modern, effective and cost efficient Amphibious Forces with which

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Rationale

By letting industry design the ship, millions of dollars have been saved by application of modern mass-production techniques matched to the shipyard which will build the LHA.

The amphibious forces provide the U.S. with the capability to seize advance bases for initial operations, to set up staging areas, and to gain beachheads to enable more substantial follow-on forces to mount an offensive, in the event of a major war. The United States must also be able to meet less drastic contingencies with varying degrees of force. Amphibious forces are essential for flexibility and for quick response.

In Vietnam, amphibious operations have proved that amphibious forces can carry out operations in an insurgency environment. There are amphibious squadrons prepared to intervene whenever necessary in the Mediterranean and in the Caribbean. This kind of readiness is necessary to deter conflicts or to defend threatened U.S. interests.

Comment

to meet our JCS developed and OSD approved time phased lift requirements.

The LHA design was achieved by the combined efforts of industry and the Navy through the use of a new discipline, Concept Formulation/Contract Definition (CF/CD), in the ship procurement process. Not only are significant monetary savings achievable, but highly effective ships designs have resulted from CD.

Use of modern methods and techniques of ship fabrication at Litton's new shipyard are expected to result in substantial savings in ship construction costs. This would be true in any other such modern yard.

The procedure of contracting for a multiyear buy of LHA should result in additional savings.

The Navy Amphibious Forces are ideally suited for the full spectrum of cold to hot war. A more accurate and thorough explanation is given below:

Concept and Mission of U.S. Amphibious Forces

We maintain naval amphibious forces as a part of our General Purpose Forces in order to support the basic elements of our strategic concept, ie., collective security, credible deterrence and flexible response. These basic elements, when considered in light of worldwide U.S. interests and defense commitments, dictate the necessity for a military capability responsive to the full spectrum of potential situations, ranging from show of force to forcible projection of U.S. power onto foreign soil. To postulate that the environment into which combat forces will enter would invariably be friendly is inconsistent with the established need for combat forces—a crisis situation inherently involves a degree of unrest or hostility. Thus, there is a fundamental requirement to introduce U.S. forces into a conflict situation fully prepared to cope with varying degrees of hostility, even though the initial landing may be unopposed as was the case in Vietnam in 1965. Accordingly, amphibious forces are, of necessity, deployed combat loaded on amphibious assault ships.

The mobility, dispersion and vertical lift capability ideally suit amphibious forces for operations throughout the spectrum of modern warfare, including operations in a nuclear environment. They are uniquely qualified by mission, doctrine, organization, equipment and experience to project seaborne combat power ashore against resistance. That the Soviets recognize the importance of such a capability as an integral element of strategy is evidenced by the re-creation of their naval infantry, their vigorous amphibious ship-building program, and their naval deployment to areas heretofore of U.S. primacy.

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Comment

Because of the capability of U.S. amphibious task forces to launch attacks from the sea at times and places of their choosing, the almost infinite number of possible helicopter landing areas, and the large number of beaches suitable for surface assault or for seaborne support of helicopter vertical envelopment, historically potential enemies have deployed a vastly disproportionate number of coastal defense and mobile forces to counter the threat of an amphibious assault. If the U.S. had no significant amphibious capability, these enemy forces could be diverted to more aggressive roles.

The amphibious force, as a force-in-being, is a deterrent to aggression in itself. The fact that the U.S. has the means for forcibly establishing its forces ashore anywhere on the littorals of the world requires that any potential aggressor carefully evaluate whether his aspired gain is worth the risk of U.S. counteraction.

This capability becomes more visible through forward deployments and the demonstrated responsiveness of amphibious forces. The deterrent then becomes highly credible to potential enemies. In the absence of a U.S. amphibious capability, aggression would become more attractive to expansionist inclined nations. The necessity to maintain a large scale Marine Expeditionary Force (MEF) amphibious assault capability is recognized, not only for the possible but unlikely nuclear environment, but because of the potential scope of major or limited wars.

Amphibious task forces can provide a continued presence in unrrestricted international waters close to a crisis area. Their use is not restricted to island areas. Amphibious task forces can be employed at innumerable locations on the world's littoral. They possess the unique characteristics of independence from developed ports and airheads and the self-contained capability to support and sustain combat power projected ashore through a wide range of environments. Such forces need no grant of passage, are immune to political objections, and can proceed without revealing final destination. They preclude the necessity for securing guarantees or agreements for staging, transit, overflight or basing, payment of rent, or prepositioning of supplies. Amphibious task forces, forward deployed to a crisis area, can be retained off-shore as a show of force and a demonstration of U.S. concern. Their presence without commitment may prevent or limit the introduction of third party forces and also insures that insurgent forces consider the consequence of their actions in terms of U.S. involvement. When required, they can land their landing forces over unprepared beaches or in helicopter landing

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Comment

zones within a few hours after notification. They are able to apply selectively the amount of force appropriate to the situation. An immediate responsiveness to national decisions is thus provided; further, these landing forces can be retracted just as rapidly, providing, national authorities with positive control over the level and duration of U.S. commitment. It is these characteristics that epitomize the amphibious task force in conflicts at all levels of intensity.

Role and Mission of LHA. The Amphibious Assault Ship (LHA) performs a major role in an amphibious assault. Specifically, the LHA possesses the capability of:

(1) Carrying a balanced load of troops, combat vehicles, and combat cargo for assault elements of a Marine Battalion Landing Team (BLT) needed for amphibious operations.

(2) Landing these forces under assault conditions by helicopters and amphibian vehicles/landing craft.

(3) Providing command and control facilities for a Naval Amphibious Task Unit (ATU) Commander and his counterpart, the Marine Landing Force Commander, with their respective staffs.

The LHA is an alternative, in varying degrees, to construction of LKA, LPD, LPH, and LSD type ships.

Critique

The LHA is a perfect example of how hardware determines policy. The ships are being justified on the basis of replacing existing inefficient equipment, rather than on a need created by a new threat such as a hostile island power or an interventionist foreign policy projected for the 1970's and 1980's.

Comment

This statement is not correct. A definite requirement exist: for a modern amphibious lift capability. This lift requirement has been quantitatively determined by the Services and the JCS under the overall guidance and directive of the Secretary of Defense. The Navy has determined that this requirement can be most cost effectively met through the maintenance of a modern amphibious force, tailored to meet the overall time-phased lift requirement. As amphibious ships become old, less effective and more costly to maintain, the Navy recommends their replacement by new construction, as in the case of the 9 LHA. The fundamental requirement for amphibious ships is generated by the basic lift requirement, not the need, per se, to replace old ships with new; however, the Navy when replacing ships attempts to accomplish it in the most cost effective manner practicable.

Requirement for Nine LHA. The LHA program has been established at nine ships. The first six LHA's will provide the amphibious lift to satisfy the troop, square, and cube requirements for an approved lift of one MEF and two MEB's, as determined by the JCS and SecDef. The last three LHA's are to replace three BOXER class helicopter assault ships (LPH's).

By introducing the new LHA and phasing out other amphibious ships, it has been esti-

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Critique	*Comment*
	mated that in excess of $500M savings in life cycle costs will be attained. In addition to the fiscal savings, the operational effectiveness of the amphibious forces will be greatly enhanced by improved tactical integrity of embarked troops, more modern equipment and facilities, greater automation, more efficient command and control capability and more efficient troop and cargo support and handling facilities. The Current Five Year Fiscal Defense Program (FYFDP) approves the purchase of 9 LHA, one in FY–69 and two each in FY–70 through FY–73. Six of these nine ships replace the previously approved SCN Program of: Amphibious cargo ships (LKA) ..... 2 Amphibious assault ships (LPH) ..... 2 Amphibious transports dock (LPD) ..... 4 Dock landing ships (LSD) ..... 7 Tank landing ships (LST) ..... 3 Total ..... 18 which would have provided an equal lift capability. The remaining 3 LHA will permit the retirement of the aging, and costly to man and maintain, LPH of the BOXER Class (ex WWII Attack Carriers). While the 9 new LHA can be said to replace other less effective amphibious ships, the requirement is not generated solely to replace either a less effective mix of 21 modern amphibious ships that otherwise might have been built, or to replace a mix of less effective aging WWII ships. The requirement is in response to an OSD, JCS and Service requirement for a modern amphibious lift capability as indicated above. That these new LHA are so cost effective, is merely part of the continuing effort by the Navy to develop more cost effective ships when the need for replacement arises.
An examination of likely future wars reveals few plausible contingencies requiring an assault by troops across a beach.	This statement is not correct. An examination of likely future conflicts and wars by the JCS shows that the amphibious forces would be employed in the greater proportion of them. This has been the demonstrated experience since WWII and there is nothing to indicate this will not be the case in the foreseeable future. The ability to place the individual Marine, or soldier, with rifle in hand ashore to control ground is still a key element in our strategy. Any strategy predicated upon the assumption that the introduction of such troops can in many instances be accomplished by an administrative type of unopposed landing would be disastrous.
LHA could be deferred until decisions are made on the role of amphibious forces in future foreign policies.	This statement is not correct. The role and requirement for Naval Amphibious Forces has been validated by the JCS and Secretary of Defense in a number of studies and has been amply demonstrated from WWII through to the present.

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Critique	*Comment*
	Until the so-called "decisions . . . on . . . future foreign policies" referred to by the "Democratic Study Group" can assure world wide peaceful coexistence and the renunciation of hostile threats or actions to achieve national objectives, there will be a requirement for a modern and effective Naval Amphibious Force (as demonstrated in Vietnam, Korea, Cuban Crisis, Lebanon and other crises and conflicts since WWII). The need for and maintenance of an effective amphibious assault capability exists now, as does the need for the new LHA to more effectively support our combat Marines. The procurement of nine new LHA should not be deferred pending some future decisions as to the role of the amphibious forces in future foreign policies. As it is, the first LHA will not be delivered until 1973. Introduction of this modern new Naval ship, for which a clear requirement now exists, should not be delayed.
Many critics not only recommend delaying LHA, but mothballing the older ships in the amphibious fleet, with resultant savings of up to $100 million annually on ships alone.	Just who these "critics" are is not known; however, one can find "critics" who will recommend anything. This course of action is certainly not recommended by responsible decision makers in the Navy or JCS.
In a major war an amphibious landing would be impossible if either submarines or tactical nuclear weapons were used.	This statement is not correct. The mobility, dispersion and vertical lift capability ideally suit amphibious forces for operations throughout the spectrum of modern warfare, including operations in a nuclear environment. They are uniquely qualified by mission, doctrine, organization, equipment and experience to project seaborne combat power ashore against resistance. The ability of Amphibious Task Forces to conduct operations against hostile forces, including submarines and aircraft, was amply demonstrated during WWII. This was accomplished by amphibious forces possessing far less capability than the new ships, such as the LHA, now entering or scheduled to enter the fleet will possess. Obviously, enemy capabilities have also improved. This does not invalidate the above, but it does lend substance to the requirement to modernize our fleet with new ships, such as the LHA, so as to ensure the combat effectiveness of our forces.
If amphibious forces can only be used in limited wars, it must first be decided where we will be involved in these wars before investing $500 million plus in LHA.	This assumption is not correct. U.S. Navy Amphibious Forces are capable of conducting effective operations in all spectrums from peace, limited war, to all-out warfare. It would be fortunate, indeed, if we could be assured beforehand just where (and when) we would be involved in war. Unfortunately, this is not possible, although we have studied many likely possibilities. The study of these likely possibilities has been one of the means employed in determining our force requirements, including our requirements for LHA type ships.

LHA (AMPHIBIOUS ASSAULT SHIP)—continued

Critique	*Comment*
Amphibious landings in Vietnam might have been justified to keep the troops in practice, but the landings were unopposed and did not prove anything except that we were still using World War II tactics against the Viet Cong.	This is not a correct statement. Considering the casualties that have been incurred in Vietnam, including those incurred in amphibious operations, it would be highly irresponsible to subscribe to the theory that the "amphibious landings . . . might have been justified to keep the troops in practice." Amphibious landings may be initially opposed or unopposed depending upon the amount of surprise achieved, the capability of the enemy and his assessment as to the best counter tactics to employ. In the history of amphibious warfare both opposed and unopposed landings have been commonplace. This has been true both with respect to major enemy powers, such as the Germans and Japanese, as well as relatively minor powers such as the Cubans. Considering the VC's lack of capability for open confrontation on a beachhead, and the element of surprise often achieved, it is not surprising that the VC chose not to contest the initial landings. Engagement generally occurred after the initial landings. Far from using WWII tactics, wholly new tactics suitable for use in a counter insurgency environment had to be developed. It was often difficult to distinguish the enemy from local indigenous personnel and the objective areas of the amphibious operations usually contained large numbers of different friendly U.S. and South Vietnamese forces. That successful amphibious forces were conducted under such conditions, again proved the great versatility and flexibility of the U.S. Naval Amphibious Forces.

FDL (FAST DEPLOYMENT LOGISTIC SHIP)

Description	*Comment*
FDL is a large Navy Cargo and troop deployment ship with a capacity of seven times that of World War II vintage ships.	Not a correct statement. The FDL is a MSTS (Navy) ship designed to transport and stow for prolonged periods Army wheeled and tracked equipment and supplies. It does not carry troops (except a relatively small maintenance detachment). True the FDL has roughly 7 times the capacity of a WWII Victory Ship, which is not optimized to carry wheeled and tracked vehicles, cannot carry helos in a ready-to-fly condition and cannot off-load itself.
It carries helicopters and self-defense missiles and can store prepositioned material for long periods of time off shore near a possible combat theater.	Generally true; however, it is not intended that the FDL would loiter off a foreign shore. The ships would be based at US or US controlled ports, at times cruising in open seas well removed from shore. They would rely on their high speed capability to close an objective area when directed.
FDL can load and unload small vessels within its hull structure, permitting offshore unloading.	True as far as it goes. The FDL carries helicopters, landing craft and amphibious vehicles to unload its own cargo. The latter two load/offload through a stern ramp that permits access into the ship. The helos offload (70% of cargo) from the flight deck.

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

Description	*Comment*
	The FDL has organic means to load/off load itself.
Its purpose is a rapid re-supply and equipping of airlifted forces, requirement of forward defense tactics.	Its primary purpose is the rapid deployment of Army unit equipment for marry up with airlifted personnel. The FDL would engage in the resupply role only if sufficient MSTS or commercial shipping were not available.
Because it is a special purpose ship, and because of its prepositioning capability, it will not be usable for commercial shipping during peacetime.	This is correct.
Costs	
Originally the Defense Department planned for 30 FDLs at $47 million each, for a total cost of $1.41 billion. The request was included in the FY 1968 and 1969 budgets, but was entirely deleted by Congress each year. For FY 1970 the Pentagon asked for $187 million for the first three ships—a unit cost of $62 million. The average cost of 15 ships is expected to be $55 million, up $8 million each from the original estimate. The first ships are more expensive because of tooling-up costs.	*Reduction in Program for FY–70.* The JCS has a requirement for a 30 ship FDL or equivalent lift. However, Congress has twice refused to approve the FDL. Therefore, a more modest approach is being taken this year by asking for a reduced program of 15 FDL ships as a step toward achieving the 30 ship FDL lift requirement. The initial, or early ships, cost more because they are placed on a learning curve which carries the earlier ships at their actual (or higher than average) cost. This does not affect the average cost which would be about $60.5M for a 15 ship buy. *Difference between FY–69 and FY–70 FDL Program Costs.* All FDL estimates have been based on a Litton competitive proposal submitted back in January of 1967. The FY–69 Program prices were based on a 30 ship multi-year (4), total package contract to be executed presumably by Litton in their new Pascagoula yard. The average price for 30 ships was $46.8M which included a two-year escalation factor. It was estimated first four ships of the FY–69 procurement would have cost $183.6M; and the total 30 ship program would have cost $1.4B. The FY–70 Program prices are based on a lesser, 15 ship, multi-year (4), total package contract which again presumably would be undertaken by Litton. The average ship price for 15 ships is estimated to be about $60.5M, which includes a three year escalation factor. It is estimated the first three ships to be procured in FY–70 would cost $186.7M (less $2.4M initial outfitting and post delivery charges), and the total 15 ship program would cost $907.2M.

[In millions of dollars]

Fiscal year 1970 (3 ships)	186.7
Fiscal year 1971 (4 ships)	246.7
Fiscal year 1972 (4 ships)	240.0
Fiscal year 1973 (4 ships)	243.5
Total	907.2

A parallel expansion of the commercial fleet is to be accomplished by constructing 30 conventional ships, each with half the capacity of FDL but without its loading features.	This is not a correct statement. While it has been proposed that 30 large multi-purpose cargo ships be built, to roughly equate to 15 FDL's, the Navy has only a current re-

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

Costs

These ships would be used by commercial interests during peacetime, and would be built privately with Defense Department contracts guaranteeing enough business to return investment. While the Senate Armed Services Committee deleted the request for three FDLs, it did not comment on the charter-ship plan.

Estimates of the annual operating cost of FDL are $1.65 million, compared to $1.35 million for the existing sea transport.

Rationale

Since future wars, except insurgencies, are likely to build up quickly, we need active and

Comment

quirement for ten of these large multi-purpose MSTS cargo ships. There is a requirement for other additional MSTS ships but these have not become confused with the FDL as have the large multi-purpose cargo ships.

Relationship between FDL and Ten New MSTS Multi-Purpose Cargo Ships. The 10 new MSTS Multi Purpose Cargo Ships are part of a replacement program for the aging MSTS Controlled Fleet. They will be large, fast, modern multi-purpose ships convertible for carriage of break bulk, container and roll on-roll off cargo.

It has been the contention in some quarters that 30 of these ships, by being employed on selected routes, can substitute for 15 FDL ships (on basis 2 MSTS=1 FDL). It may be true that some of these new ships could substitute for some of the FDL requirement. However, since a contract for these ships has yet to be let and their concept of operation (thus their degree of responsiveness) is still open for determination, it is premature to make the decision at this time that they can substitute for FDL's.

These 10 new MSTS ships are replacements for aging MSTS controlled fleet ships; they are not quasi FDL's nor FDL substitutes. These 10 ships would have been required if the FDL concept had never been developed.

These 10 new ships would be operated by commercial companies on a charter basis for MSTS and would be part of the MSTS controlled fleet. It is not intended that they "be used by commercial interests during peacetime" for commercial use.

While the Defense Department would sign a 10-year, renewable, contract with the operators, the only "guarantee" would be a provision for cancellation ceiling should the contract be terminated on the part of the government. Since the ships would be leased to MSTS on a 10-year per diem basis, it would not be a question of "guaranteeing enough business" to the civilian operators.

This is quite misleading. The facts are that the annual operating costs for the FDL are estimated at $1.65M. The same costs for a Forward Floating Depot (FFD) ship (a WWII Victory type) are $1.35M if U.S. manned. Since it takes at least 7 FFDs to equal the capacity, but not the capability of an FDL (can't off load itself, can't carry helos in ready to fly condition, etc.) the somewhat equivalent annual operating cost comparison would be $1.65M vs $9.45M. Also misleading by use of the phase "existing sea transport." Should specify "Forward Floating Depot (FFD) Ships."

Comment

Not entirely correct. Both future wars and insurgencies can build up quickly.

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

Rationale

mobile forces. Such a capability requires forward basing of both men and equipment. Prepositioning ships such as FDL can proceed to the conflict, unload, and continue to support combat units by transoceanic voyages. Other ships that might serve the same purpose lack the ability to handle the special cargoes FDL can, are not capable of offshore unloading and loading and can deliver far fewer supplies at higher cost.

Requirements for FDL's were determined after careful analysis and fully taken into account the possibility of employing existing shipping. Accordingly, the minimum number of FDL's are being requested.

Comment

The FDL minimizes the requirement for forward basing of troops and equipment.

Alternatives to FDL. An extensive effort went into designing the FDL. As a result, the FDL ship represents the most cost effective means we know of for providing an effective sealift capability for the rapid deployment requirement of our Strategic Mobility Concept. Alternatives to the FDL are:

More prepositioning of equipment and supplies in areas of potential use. This is inflexible, costly, subject to political constraints, and the equipment may be mal-positioned, or more vulnerable to enemy action.

More use of Forward Floating Depot (FFD) ships. These are old WWII Victory ships converted for a rapid deployment role. It takes seven FFD's to equal the capacity of a single FDL. Even so, FFD's don't possess the desired capabilities of the FDL, e.g., don't have helo capability and can't off-load using our ship's gear. FFD's are more costly to operate than the FDL. Annual O&M costs for an FDL are estimated to be $1.65M; those of a single FFD (with U.S. crews) are $1.35M. (Note: $1.35M x 7=$9.45M).

More use of Commercial Shipping. Because of time required to assemble, off-load civilian cargoes and sail and out-load Army equipment, sufficient merchant ships cannot be generated in time to meet our Rapid Deployment requirements. Use of large numbers of commercial shipping (with attendant disruption to industry) would necessitate an early and public commitment that could deprive national decision-makers of flexibility. Furthermore, merchant ships do not realistically possess many of the specialized features of the FDL, such as, ability to off-load over-the-beach using own ship's equipment, ability to operate (off-load with) helicopter, dehumidified stowage and capability to maintain vehicles in place.

Requirement for FDL. The JCS and the Services have analyzed the military requirement for a Rapid Deployment Posture to include: force readiness, prepositioning of materiel and airlift/sealift force levels. Consequently, analyses of typical and representative military requirements during the 1970 1980 time frame have been tested for their sensitivity to the factors which influence rapid deployment requirements (location of the attack, the size and type of enemy forces, and the friendly forces already on the scene). Thee analyses conclude that an improvement in sealift comparable to that which the C–5A will provide for airlift is essential to support a rapid deployment strategy, and a minimum of 30 FDL ships is required to support this strategy.

The Joint Strategic Objectives Plan (JSOP) and the JCS Strategic Movement Capabilities Study (MOVECAP) annually re-

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

Rationale

Beyond these considerations, the design and production techniques applicable to FDL will go far to modernize the American shipbuilding industry, and the advantages to the industry will more than compensate for relatively small losses in charter revenue.

Critique

Critics question the assumptions upon which overall force levels are based. If we adopt something less than the 2 major/1 minor doctrine, the number of FDLs required diminishes.

FDL is also provocative. Storing munitions and equipment around the world signifies an intention to police the world. The decision to procure and deploy these ships should follow, not precede, a political decision to continue or modify post World War II U.S. foreign policy. FDL is designed to enhance our ability to intervene rapidly—precisely the kind of action which could escalate to more conflict.

Comment

validate the strategic mobility forces necessary to meet the rapid deployment requirement for the critical, early days of a contingency. The latest revalidation confirms the continued requirement to 30 FDL ships.

Reduction in Program for FY–70. The JCS still states a requirement for a 30 ship FDL or equivalent lift. However, Congress has twice refused to approve the FDL. Therefore, a more modest approach is being taken this year by asking for a reduced program of 15 FDL ships as a step toward achieving the 30-ship FDL lift requirement.

Misleading conclusion. Since the FDL does not compete with U.S. flag line shipping for commercial cargoes (including DOD cargoes), there is no loss in charter revenue by civilian shipping lines.

It is true that the FDL concept has stimulated new methods and growth in American shipyards. However, the new Litton shipyard at Pascagoula is now building despite the fact the FDL has not been authorized.

It is not known who these "critics" are. However, one can be assured of finding critics of every program and course of action taken in government and out. We have not adopted a lesser doctrine at this time. When and if we do, the full implications will be studied by the JCS and new recommendations, including force level requirement, will be made. We must plan on fact, not what might or might not be in the future.

The Joint Strategic Objectives Plan (JSOP) and the JCS Strategic Movement Capabilities Study (MOVECAP) annually revalidate the strategic mobility forces necessary to meet the rapid deployment requirement for the critical, early days of a contingency. The latest revalidation confirms the continued requirement to 30 FDL ships.

Not a correct statement.

Likelihood FDL Will Involve Us in "Global Policeman" Actions.

The decision to either commit or not commit military forces is based on political considerations and must be made by the appropriate civilian authority. The military issue is whether we will be able to take action, if directed, to support these commitments effectively or ineffectively. The FDLs, together with the C–5A and C–141, are designed to allow us to react promptly and, hopefully, to deter combat altogether because the other side recognizes we have a creditable capability to respond. However, failing that, it will enable us to successfully terminate the action sooner. If such a capability had been available to us at the outbreak of the Korean War, the whole shape of that conflict would have been different. The timely projection of military power can serve to halt enemy aggression or result in a shorter period of involvement, with fewer casualties, a smaller force commitment, and less destruction within the conflict area.

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

Critique

Most of the companies which bid on FDL were aerospace firms; the ships may not be built in a traditional shipyard at all. This could make even more precarious the survival of an industry which would be vital to us in a long war if we are to transport supplies in American ships.

Comment

The relatively high speed and rapid on-and-off load capability of the FDL will give responsible U.S. decision-makers more time for deliberation and consultation before initiating a deployment. They would thus have a longer period in which to assess a situation and to determine precisely the response, if any, that the United States should make. Put simply, as deployment time is compressed, decision time is lengthened.

We know of no new commitments that would be assumed solely because of either the FDL or the C–5A programs, nor do we conceive that such would be the case. Congress retains full authority to ratify or veto any new commitments as they may be considered. The view that the FDL increases the likelihood that we will involve ourselves in questionable actions may be based in large part on a misconception as to how these ships will be used. It was intended that FDLs be based at U.S. ports or U.S. controlled overseas ports, not off foreign shores. However, in order to allay Congressional concern in this area, it has been agreed to defer forward basing of FDLs pending a thorough Congressional review of the concept and its relationship to U.S. Treaty Commitments. It should also be borne in mind that the FDL is a non-combatant ship, and, as such, would only be involved in non-assault type operations. Thus to serve their basic purpose in rapid deployment, they will be based and utilized in a manner which is no more likely to lead to unwise commitments or undesirable involvements than would Army Airborne Divisions, C–5A aircraft, Forward Floating Depot Ships (FFDs) or our land-based prepositioning programs. It is difficult to see how anyone can oppose the FDLs on this score and not likewise oppose the more costly C–5A program.

This is not a correct statement. Many of the major shipbuilding companies in this country are owned and backed by other large interests or holding companies, such as, Tenneco, Kaiser, Litton, General Dynamics, and Lockheed. This is true with many similar U.S. businesses. Large funds and diverse expertise are required to enable companies to compete with foreign firms and the new technologies.

Relationship with Aero-space Industries. Recent mergers/acquisitions in the shipbuilding industry have tended to strengthen rather than weaken the industry.

FDL (FAST DEPLOYMENT LOGISTIC SHIP)—continued

The fact that some old time shipbuilding firms have been acquired by larger companies with greater resources has tended to strengthen not weaken the shipbuilding industry of the U.S. and the companies themselves. Recent examples are the acquisition of Newport News Shipbuilding Company by Tenneco, and the construction of an entirely new modern shipyard by Ingalls.

At least one yard (Quincy) probably would have gone out of existence (as did Cramp of Philadelphia) had not General Dynamics acquired it and placed its greater resources at its disposal.

In this fast moving age of technology, a certain amount of cross fertilization between the aerospace and shipbuilding industries would appear to be the benefit of all.

Had any one of the three bidders for the FDL program won the competition, the actual ship construction would have been accomplished in an established shipyard:

Puget Sound and Bridge Co. was acquired by Lockheed Shipbuilding and Construction Co. in 1959.

Quincy Yard was acquired by General Dynamics in 1963, and,

Ingalls was acquired by Litton Industries in 1961.

To denote the above firms as "aerospace companies" is misleading and the following quotation from a speech by Edwin M. Hood, President of the Shipbuilders Council of America, on 20 September 1966 is appropriate:

"That the present contenders for the FDL contract are aerospace oriented organizations is obvious from their names and reputations—General Dynamics Corporation, Litton Industries, and Lockheed Aircraft Corporation. Each has acquired a long-established shipyard in recent years, but it is improper to assume therefrom, as some journalists have, that the shipbuilding industry has been taken over by aviation companies. If anything, these several mergers between shipyards and aerospace organizations represent a marriage of technologies to meet developing horizons in the maritime and ocean science fields. In fact, other shipyards and aerospace companies have been and are allied with the same object in mind, but not contained in the same corporate structure."

CONDOR PROGRAM

AGMX-3, Condor, Maverick, and Tow (air-to-ground missiles)

Description

Condor is a long range Navy tactical missile for use against the same targets as the AGMX-3. It is T.V. guided and once it has been launched, the pilot of the launching aircraft can fly on to another target and direct Condor down at the same time. It has a range of 40 miles, weighing 2,500 pounds and has an electronic countermeasure capability which makes it effective against SAM anti-aircraft sites. It is to be launched from the A-6A.

Comment

Condor is a long range Navy tactical strike missile currently in engineering development. The 2,000 pound class weapon is for use against well defended targets by attack and/or fighter aircraft. It is an electro-optical guided missile that is launched before target lock-on; guidance is automatic with an operator manual override feature. Condor is currently planned for the A-6, and in addition is compatible with A-7, F-4 and F-111 aircraft. Presently, it is not scheduled for an Anti Radiation Missile role, however, an All-Weather follow-on version of Condor is provided for in the basic requirement. The range of Condor is in excess of 50NM, it is highly accurate and it is the only tactical stand off weapon in engineering development.

CONDOR PROGRAM—continued

Costs

Condor per unit is one of the most expensive missiles ever considered for use against tactical targets. It has been under development for a number of years at a cost of $100 million; total R&D estimates are now $150 million. The Navy is requesting $12.9 million for R&D in the FY 1970 budget. Estimates for production and deployment run as high as $500 million.

Pre-contract cost estimates for engineering development of Condor were estimated to be $96.182M. This fixed price contract signed 29 June 1966 called for a target price of $104.742M (ceiling price of $117.424M) and that price has remained unchanged to this date. The total RDT&E costs to completion (i.e. contract, cost, in-house effort, and additional contractor support not covered by the basic contract) are estimated to be $152.626M. That total includes $12.9M requested in the FY 1970 budget.

No commitment to production has been made, however unit cost with a nominal buy over a four to five year basis is estimated to be between $100,000 and $110,000 each.

One of the prime advantages of Condor is to permit the aircraft to remain out of highly defended areas, thereby reducing the loss of aircrews and aircraft. On strike missions in North Vietnam most of the aircraft were lost within a few miles of the target. Condor is expected to save lives, expensive aircraft and hopefully reduce the sortie costs by reducing the number of sorties required to hit a target.

ASW (ANTISUBMARINE WARFARE)

Description

ASW is the detection, identification, surveillance, and, in time of conflict, destruction of enemy submarines. The United States has developed a compex system of airborne and seaborn detection systems and weapons designed to deal with the Soviet submarine threat.

ASW has both land and sea-based elements. The land-based aircraft are used for surveillance of large areas all over the world. They drop buoys into the water to detect enemy submarines and are capable of dropping sub-killing torpedoes. Aircraft from 8 ASW carriers perform the same roles in areas inaccessible from land.

ASW carriers and escort ships carry sonar and other detection devices, and, like the aircraft they carry, can attack enemy submarines with torpedoes.

Comment

ASW is the detection, identification, surveillance, and, in time of conflict, destruction of enemy submarines. The United States has developed a complex system of airborne and seaborne detection systems and weapons designed to deal with the Soviet submarine threat. Submarines, land-based ASW aircraft, sea-based ASW aircraft and helicopters ASW carriers and destroyer types are welded together into an integrated whole which is effective beyond the capability of any single platform, however multiplied, and indeed beyond the sum total of all.

Land-based aircraft (VP) are used for ASW and ocean surveillance of large areas. They employ radar, sonobuoys and other equipment in detecting and localizing submarines, and can destroy them with torpedoes or depth charges.

The ASW carrier group consists of the ASW carrier (CVS) itself, a screen of de-

ASW (ANTISUBMARINE WARFARE)—continued

Description	*Comment*
	stroyers (or destroyer escorts), and the embarked air group of fixed wing aircraft (VS) and helicopters (HS). The ASW carrier group provides a coordinated, concentrated ASW force in areas of high submarine density, or where oceanographic conditions or countermeasures render one sensor system ineffective, or in ocean areas not effectively covered by land-based ASW aircraft, for vital protection of critical value naval forces or convoys. The VS aircraft, operating from one of the 6 ASW carriers (presently approved level) provide multiple aircraft airborne simultaneously over an area up to several hundred miles from the carrier. They also employ radar, sonobuoys and other equipment in detecting and localizing submarines, and can destroy them with torpedoes or depth charges. Additional aircraft can be rapidly provided in response to submarine contacts as the situation warrants. Helicopters, employing active sonars, are used to complement the destroyer screen in providing intermediate range detection, and assist both the VS and destroyer in final localization and destruction with torpedoes. The destroyer screen employing active sonar, provides the perimeter protection in detecting the submarine and is capable of destroying the submarine with torpedoes or depth charges. The synergistic effect of the components of the ASW carrier group in reacting quickly to a submarine contact or multiple contacts with the embarked sensors, weapons, acoustic analysts, excellent communications for on-scene decisions, and precise navigation, in open ocean areas beyond the range of VP aircraft or in areas where our use of land bases has been (or may be) denied because of military or political reasons, make it a vital part of the complete ASW system.
Our 56 "first line" attack submarines carry complex arrays of detection and kill devices. It is generally felt that our ASW technology is superior to Soviet technology, and that the U.S. would have the advantage in any undersea confrontation.	Attack submarines include both nuclear (SSN) and diesel (SS) powered units. At this time, 38 SSN are considered "first line" attack submarines. However, until more "first line" SSN are made available from new construction it will be necessary to continue to utilize older SSN and SS to perform required operations and to maintain an adequate level of training. Attack submarines carry a variety of sensors and weapons which are estimated to provide our current superiority over the existing Soviet threat. However, recent advances in Soviet submarine technology coupled with their modern, high capacity submarine building facilities, indicate that without an acceleration of our R&D effort our present margin of superiority will be lost in the future. The R&D acceleration required is applicable to platforms, weapons and sensors in all our air, surface and subsurface ASW systems.

ASW (ANTISUBMARINE WARFARE)—continued

Costs	*Comment*
The costs of the ASW program are extremely difficult to pinpoint. The R&D costs for FY 1970 are $472 million, 21% of the Navy's research budget. Other costs can only be estimated, since ASW does not constitute a separate funding category in the Defense Budget. It is also difficult to isolate the costs that relate solely to ASW. For example, a destroyer with ASW capability usually has bombardment and anti-aircraft capabilities as well. Approximately $1.2 billion is spent annually operating the ASW carrier forces. The best estimate of annual spending on ASW procurement is $2.3 billion, bringing the annual total for ASW to over $4 billion.	The study group report is correct insofar as it addresses the difficulty of isolating estimated ASW costs in the defense budget. We do not account separately for ASW costs in most categories. It is possible to isolate certain specinc ASW costs. The R&D cost cited of $472 million for FY 70, or 21% of the Navy's research budget, is correct for the President's Budget submission. This may be affected by the apportionment, final Congressional action, and any other action that may be taken to reduce expenditures in fiscal year 1970. The study group report also correctly notes the multi-purpose employment of many of the ASW platforms, for example, destroyers. It is incorrect in ascribing a total of $1.2 billion to operation of ASW carrier forces. Estimates for operation of the ASW carriers and air groups range from approximately $200 million for more or less direct costs to about $400 million when one includes also the indirect costs, such as personnel supporting the carrier forces ashore.
Rationale	
The Soviet Union now has more than 375 submarines performing a variety of missions. Of this force, more than 50 are nuclear-powered. The force includes missile firing submarines with a significant anti-shipping capability. Most indications are that Soviet submarine construction will continue at a steady rate for the foreseeable future.	The study group report estimate of over $4 billion as an annual total for ASW is incorrect. Analysis of Navy budgets from FY 62–69, have indicated an average annual cost for ASW of $3.5 billion. Consisting of some 375 units, 65 of which are nuclear powered, The Soviet submarine force differs from ours in two important respects beyond that of sheer numbers. (1) 100 percent of their undersea force is less than 15 years old. (2) In addition to the torpedoes and ballistic missiles common to both navies, the Soviets possess a unique submarine weapon in their 400 nautical mile anti-ship guided missiles. The Soviet submarine force is the main threat to Allied control of the seas. About 12 percent of their boats can launch strategic ballistic missiles without warning. Over 16 percent carry 400 n.m. anti-ship missiles. All of their other submarines are armed with torpedoes or mines and can be deployed to contest Allied use of the seas in the anti-ship role. In recent years a tremendous capital investment has been made in expanding and modernizing building yards, resulting in what have been termed the most modern submarine yards in the world. Soviet nuclear construction capacity is estimated to be some 20 units per year, but a "crash" program, with no constraints on manpower or materials, could produce a considerably higher number. A new POLARIS type SSBN, armed with sixteen 1500 n.m. ballistic missiles, and several new classes of nuclear attack submarines emerged during 1968. These new attack boats

ASW (ANTISUBMARINE WARFARE)—continued

Critique

ASW is extremely complex; the size of the ASW R&D budget suggests that much remains to be done before a high-confidence system can be achieved. The key characteristic of our ASW forces is that so many diverse components are used to perform similar tasks. This diversity suggests that none of the individual components is very reliable. The history of complex electronics is studded with failures, and it has not been demonstrated that the ASW program is an exception.

Comment

are estimated capable of speeds greater than their predecessors, and are expected to operate at greater depths than heretofore. Major improvements are also expected in their sonar equipments and possibly in weaponry.

Intelligence estimates are that the Soviets will construct between 100 and 150 new submarines by 1978. Eighty to 100 percent new construction will be nuclear. By 1978 the Soviet submarine force is expected to number between 300 and 350 units, as many as 50% of which could have nuclear power plants.

In this and the following paragraphs of the Critique section the study group report is correct in noting the complexity of ASW. It fails, however, in two basic respects to understand anti-submarine warfare: The first failure is to confuse a mission-oriented type of warfare with a single system. The second failure is in not recognizing the relationship between the main orientation of this type of warfare—i.e., sinking submarines that operate under water—and the many similar systems that are used in such warfare. The report suggests that the use of many diverse components to perform seemingly similar tasks is indicative of overlap and lack of reliability. The similarity is a direct result of the single type target that is being pursued and the nature of the environment in which it operates. The diversity, on the other hand, is a direct result of the unfolding of the strategic and tactical measures that would be taken to oppose the threat. Two different types of sensor systems are employed by ASW forces in detecting and locating submarines. The sound made by a destroyer as it moves through the water makes it dependent essentially on active sonar systems, whereas submarines can rely on passive systems which do not reveal their presence. ASW fixed-wing aircraft use sonobuoys, and helicopters carry miniaturized active sonars. These forces are welded together to seek out, contain, or destroy enemy submarine forces. Our attack submarines would be employed in forward areas to reduce their submarines' opportunities to scatter in the open oceans. The high speed and consequent ability to cover large areas which are peculiar to aircraft make it desirable to employ these platforms in an offensive capacity against submarines operating against our forces or shipping in open ocean areas. Finally, we provide direct, close-in protection of naval forces and high value convoys with destroyer type escorts and helicopters. While it is true that complex electronics has a history of difficulties, it is also true that great progress has been made in the state-of-the-art. In the case of ASW, the AN/BQS–13 submarine sonar, the AN/SQS–26 surface ship sonar, and the DIFAR sono-

ASW (ANTISUBMARINE WARFARE)—continued

Critique

Since our own POLARIS forces have been said to be almost perfectly secure, one can assume that our ASW capabilities do not present much threat to the Soviet forces. Since it has been demonstrated that we cannot track our own Polaris submarines it seems doubtful that the Soviet Union can.

Critics assert that ASW is losing ground to new evasion and silencing techniques. Too often counterforce weapons systems are justified solely on the basis of threat. In the case of ASW, the threat from the Soviet submarine force is real; what must be questioned is whether we are getting $4 billion per year worth of protection from our ASW program. A more effective approach to the problem might be to cut back ASW procurement and operations and spend the money developing a better system.

According to an article published by a Pentagon analyst, continued operation of carrier-based ASW, particularly with the planned but controversial VSX aircraft, is implausible. The major Pentagon document on the question recommended that VSX not

Comment

buoy are examples of successful current generation electronics. The accumulative gains in capabilities over the opposing Soviet systems, resulting from these and other ASW systems in development or under procurement, constitute the margin between defeat and victory in any eventual conflict involving the Soviet submarine force—not one single, all encompassing system.

The detectability of a Polaris submarine on patrol is not at all comparable to the detectability of many, indeed most, of the submarines in the Soviet order-of-battle today. Neither our inability to track our own Polaris submarines nor the Soviet's inability to track them seems completely relevant to the ASW problem insofar as the larger part of the Soviet force is concerned. We have detected and tracked many Soviet submarines encountered during our training exercises, as well as many of our own non-Polaris submarines. The primary effort of the major part of the Soviet submarine force will be to attack naval forces and merchant shipping. As previously described, our ASW forces have been developed to oppose these attacks at every possible point, including close-in protection. Depending on the tactics they use, our ASW forces should be able to detect and destroy a large percentage of the Soviet submarine force. Continuing improvements in that force, however, both through backfit and through replacement with new submarines, require continuing improvement in our ASW capability.

While noting the reality of the Soviet submarine threat, this portion of the study group report succumbs to the temptation to look for a single miracle system as the answer to all our problems, rather than to the hard work and gradual gain that must be made in many areas in order to keep our total ASW effort ahead of the total offensive capability—including silencing—of the Soviet submarine force. We must build upon and improve our present ASW base, not wipe it out in search of an illusion. Nevertheless, our R&D effort is designed to pursue those ideas of developing a better system. We continue to seek through symposiums, such as the National Academy of Sciences, Air ASW study, and industry a better approach to improve our ASW forces. In today's economy, the average of $3.5 billion from FY 62–69 is insufficient and at least $4 billion is needed to protect the future of our ASW capability in procurement and R&D, while operating a suitable current force.

The major Pentagon document on ASW was signed in Nov. 67 by Secretary of Defense McNamara authorizing the Navy to go into contract definition on the S–3A aircraft, and on 1 Aug. 69, SECDEF authorized the Navy to proceed with engineering de-

ASW (ANTISUBMARINE WARFARE)—continued

Critique

be bought. Both Secretaries McNamara and Clifford have indicated that carrier-based ASW was not very effective but quite expensive.

Difficulties have also beset the MK–48 ASW torpedo. The program has been underway since 1964, but is still encountering technical problems. The FY 1970 budget contains funds for further R&D work, and Secretary Clifford stated that he believed "the solutions are now within reach". With the solutions only "within reach", however, the Navy is also requesting $118 million for FY 1970 MK–48 Procurement.

Finally, although ASW constitutes approximately one-fifth of the Navy budget, there has been very little public discussion of the program. Information on ASW is over classified.

Comment

velopment of the S–3A wherein a contract was let.

Land-based air, used for ASW and ocean surveillance of large areas, have been shown to be cost-effective out to ranges of 600 miles from available bases. It is appropriate to note that approximately 50% of the ocean areas of ASW interest are located beyond 800 nautical miles from current VP bases. It is also true that the number of aircraft bases available to the U.S. has been rapidly and continuously declining. ASW carrier-groups on the other hand, with embarked S–3A aircraft provides a coordinated, concentrated ASW force in areas beyond the range of the land-based ASW aircraft, or where bases are not available. In addition, the ASW carrier group can be concentrated in areas of high submarine density, or where oceanographic conditions or countermeasures render one sensor system ineffective. The S–3A is a valuable, vital part of this ASW force.

Solutions to the problem of the MK–48 Mod O torpedo are expected to be not only "within reach" but on hand within the timeframe covered by FY 1970 procurement priority. President Nixon's revision to the budget reduced the MK–48 torpedo request to $110 million.

Information on ASW is classified by its originators in accordance with established guidelines. Essentially, it may be said that the U.S. Navy does not desire to verify data which could be used by the Soviet Navy to improve its forces or operations, thus increasing the complexity and cost of the problem to the United States.

SEA WAR FORCES

Current mission

The Navy is charged with several missions in addition to operating the Polaris deterrent:

Maintaining a long-term land war sealift capability to supply operations in Europe or in Asia.

Keeping quick-response tactical air forces ready for rapid deployment in crisis situations that could lead to limited war.

Providing amphibious forces for beach assault.

Protection of the fleet from air, surface, or submarine attack.

Insuring freedom of the seas and international waterways for world trade.

In order to perform these missions for the future, it will be necessary to completely modernize the fleet during the 1970s. Such modernization has been estimated to cost upwards of $30 million, but for this cost we will have a fleet that will provide for the

Comment

Naval power is the military component of sea power and covers naval fighting ships, aircraft, weapons, forces (including Marine), and their specialized support facilities.

The functions of naval power during peace are: (1) to assure, through proper positioning, allocations and preparedness of forces and equipment, the means to accomplish any initial wartime missions assigned; (2) protect the nation's rights, citizens, property, and interests; (3) maintain naval strength to deter any aggression against this nation or any nation this nation supports; and (4) maintain naval readiness to support and defend national plans or policies.

The functions of naval power during war are:

(1) to gain and maintain control of the sea;

(2) to deny the use of the sea to the enemy;

SEA WAR FORCES—continued

Current mission

above contingencies for the rest of the century.

Critique

The probability that future wars in either Europe or Asia will be long or limited enough to allow transoceanic supply of men and equipment is decreasing.

If a European war escalated to the tactical nuclear level, ship operations would be

Comment

(3) to impose the will of this nation on the enemy;

(4) to project naval forces or firepower ashore uniformly with naval, military, or national objectives.

The purpose of the United States Navy is to fulfill its part in providing for the security of the United States and to support the national policy throughout the world. The primary means by which the Navy does this is to gain and maintain control of the seas, to use the seas for the nation's purposes and those of its allies, and, in time of war, to deny use of the seas to an enemy.

For the United States, the naval missions of a war are derived from national policy and are influenced largely by geography and by certain economic factors. In time of war, the national interest and a forward strategy require that the war, insofar as possible, be fought overseas. It is desired that the areas of devastation and the ravages of war occur in enemy territory and not in the United States.

The Navy is faced with the responsibility of supporting United States and Allied forces logistically on a continuing basis. That support can, primarily, only be provided via the sea lines of communication. In addition to such logistic supply, strategic materials must be brought into this country from all over the world for support of our industry. This factor is becoming increasingly important. It may be readily demonstrated that, while it is necessary to transport high-priority cargo and personnel by air, movement of the tremendous quantities so necessary in war, and the fuel for the return passage of air transport, must still be by sea.

The United States has ample reason from experience to know that weakness in any area invites aggression in that area. Weakness at sea will invite conventional aggression capitalizing on that weakness. It can be concluded, therefore, that to support national policy we must continue our ability to deter limited aggression by less than all-out means, and to this end we must maintain the ability to control the sea in future wars of any type.

Comment

Historical examples of estimates which have been undertaken to determine, in advance, the duration and intensity of conflicts have not proven to be credible endeavors. The present war in Southeast Asia provides only the most recent example of our limited ability to predict conflict termination. No evidence is available to support the argument that future wars in Europe or Asia will be either limited in duration or generalized in nature.

Both World War I and World War II, during which large scale ASW actions took place,

SEA WAR FORCES—continued

Critique

greatly complicated. Even at the non-nuclear level, the massive Soviet undersea fleet would find large surface ships easy targets. ASW and fleet air defenses have only limited capability to protect surface ships in such a contingency.

With carrier task forces costing over $1 billion each, an opponent would surely commit the cheaper forces to adequately destroy the carrier.

In Asia, the post-Vietnam probability of protracted nonnuclear engagement is also low unless we desire to continue to police the Third World, in which event a large surface fleet will be needed.

Comment

highlight the fact that a determined enemy submarine force hampered our ability to keep the sea lines of communication open during the early days of the wars. United States unpreparedness in naval force levels resulted in large numbers of our merchant ships being sunk. This performance on the part of the German submarine forces (initially far smaller than the present Soviet submarine force) continued until the United States had utilized the time afforded by our late entry into the wars to engage in large-scale naval and merchant ship construction. Only after such sea and air forces were available to the United States Navy, were we able to reduce the attrition of our ships and to begin to defeat the submarine threat.

At the present time, with greatly reduced force levels in the Royal Navy, and with the United States as the prime potential target for an enemy, it is not considered to be realistic to count upon a similar period in which to engage in shipbuilding during future conflicts.

In considering any possible Soviet submarine threat against our lines of communication, it is obviously important to consider the losses suffered by the enemy together with any losses which he may cause us. Such consideration of loss trade-off, based upon forces in being, may be the real determinant in whether such attacks do, in actuality, ever take place.

This statement fails to consider the losses accepted by the "cheaper" forces while in transit and during the attack and retirement phases. The exchange ratio could well be such that the carrier is the "cheaper" weapon system. Following this logic, a weapon system would only be employed against one more expensive.

Recent historical events lead us to conclude that the prospects for the 1970's contain only the probability of repetitive changes throughout the world. Increases in nationalism are likely to continue and to cause situations of both internal and external turmoil in many areas. As the many so-called "Third World" nations and micronations strive for their existence, both economic and political, increasing problems may be reasonably expected to arrive on the world scene.

The belief that the United States is policing the "Third World" is a matter of opinion. As the leading nation of the world, the United States may expect the likelihood of requests for assistance, both economic and military, to remain high when the security of a third nation is involved. Where vital interests of the United States are in jeopardy, United States forces will be committed if the United States is to remain a world power.

SEA WAR FORCES—continued

Critique

We should decide upon our foreign policy goals prior to committing ourselves to a $30 billion modernization of the fleet.

With regard to limited wars, the probability that national security would require us to fight such wars on short notice in regions where tactical aircraft could not be land-based quickly is also low. Certainly any ally we chose to defend would be willing to provide us with landing rights for combat aircraft.

Finally, it is unlikely that a surface fleet alone could deny a determined opponent's attempt to restrict freedom of the seas.

Comment

No slackening of USSR nor PRC efforts to achieve a marked influence in such areas of the world is expected. This could result in the application, on their part, of varying degrees of political, economic, and military pressures through proxy neighboring nations. Many such economically underdeveloped countries, subject to pressures of this type, are capable of providing relatively unsophisticated ground forces to defend their own territory, even though not proving capable of maintaining a more sophisticated defense.

Strong naval air and surface forces could provide the United States with the option of supporting local ground forces, if required by the vital interests of the United States, with a "conventional umbrella" of seabased forces to provide air and naval protection. This would obviate the necessity, in many cases, of commitment of US forces ashore.

Such a conventional United States naval force, available when needed, would provide this country with the options of an adjustable level of commitment when national interests required, and equally important, the ability to rapidly disengage when our forces were no longer necessary.

This assumes United States participation prior to any relatively large scale attack against such installations when sufficient bases remain undamaged, not overcrowded, and adequate air defense is available to safely permit aircraft concentration.

With respect to bases in foreign nations, the past experiences of the United States have served to emphasize the value of our sea-based forces. A long history of lost base rights and the present shaky status of other base rights, because of indigenous political problems, is well known.

Even, as is suggested, were overseas bases for aircraft made available to us, they would then have to be maintained by a continuing resupply of thousands of tons of consumables (including refined petroleum products) daily. Such bases would be dependent for their existence upon the US ability to keep open the sea lines of communication for the provision of logistic support to the bases. In the case of the present conflict in Southeast Asia, 98% of all supplies, material, and equipment have had to be carried to that part of the world by sea lift.

There are many areas of the world where adequate air defense of logistic lift at sea can only be provided through the use of Navy carrier-based air power.

In such cases, the requirement to maintain the sea lines of communication open to our own forces would still be a real one.

SEA WAR FORCES—continued

Critique

Such an attempt would bring about other confrontations; the outcome would be determined elsewhere and the naval conflict would be of secondary importance.

Force levels

The Navy considers the current fleet inadequate to perform the missions assigned the Navy if these missions are to be continued for the future.

Items requested in FY 1970 to modernize the existing fleet are as follows:

[In millions]

1 nuclear attack carrier (total cost $500–$700 million)	$377
2 nuclear guided missile frigates (total cost $370 million)	264
8 destroyers (total cost $600 million)	360
2 landing helicopter assault ships (total cost $604 million)	288
3 fast deployment logistics ships (total cost $187 million)	187
4 guided missile frigates (total conversion cost $140 million)	44

These requests total $1.5 billion; the complete FY 1970 request for shipbuilding and conversion is $2.6 billion.

Critics suggest that what we are buying is another WW II Navy and recommend that we concentrate on countering the real Soviet threat and acknowledge the technological obsolescence of a surface navy. The 15 attack carriers and 8 ASW carriers we currently maintain are extremely vulnerable to the 330 non-Polaris type submarines the Soviets have constructed since WW II, at a fraction of the cost of our surface navy. Anti-missile and

Comment

It is unlikely that any war, with a major power, could be limited, in any case, to a war at sea. No land effort could be maintained by the United States without logistic support of that effort through sea-lift. Success in the naval conflict, far from being of "secondary importance," would be a decisive consideration in insuring victory for the United States in the "other confrontations."

Comment:

The Navy considers that the fleet must continue to be modernized in order to carry out missions assigned to the Navy in this era of an ever more sophisticated threat. Until such threats are ameliorated, the necessity for fleet modernization can be expected to continue.

The table below reflects these programs as requested in the President's FY 1970 budget:

[In millions]

President's budget

1 nuclear attack carrier:	
End cost	$510.0
Net cost [1]	377.0
1 nuclear guided missile frigate:	
End cost	222.0
Net cost [1]	263.9
5 destroyers:	
End cost	342.7
Net cost [1]	335.3
2 landing/helicopter assault ships:	
End cost	287.7
Net cost [1]	287.7
3 fast deployment logistics ships:	
End cost	186.7
Net cost [1]	186.7
1 guided missile frigate (conversion):	
End cost	39.0
Net cost [1]	43.0

[1] Figures in this column are FY 1970 figures *less* advanced funding from prior fiscal years and *plus* advanced funding for future year programs.

These requests total $1.4936 billion; the complete FY 1970 request for shipbuilding and conversion is $2.6314 billion New Obligational Authority.

Navy currently has 16 attack carriers and 5 ASW carriers.

The enemy threat at sea must, of necessity, be countered at sea in addition to any other offensive attacks launched. Follow-on submarine construction efforts could be hampered by air attacks against submarine pens, building yards, etc., if required.

In order that the sea lines of communication may be maintained open, and to counter an expected submarine threat of any level of intensity, submarines must be detected, their positions localized, and destruction must take place. To best accomplish these tasks, the use of ASW air power, in addition to sur-

SEA WAR FORCES—continued

Force levels

anti-submarine defense is most unlikely to achieve the breakthrough required to guarantee even a small margin of safety for the fleet because of rapid advances in electronic warfare. The Soviet Union is entirely capable of frustrating any attempt we might make to resupply ground forces in Europe, intervene in limited conflicts, or guarantee freedom of the seas, if they so choose.

Comment

face forces, is required. Carrier ASW forces employ many of the same types of surface naval forces required to carry out the other missions assigned to the United States Navy.

The naval forces, both air and sea, required to counter the "real Soviet threat" include a blend of types of forces which are not "technologically obsolescent" in view of the total mission spectrum required. Since the United States Navy and the Soviet navy have different missions, we should not, and do not, build ours merely to counter theirs. We can not accept and do not believe the philosophy that the Soviet is capable of frustrating any attempt to resupply ground forces in Europe. Defense Department studies and war gaming do not support this defeatist assumption.

Balanced naval forces provide that unique ingredient of mobility of power which enables them to assert a U.S. presence of carefully regulated and orchestrated size and visibility anywhere in the world. Their integrally-based air and land power allows the peacekeeping presence of such forces to be completely independent of foreign bases, a major consideration in light of the many domestic and international pressures against U.S. overseas bases. Their mobility permits rapid, combat-ready deployment to troubled areas, when such is deemed required in the U.S. national interest. They permit our national leadership to retain the option of undesired commitments, even at the last moment. They are capable of a quick withdrawal when ordered.

Generally speaking, we can expect our enemies to continue to cause trouble for us in whatever part of the world the United States finds it difficult to respond. To afford us the alternative of responding when it is required, we must have balanced naval air and surface forces available. Such forces of a strong Navy are valuable instruments of United States foreign policy. If we wish to deter the enemy from causing trouble for us, we must present a credible deterrence. Such a credible deterrence requires the balanced offensive and defensive capabilities afforded to a nation only through the medium of a naval force which is modern and in being.

AIRLIFT/SEALIFT FORCES

Democratic Study Group Report

(Pages 61–62)

This section contains a brief discussion of the military doctrine that underlies our requirements for airlift and sealift forces and questions the need for these forces in the amounts determined by DOD.

Current mission

Requirements for mobility are based on the assumption that we must prepare for large-scale contingencies in Asia and Europe

Rebuttal information

The size and mix of our mobility forces are derived from requirement to support the employment of general purpose forces under

AIRLIFT/SEALIFT FORCES—continued

Current mission

and a lesser contingency in this hemisphere. We plan the capability to build up simultaneously and rapidly in these theaters for conventional or tactical nuclear land warfare. We assume that threats to our national security can be mounted by enemy forces in three hemispheres simultaneously. This dictates that an enormous amount of air/sealift capacity be available on short notice. If we instead planned to be able to respond to 2½ Berlin-type crises within 18 months—not simultaneously—the amount and readiness of air/sealift needed would be less than current estimates.

The current mission calls for air/sealift which is so ready that we can escalate a conflict very rapidly.

Critique

Critics of the air/sealift program contend that plans for response to three crises simultaneously should be reviewed. As long as we expect to be world policemen, we will need large numbers of aircraft and ships to transport our forces anywhere on short notice. These forces will have high investment and operating costs. The more we assume we must intervene on short notice, the less this cargo-carrying capacity will be available for peacetime commercial use.

The length of the conflicts for which we prepare also determine what supplies will be needed and how useful sealift as opposed to airlift, will be. If wars are expected to be short they will be decided by supplies already in the theater and by airlift. Critics assert that our logistics planning and the air/sealift capacity it requires are based upon false expectations of long wars.

Ships carrying supplies for use against a European ally of the Soviet Union, to say nothing of the Soviet Union itself, would be attacked by Soviet submarines; defending these ships would be extremely difficult. In a war which assumed attacks on American harbors, loading supply ships would become impractical as would unloading in the zone

Rebuttal information

conditions less than strategic nuclear war. We plan to build up forces rapidly in order to counter hostile forces in the earliest stages of the contingency, thereby confining both the area of conflict and the level of warfare to the maximum extent possible. While tactical nuclear warfare is considered possible, it is at the upper end of the response scale as is strategic nuclear warfare and will hopefully be avoided by being able to contain lesser levels of conflict. The areas chosen for the locations of possible conflict (major contingencies in both Europe and Asia, and a minor contingency in another location) were not arbitrarily selected; existing national interests and international commitments require this kind of planning. The degree with which we must act to meet these contingencies simultaneously is debatable, but the simultaneous deployment requirement provides a minimum risk objective against which mobility shortfalls are measured.

The basic objective of having responsive airlift and sea lift forces is to be able to move tactical units rapidly to the area of conflict so that hostile forces may be stymied, if not defeated, in the early phase of a contingency. This objective, therefore, is to prevent, rather than cause, escalation of a conflict.

Criticism of the size of airlift and sealift programs would naturally follow when the more basic question of the need for these resources is also criticized. The impetus behind the need for rapid response is to deter or contain hostile forces. We cannot assume that we will not have to deploy our general purpose forces, and therefore we must plan to deploy them rapidly enough so that fewer are needed and fewer resources, both men and material, are expended.

The length of the contingency used for planning has very little effect on the determination of objectives for airlift and sealift needed for that contingency. Analyses which are used for force level determination show that airlift and sealift forces are sized very early in that conflict, since the most critical need for these forces is for the initial movement of combat units to the objective areas. Thereafter, lift resources are needed for the less-demanding resupply phase. In any event, it would be impractical to expect conventional wars to be so short that prepositioned supplies and airlift alone would suffice.

Vulnerability of shipping to enemy submarines is a major reason behind US Navy efforts to upgrade both military and commercial sealift resources. In particular, older existing ships are more vulnerable because of their slow speed. This does not mean that higher speed ships are invulnerable, but they do enjoy significant advantage in counter-

AIRLIFT/SEALIFT FORCES—continued

Critique

of conflict because port facilities are extremely vulnerable to tactical nuclear weapons. In war where control of the air was not assured, subsonic transport aircraft would be vulnerable to enemy attack in flight or unloading.

In the early 1960's a comprehensive plan for airlift/sealift requirements and capability into the 1980's was devised. A mathematical model of global limited-war contingency requirements, taking into consideration threat, desired response, patterns of basing troops and supplies, and the capabilities of the air and maritime transportation industries, was used to provide approximations of the capacity which would be required during the years covered by the model. The calculations indicated that a mix of commercial and special purpose equipment would be the most efficient solution. The special purpose systems which resulted from this review were the C5A and the FDL. Current requests for airlift/sealift are based on this model.

This model should be re-analysed to determine if the assumptions upon which it was based are still valid. If the assumptions are no longer valid because our national security requirements no longer require the capability to meet three widely separated serious contingencies arising simultaneously, it follows that our airlift/sealift requirements would diminish.

Rebuttal information

ing an enemy threat, particularly that involving slower, diesel powered submarines.

Contingencies used for determining airlift and sealift objectives do not include attacks on American harbors. This could be expected only in a strategic nuclear exchange, in which case airlift and sealift force requirements become academic. Similarly, the need for sealift and airlift is predicated upon the use of these forces to move combat forces quickly to counter hostile forces and thereby prevent escalation of the conflict beyond the use of conventional weapons.

The vulnerability of strategic airlift aircraft to enemy action is recognized; however, no other means are available for rapid movement of combat units to inland locations. These aircraft could not be used in a hostile environment but would have to unload in protected areas nearest the conflict.

It is apparent that the role of the C5A and the FDL in the strategic mobility concept must be re-analysed, especially that of the FDL in light of continued Congressional reluctance to authorize funds for construction. A Navy analysis of alternatives to the FDL is currently in process. One of the alternatives being examined is a fast, multi-purpose cargo ship of new design which would have many of the desirable features of the FDL. The models used previously for determining force level objectives, and any that will be used in the future, are governed by national interests and security requirements. Therefore, examination of assumptions used in such a model is a useless exercise unless the broader question of the overall role of the United States in the 1970s is resolved beforehand. The latter is under continuous review within the Defense Department based on guidance received from higher levels in the Executive Branch. This review produces the objectives for mobility forces which, in turn, form the basis for the budget requests. It is emphasized that current mobility force levels, and those likely to exist in the foreseeable future, do not completely fulfill the objectives produced by the review analyses, but rather satisfy only part of these objectives. The difference between force levels and force objectives is the deficit made up by assuming a large amount of support from commercial resources, with a resultant high degree of risk.

GENERAL PURPOSE FORCES

Democratic study group report

(Pages 23–24)

This section contains a brief discussion of the military doctrine that underlies our general purpose forces. Following are four sub-sections covering land, tactical air, and sea war, and airlift/sealift war, introduced by a discussion of contingency planning and

Rebuttal information

GENERAL PURPOSE FORCES—continued

Democratic

force levels for such type of warfare (also on white paper), and fact sheets (on blue paper) on controversial weapons systems or programs in the FY 1970 budget.

Flexible response

Under the doctrine of flexible response, the United States reserves for itself a number of options in a crisis, ranging from threatening the selective use of conventional forces through tactical nuclear war. Because an opponent can threaten any level of violence, prudence requires a response at the same level but with greater force, thereby deterring the opponent without unilaterally escalating to a more drastic type of war. The doctrine was adopted during the Kennedy Administration in the belief that a major power which relies solely on strategic nuclear weapons, as the U.S. did during the 1950's, is faced, in a crisis, with the unsatisfactory choice of using the weapons or accepting diplomatic defeat.

Hundreds of billions of dollars were spent by the Defense Department in pre-Kennedy years. The military services spent the money on long-range manned bombers, high Army and Marine force levels, and as large a surface Navy as possible. These expenditures resulted in the ceiling on the defense budget and interservice rivalry. The services spent money on programs which symbolized institutional care rather than programs calculated to improve our overall defense posture.

Rebuttal information

The existence of massive conventional military power in the hands of the USSR and the Chinese Communists—and their evident willingness to bring its weight to bear in Europe, the Middle East and Asia during the 1940's and 50's—left little other choice once the Soviets achieved a nuclear capability. It was the only reasonable response to very clear and real threats to our national security and vital interests.

Forces designed to support the flexible response concept provide a deterrent capability throughout the spectrum of warfare. These forces, when decisively employed, permit the United States to control those disputes forced upon it at the lowest possible conflict intensity.

The need and desire to deter conflicts in the future are likely to continue to focus attention on "crisis management," which to be effective, will require sound military and political policies and the capabilities inherent in the flexible response concept.

General Purpose forces are the heart of the flexible response concept. These forces act as a deterrent throughout the full spectrum of warfare. Should deterrence fail, general purpose forces would play a controlling role at all levels of conflict. Moreover, they provide the capability: to meet threats at levels less than general nuclear war; to deal with escalation up to the tactical nuclear level; and, should the general nuclear war threshold be crossed, to conduct effective terminal operations to ensure that hostilities are ended under conditions favorable to the United States as well as preventing third power intervention.

Many of today's defense critics, and particularly those who did not experience the traumatic tensions of the 1940's and 50's, tend to forget or minimize the actualities of the Cold War: the seizure of the East European countries by communist minorities; the blockade of Berlin; the takeover of mainland China; the invasion of South Korea from the North; the threat to Taiwan; the expulsion of the French from Indo-China; the rape of Poland and Hungary; Castro's seizure of Cuba; and the miscellaneous communist adventures elsewhere throughout the world. Try as they now might, the facts of militant communism of that era cannot be revised.

The billions spent on defense in those years was in response to those clear threats to vital U.S. national security interests. In the years immediately following World War II, we al-

GENERAL PURPOSES FORCES—continued

Democratic

After the 1961 decision, Secretary McNamara, through improved management and some expenditure increases, built up our flexible defense capability. The policy is very expensive, costing about * * *. The non-Vietnam defense expenditures during the last 10 years * * * or $350 billion.

Rebuttal information

most totally dismantled the military forces which had won that war. This was not done by the Communist forces. The brutal fact of Korea stopped the slide in U.S. military power. The funds spent in the pre-Kennedy years were, in part, the price we paid for a unilateral disarming action in the face of an avowed enemy. They were also, in part, the price we paid—whether we liked it or not—of having attained a preeminent position worldwide; a position which was and is envied and coveted; a position which was retained by virtue of the economic capability to develop a stature of unequivocal and immense strength.

Rather than being spent on "programs which symbolized institutional power," these funds bought the best forces we could with the technology in hand responding to the trend toward flexible response which was already well under way. It should be remembered that the R&D and procurement initiated in those years provided almost all of the major weapons systems of the 60's which still comprise the bulk of our general purpose forces.

National security is, and will continue to be, expensive in today's world if we are to be responsibly prudent rather than dangerously wishful in our approach to international relations. It is true that the dollar amount of DOD appropriations has crept upward in recent years but we really ought to inspect the figures more closely. In FY 1952, the first full year of the Korean conflict, the DOD appropriations were $61.9B. In FY 1966, the first full year of the major U.S. involvement in Viet Nam, the DOD appropriations were $61.8B—almost the same as in that earlier conflict. But what is instructive to note is that the FY 1952 appropriations comprised 17.9% of the GNP of that year while the FY 1966 appropriations were only 8.3%. Moreover, if we look at the percentages of GNP devoted to defense appropriations over the last ten years, including very sizeable Viet Nam expenditures, we find that they range from a low of 7.9% in FY 1961 to a high of 9.1% in FY 1967 and average about 8.3%. Further, one of the harshest recent critics of defense spending readily admits that to buy the very same forces we did in FY 1965 for $50.9B would cost $67.9B in FY 1972, solely due to inflation. Percentage of GNP should not, of course, be the determining factor in the level of forces we buy—justification of the need as appraised in the light of the potential threats to U.S. objectives should remain the determining factor. Reasonable perspective requires that we keep these facts in mind when we hear cries against the rising spiral of defense costs and the arms race.

GENERAL PURPOSE FORCES—continued

The factors which determine the level of defense spending are the contingencies we view as likely to come about, and our interpretation of their effect on our national security. For general purpose forces, it is the kind of wars we want to be able to fight, simultaneously and on short notice, that determine how large our forces must be in peacetime, and therefore the size of much of the defense budget.

U.S. planning for non-strategic war aims at a high degree of readiness to fight three conflicts arising simultaneously. The three conflicts are a Vietnam-size contingency in Asia; a Dominican-Republic size intervention in this hemisphere; and a tactical nuclear land war in Western and Central Europe. The duration of the conflicts for which preparations are made is classified.

Critics emphasize that such contingency planning must be rethought if policies are to be changed. They argue that the contingencies of a tactical nuclear war or a protracted war at sea are highly unlikely, and that the probability of both contests arising simultaneously is next to zero. They recommend confining those areas of the world in which our national security is truly engaged, and reassessing the ability of military force to accomplish ends judged vital to our national security.

General purpose forces are not sized on the kinds of wars we "want" to be able to fight—but rather on the kind responsible authorities consider, in their best judgment, we must be prepared to fight to safeguard the national security interests of the U.S. It is an oversimplification to say that we can make firm decisions now *not* to engage U.S. military forces in certain areas of the world or in certain kinds of situations in the next ten years. Granted we may not *wish* to, but the ultimate decision can only be taken in full context of the then existing international situation. Optimistic forecasts or "decisions" made now which greatly restrict the range of future options entail risks which must be very carefully assessed.

This is an overstatement of the planning factors which have been used in recent years to size general purpose forces. Were we to design these forces to win conflicts of the extent alleged, they would be of a size greater than attained with complete mobilization during World War II.

Current planning instead attempts to provide forces in being minimally adequate for initial defense in one theater while engaging forces in another—or engaging in major conflict in one theater while fighting only a holding action in the other until Reserve forces can be mobilized. The capacity to meet a third concurrent contingency would be limited to situations where force commitments were of minor nature but where the timeliness of U.S. response might be crucial.

Reference to a "tactical nuclear land war in Western and Central Europe" is similarly misleading and reveals a misconception of the basic premises of flexible response. Tactical nuclear warfare is at the highest end of the response scale as is strategic nuclear warfare and is precisely one of the options we hope to avoid having to exercise by maintaining a sufficiently credible conventional deterrent to—and the capacity to meet and contain—lesser levels of conflict.

It is not really "contingency planning" that must be rethought, but rather the overall role of the United States in the world of the 1970s. All too many defense critics display what can only be called inverse reasoning in this regard; their primary concern with the size of the defense budget leads them to start with dollars and walk backwards towards national interests and security.

This is particularly true of those who take the "line item" approach to defense matters; if one listens to all of the arguments and then aggregates the separate concepts espoused, the result is not only strategic inconsistency but a degree of total risk-taking that even few of the critics would be willing to accept. As an example, some critics of naval carrier and amphibious forces assert the feasibility of flying tactical aircraft and troops into trouble spots as cheaper alternatives; in concurrent but obviously unrelated arguments, they also propose cutbacks in the procurement of long-legged tactical aircraft and strategic mobility forces which are required if these alternatives are to be even minimally viable; and withal, they also undoubtedly sponsor massive reductions in the U.S. overseas base system which further invalidate their alternatives. In sum then, they would wish to see the whole concept of a forward defensive strategy abandoned and the U.S. left without credible means of influencing evolving situations inimical to our national interests.

The really tough intellectual exercise, and the one from which so many critics abstain, is to work the problem from its proper beginning: to assess and articulate U.S. national interests throughout the world, both regionally and worldwide; to come to some agreement on what the threats are or may be to those interests; to propound a level of risk to those interests that will be acceptable to the country at large; and to determine at what point and under what conditions we would resort to the use of military force to safeguard our interests. Having gone this far, and assuming a desire to effect some retrenchment, it would then be necessary to assess the worldwide impact of any significant and abrupt change in our overall military posture. Once this hard work is done—and it cannot be approached piecemeal—a coherent military strategy can be devised and thereafter it is a relatively straightforward matter to structure the forces we need and the budgets necessary to support them.

No one denies that cost is an important factor in the overall equation, but cost must be measured in terms of overall national objectives, the threat and the risk the U.S. is willing to take in international relations.

S–3A (ANTI-SUBMARINE WARFARE AIRCRAFT)

Description

Comment

1. The S–3A, formerly designated VSX, is a carrier-based aircraft to be used in the detection, surveillance and, in time of conflict, destruction of enemy submarines. It will replace the Grumman S–2 Tracker series, and will complement the land-based P–3C Orion anti-submarine aircraft. The S–3A will carry an integrated sensor system called VS/ANEW operated by a crew of four rather than ten needed on Orion. The primary sensor is the sonobuoy, dropped from the aircraft at cruising altitudes and laid in carefully

Reclama

1. The S–3A, formerly designated VSX, is a carrier-based aircraft to be used in the detection, surveillance and, in time of conflict, destruction of enemy submarines. It will replace the Grumman S–2 Tracker series, and will complement the land-based P–3C Orion anti-submarine aircraft. The S–3A will carry an integrated sensor system which will be operated by a crew of four rather than ten needed on Orion. The primary sensor is the sonobuoy, dropped from the aircraft at cruising altitudes and laid in carefully se-

S–3A (ANTI-SUBMARINE WARFARE AIRCRAFT)—continued

Description—continued

Comment	Reclama
selected patterns for greatest coverage and data return. After detecting an enemy submarine, the S–3A is capable of dropping either depth charges or homing torpedoes.	lected patterns for greatest coverage and data return. After detecting an enemy submarine, the S–3A is capable of dropping depth charges and/or homing torpedoes.
2. The S–3A will be powered by two turbofan engines, giving it a speed over 450 miles per hour and a 2,000 mile range. It will have an all-weather capability and can carry rockets, missiles, and mines in addition to depth charges and homing torpedoes.	2. The S–3A will be powered by two turbofan engines, giving it a speed over 400 miles per hour and a 2,000 mile range. It will have an all-weather capability and can carry rockets, missiles, and mines in addition to depth charges and homing torpedoes.

Costs

Comment	Reclama
1. In early August the Navy awarded a $461 million contract to the Lockheed Aircraft Corporation for the production of six R&D models of the S–3A over the next three years. The Navy has option to buy 193 production models. The ceiling procurement and R&D cost of the ten-year program is projected at $3.2 billion or $16.2 million per aircraft. 50% of the cost of S–3A will be for avionics.	1. In early August the Navy awarded a $461 million contract to the Lockheed Aircraft Corporation for the production of six R&D models of the S–3A over the next three years. The Navy has option to buy 193 production models. The ceiling procurement and R&D cost of 199 aircraft for the ten-year program is projected at $3.2 billion or $16.2 million per aircraft. Approximately 50% of the flyaway cost of S–3A will be for avionics.
2. The VSX will be procured according to periodic production and performance achievements by Lockheed, rather than a total package contract such as that which contributed to sizeable over-run costs on the C–5A and to cancellation of the Cheyenne helicopter. Lockheed was the contractor in both instances.	2. The S–3A will be procured according to periodic production and performance achievements by Lockheed, rather than by a total package contract such as that which contributed to sizeable over-run costs on the C–5A and to cancellation of the Cheyenne helicopter. Lockheed was the contractor in both intsances.
3. Funding of the $120 million first year's installment on the airframe contract depends on Congressional approval of the $165 million requested for FY 1970 for S–3A R&D. The Senate Armed Services Committee has recommended that $25 million be cut from the request because the 4-month delay in finding a contractor means this much initial funding can be deferred. First flight is expected in 1972 with fleet introduction the following year.	3. Funding of the $120 million first year's installment on the airframe contract depends on Congressional approval of the $165 million requested for FY 1970 for S–3A R&D. The Senate Armed Services Committee has recommended that $25 million be cut from the request because of the delay in finding a contractor means this much initial funding can be deferred. First flight is expected in 1972 with fleet introduction the following year. (The delay referred to above amounted to one month.)

Rationale

Comment	Reclama
1. The Soviet Union has over 375 attack and ASW submarines, of which about 50 are nuclear-powered. This force can contest our control of the seas by presenting a 3-dimensional threat consisting of strategic ballistic missile attack, stand-off attack against our naval forces with cruise missiles, and attacks on allied lines of communication with torpedoes and mines.	1. The Soviet Union has over 375 attack and ASW submarines, of which about 65 are nuclear-powered. This force can contest our control of the seas by presenting a 3-dimensional threat consisting of strategic ballistic missile attack, stand-off attack against our naval forces with cruise missiles and attacks on allied lines of communication with torpedoes and mines.
2. Recent significant developments presage the emergence of an even greater Soviet naval strength and operating capability. In any event Soviet submarine construction will continue at its current rate of about 12 per year for the foreseeable future.	2. Recent significant developments presage the emergence of an even greater Soviet naval strength and operating capability. Soviet nuclear submarine construction capacity is estimated to be some 20 units per year, but a "Crash" program, with no constraints on manpower or materials, could produce a considerably higher number.

S–3A (ANTI-SUBMARINE WARFARE AIRCRAFT)—continued

Rationale—continued

Comment	Reclama
3. Countering this threat can best be performed by aircraft such as Orion and S–3A. Continuous surveillance of enemy submarines over thousands of square miles of ocean forces them into evasive tactics reducing their effective range and time-at-sea.	3. Countering this threat can best be performed by aircraft such as Orion and S–3A. Continuous surveillance of enemy submarines over thousands of square miles of ocean forces them into evasive tactics reducing their effective range and time at sea.

Critique

Comment	Reclama
1. The S–3A carries extremely complex computers and electronic equipment.	1. The S–3A carries a sophisticated ASW system oriented around a general purpose digital computer which constitutes a logical next step forward from the system presently employed in the P–3C land based aircraft.
2. Since each individual sensor system has severe limitations, the integrated system is unreliable.	2. Nine years of technological development and optimization of the man, machine relationship in ASW aircraft weapon systems has provided an unusually firm base for the S–3A weapon system design. The multiple sensors included in the S–3A are selected and integrated so as to complement, and mutually support each other. Thus the total system remains effective and reliable over a wide range of target capabilities and environmental conditions.
3. The responsibilities of the crew for computing and interpreting data, performing navigation and communications chores, and managing sonobuoys and ASW weapons, will make their mission almost impossible.	3. A major contribution to the increased effectiveness of the S–3A is the automation of the routine computation, navigation, communications chores, sonobuoy and ASW weapons management. The automation of these and other appropriate functions free the crew to devote their efforts almost exclusively to the evaluation of sensor and tactical information and to decision making.
4. In order for the sensor system to be effective, the aircraft's ability to navigate with respect to the sonobuoy must be improved. The most difficult part of the ASW mission is fixing the aircraft's position relative to the sonobuoys, which drift with the surface winds. Without this capability, the range and direction data between the submarine and the sonobuoys is useless.	4. The navigational requirements for the S–3A have been resolved in systems now continuously employed in P–3 and S–2 aircraft when utilizing sonobuoys. Accurate geographic position fixing is currently possible from systems such as LORAN C/D and OMEGA and are used in conjunction with aircraft inertial navigation systems which are up-dated continuously by doppler radar. The computer capacity and the degree of system integration in the S–3A will significantly refine the correlation of the sonobuoys position relative to the aircraft with a constant update of wind drift and heterogeneous ocean currents, thereby providing accurate fixes on the submarine's location.
5. The degree of accuracy required is far greater than for normal navigation, due to the limited kill radii of ASW weapons.	5. Weapon release is generally predicated on a positive "on top" sensor indication such as MAD (Magnetic Anomaly Detection). However, the S–3A will have the capability of computing the drop point without positive indication and enjoy a high degree of accuracy.
6. The S–3A can also be countered at little cost with electronic countermeasures.	6. Electronic countermeasures immediately indicate the presence of the emitter and would thereby reveal the submarine position, greatly simplifying the problem for the ASW aircraft.

S–3A (ANTI-SUBMARINE WARFARE AIRCRAFT)—continued

Critique—continued

Comment	Reclama
7. The S–3A will have difficulty operating at night or during foul weather.	7. The S–3A has an all weather capability as have all ASW aircraft during the past two decades. There will be no difficulties operating this aircraft at night or during any but the most extreme of weather conditions.
8. At night a searchlight, or low-light-level viewing system is required. The wing-mounted searchlight pod on the S–3A is limited by a low duty cycle, high glare which interferes with the crew's dark-adaptation, and the ability of the quarry to detect the light.	8. The S–3A has no searchlight, but will have a Forward Looking Infra-Red (FLIR) system.
9. Aside from the technical difficulties of the S–3A, the assumption that we need to deploy carrier-based ASW aircraft at all must be challenged. Land-based ASW aircraft currently cover 80% of the ocean surface. We do not need to police areas such as the Indian Ocean where land-based ASW aircraft cannot be deployed. Strategic missiles launched from the Indian Ocean could not reach the U.S. All shipping channels used by our surface and merchant fleets can be protected by land-based ASW aircraft in time of hostilities. Secretaries McNamara and Clifford maintained carrier-based ASW to be cost-ineffective; the major Pentagon document on ASW recommended S–3A not be bought. It is a marginal system for a low probability contingency and does not justify an expenditure of over $3.2 billion.	9. ASW is a big and complex subject, involving sophisticated technology which is changing rapidly. There is a requirement for airborne and seaborne ASW systems to enable our naval forces and merchant shipping to proceed anywhere at anytime that our National interests may require them to do so. Land-based and sea-based air ASW systems with submarines and destroyers have been welded together into an integrated whole which is effective beyond the capability of any single platform, however multiplied, and indeed beyond the sum total of all. Land-based air, used for ASW and ocean surveillance of large areas, have been shown to be cost-effective out to ranges of 800 miles from available bases. It is appropriate to note that approximately 50% of the ocean areas of ASW interest are located beyond 800 nautical miles from current VP bases. It is also true that the number of aircraft bases available to the U.S. has been rapidly and continuously declining. ASW carrier-groups, on the other hand, with embarked S–3A aircraft provides a coordinated, concentrated ASW force in areas beyond the range of the land-based ASW aircraft, or where bases are not available. In addition, the ASW carrier group can be concentrated in areas of high submarine density, or where oceanographic conditions or countermeasures render one sensor system ineffective. The S–3A is a valuable, vital part of this ASW force. The major Pentagon document on ASW was signed in Nov. 67 by Secretary of Defense McNamara authorizing the Navy to go into contract definition on the S–3A aircraft, and on 1 Aug. 69, SECDEF authorized the Navy to proceed with engineering development of the S–3A wherein a contract was let.

MEEDS BILL EYES MICRONESIA HOME RULE

(Mr. MEEDS asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MEEDS. Mr. Speaker, I am today introducing legislation that can brighten the hopes of the Micronesian people for self-government.

The word "Micronesia" has been heard altogether too infrequently in this Chamber. Regardless of political party, Members of Congress, the President, and the administration have consistently made the Micronesians the true "forgotten people."

Memories and history books record the Micronesian names: Peleliu, Tinian, Saipan—World War II embattled islands. These are only three of the more than 2,100 tiny islands of the Marshalls, Carolines, and Marianas scattered across 3,000 miles of ocean.

Most Americans mistakenly think of the Micronesian islands as an idyllic paradise. But disease and poverty are present. Poor living conditions seen alongside the fine housing of the American administrators is a source of frustration and resentment. Expectations are rising without ways to fulfill them.

Two years ago the Congress of Micronesia created the Future Political Status Commission. The commission's report was submitted to the Congress this past summer. While the commission recommended free association with the United States, the present Congress of Micronesia voted to raise the alternative of total independence to equal status with that of free association. Time is running out for the United States.

Presently, the Micronesians are ruled by the United States through a pact with the United Nations. Under the 1947 Trusteeship Agreement the United States is committed to preparing the Micronesians for self-government.

America has experienced accomplishment and failure in Micronesia. One of the accomplishments is the phenomenal political growth of the last 5 years.

Under my plan, the United States would be putting action behind its talk of self-determination for peoples around the world.

There are two parts to my bill. The first part allows the calling of a Micronesian constitutional convention to draft a constitution. The second part is an interim organic act, which would make Micronesia a territory of the United States, and make Micronesians citizens of the United States, as on the island of Guam.

An organic act is like a constitution, except that it is given by the U.S. Congress, instead of coming from the people of Micronesia. Most of the organic act will become null and void when the Micronesians' constitution takes effect.

If my proposal becomes law, the Micronesians will immediately vote "yes" or "no" on the idea of the constitutional convention and organic act. And, assuming a "yes" vote, the people will vote a year or two later on whether to accept or reject the constitution as drawn by their elected leaders.

As a member of the House Subcommittee on Territories and Insular Affairs, I have a keen interest in Micronesia. This bill represents a culmination of months of searching for solutions to the political, social, and economic problems of the area.

I commended Secretary of the Interior Hickel for his trip to Micronesia earlier this year, but must stress that the Micronesians do not want to be studied for another 25 years. They want and need action now.

While the fostering of political responsibility by the United States is a far cry from the Belgians' dumping of the Congolese into instant independence, this Congress dealing with the political status of Micronesia is the next and crucial step in Micronesian development.

ELECTORAL COLLEGE REFORM

(Mr. SANDMAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SANDMAN. Mr. Speaker, on September 18, 1969, the House voted 339 to 70 to adopt House Joint Resolution 681. That resolution proposed a constitutional amendment to abolish the electoral college and to allow the people of this Nation to elect their President and Vice President directly.

This morning, President Nixon endorsed our action and called upon the other body to follow our lead. I agree with the President that today's choice is direct election or nothing. I agree that for those who want reform, "contrary views are a luxury."

I am pleased with and grateful for the President's support and look forward to his continuing aid, which he indicated earlier this year, in securing the ratification of the 26th amendment to our Constitution.

THE GREATNESS OF HARRY TRUMAN

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. RANDALL. Mr. Speaker, when my fellow townsman, Harry Truman completed his term as President of the United States to return to private life, there were many who predicted that the passage of time would prove him to be among the greatest of our Presidents.

One of Mr. Truman's Secretaries of State, Dean Acheson, has written a fascinating article for the September 1969, issue of Esquire magazine entitled "The Greatness of Harry Truman," in which he gives new and vivid insight into the kind of man President Truman was; how he arrived at decisions and how he put his decisions to work.

As a subheading for the article and preceding the byline by Mr. Acheson, the author made the observation in reference to Mr. Truman, "At night, knowing he was in the White House, even he slept better." The former Secretary of State in his article presents many interesting facets of Mr. Truman's life in the White House. He points out that Mr. Truman brought unusual qualities to the presidency, including his priceless gift of vitality and his inexhaustable supply of good disposition. He believed in the motto framed on his desk, "The Buck Stops Here."

Dean Acheson, in his article develops the procedures Mr. Truman followed as President, how he was possessed of the rarest gift, to take the time that was available to study the problem and then decide without second thoughts, self-doubts, and the enfeebling emotion of regret. He did not yield to the temptation to take over and run all operations. He maintained the broad direction of national affairs without trying to administer particular parts of the whole.

Although never a practicing lawyer, Mr. Truman utilized in his administration the law's most fundamental procedure, which is that all parties in interest should be present before the court with the right to be heard and to hear one another. To this he added another provision of law, that the decision be immediately reduced to writing.

The article by former Secretary of State Dean Acheson, as it appears in the September 1969 issue of Esquire magazine is, I repeat, a fascinating article. It is for this reason that I have asked unanimous consent that the entire content of this article should be preserved in the CONGRESSIONAL RECORD:

THE GREATNESS OF HARRY TRUMAN

(By Dean Acheson)

On Tuesday, January 20, 1953, we members of the President's Cabinet made our way to the Capitol, meeting him in the rotunda and following him down a ramp to a platform on the East Front while the Marine Corps band greeted him for the last time with Hail to the Chief. Chief Justice Vinson administered the oath of office to General Eisenhower and we were all private citizens once more.

My colleagues had asked my wife, Alice, and me to arrange on their behalf at our house a final luncheon for the President and Mrs. Truman and Margaret and the members of the President's staff and Cabinet with their ladies. We were delighted to do so. The group came to thirty-eight persons. On finally getting through the inauguration crowd and back to our house, I was amazed to see "P" Street for the length of our block jammed with friends while the police diverted traffic and had a time getting guests to our door. Each arrival was familiarly hailed and vociferously cheered. Even after we were all present and accounted for, the cheering and chants of "We want Harry!" continued until I produced Mr. Truman on the little terrace in front of the house to thank them. Georgetown had had its own farewell party for a special favorite.

While we were having cocktails, Alice presented to Mrs. Truman from the Cabinet ladies a fine Lowestoft platter that she had selected. After an informal and most pleasant buffet luncheon, which overflowed most of the first floor of our house, the Truman family went off incognito to an aide's house for a rest before their late afternoon train to Kansas City.

At dusk the Union Station was packed with a vast crowd. The seemingly impossible task of getting through it to the Presidential car at the end of the train was aided by friendly and good-natured folk, who recognized Alice and me and our need for a last greeting. At length we were admitted to the line passing through the car. Admonitory toots from the engine hastened departing guests as doors and gates were shut and red lanterns swung. The car moved away, three figures waving from the rear platform as the crowd roared its farewell. Soon it passed beyond the lighted platform and disappeared into the darkness of the winter night.

THE PRESIDENT'S CONTRIBUTION

It is usually a waste of time to discuss whether any of our contemporaries should be called great. The word means too many different things to different people. To some it carries implications of immense impact upon one's times or future development, as in the case of Alexander, Augustus, Charlemagne, Galileo, or Einstein; to others, a moral or spiritual leader, as was Confucius, Buddha, or Jesus; to some, a political leader with spiritual overtones like Lincoln; or an artistic genius like Raphael, Leonardo da Vinci, or Beethoven. Always the term involves some larger dimension than is possessed by even outstanding mortals. For my purposes it is enough to say of Mr. Truman, as was remarked at the beginning of the startled reappraisal of him that came soon after the political hubbub he loved to create had quieted down, that, if he was not a great man, he was the greatest little man the author of the statement knew anything about.

Among the thirty-five men who have held the Presidential office, Mr. Truman will stand with the few who in the midst of great difficulties managed their offices with eminent benefit to the public interest. On assuming responsibility in 1945, he followed the second most controversial President in a century, who was, when living, perhaps also the most popular in our history. The world outside of the United States had just gone through greater disruptive change than at any time during the life of our nation. The President's task was reminiscent of that in the first chapter of Genesis—to help the free world emerge from chaos, without blowing the whole world apart in the process. To this task, Mr. Truman brought unusual qualities.

The first of these was one for which he can claim no credit. Some remote ancestor, like the undistinguished squire-ancestor of the Villiers family in England, bequeathed him the priceless gift of vitality, the life-force itself that within certain strains bubbles up through the generations, endowing selected persons with tireless energy. Mr. Truman could work, reading and absorbing endless papers, and at times play, until well past midnight and be up at six o'clock walking deserted streets with hardy Secret Service men and reporters. He slept, so he told us, as soon as his head touched the pillow, never worrying, because he could not stay awake long enough to do so.

Energy brought bounce and cheerfulness. Not long after we left office, one of our colleagues revisited the White House offices. Seeing a well-known and more genial than informed character heading for the President's office, he cocked an enquiring eyebrow. "Oh," he was told, "he's going in to cheer up the President."

"That's funny," said my friend, "in our day the President used to cheer us up." A namesake gave the same cheer the night before Agincourt.

". . . every wretch, pining and pale before,
Beholding him, plucks comfort from his looks . . .
His liberal eye doth give to everyone, . . .
A little touch of Harry in the night."

The "little touch of Harry," which kept all of us going, came from an inexhaustible supply of vitality and good spirits. He could, and did, outwork us all, with no need for papers predigested into one-page pellets of pablum. When things went wrong, he took the blame. One "little touch of Harry" appeared in a motto framed on his desk: "The buck stops here." When things went wrong, he took the blame; when things went right, he followed his hero, "Marse Robert" General Robert E. Lee, by giving one of his lieutenants the credit. None of his aides had a trouble in his public or private life that the President was not quick to know and quick to ease.

These are qualities of a leader who builds esprit de corps. He expected, and received, the loyalty he gave. As only those close to him knew, Harry S. Truman was two men. One was the public figure—peppery, sometimes belligerent, often didactic, the "give-'em-hell" Harry. The other was the patient, modest, considerate, and appreciative boss, helpful and understanding in all official matters, affectionate and sympathetic in any private worry or sorrow. This was the "Mr. President" we knew and loved.

Today no one can come to the Presidency of the United States really qualified for it. But he can do his best to become so. Mr. Truman was always doing his level best. He aspired to the epitaph reputed to be on an Arizona tombstone: "Here lies Bill Jones. He done his damnedest." His judgment developed with the exercise of it. At first it was inclined to be hasty as though pushed out by the pressure of responsibility, and—perhaps also—by concern that deliberateness might seem indecisiveness. But he learned fast and soon would ask, "How long have we got to work this out?" He would take what time was available for study and then decide. General Marshall called this capacity the rarest gift given to man and often said that President Truman had it to a high degree.

No one can decide and act who is beset by second thoughts, self-doubt, and that most enfeebling of emotions, regret. With the President a decision made was done with and he went on to another. He learned from mistakes (though he seldom admitted them), and did not waste time bemoaning them. That is, he learned from all mistakes but one—the fast answer in that nightmare of Presidents, the press conference. We kept on hand, as a sort of first-aid kit, a boxful of "clarifications" for these events.

The capacity for decision, however, does not produce, of itself, wise decisions. For that a President needs a better eye and more intuition and coordination than the best batters in the major leagues. If his score is not far better than theirs, he will be rated a failure. But the metaphor is inadequate; it leaves out the necessary creativity. A President is not merely coping with the deliveries of others. He is called upon to influence and move to some degree his own country and the world around it to a purpose that he envisions. The metaphor I have often used and find most enlightening is that of the gardener who must use the forces of life, growth and nature, to his purpose; suppressing some, selecting, encouraging, developing others. The central role of directing so great an effort of imagination, planning, and action cannot come, as some seem to imagine, from such spontaneous intuition among the hired

hands as guides a flock of shorebirds in flight. It must come from the head gardener. If he tries to do it all himself—to "be his own Secretary of State" or Defense, as the phrase goes—he will soon become too exhausted and immersed in manure and weed killer to direct anything wisely.

When the Truman government found its footing in foreign affairs, its policies showed a sweep, a breadth of conception and boldness of action both new in this country's history and obviously centrally planned and directed. We had seen it in the early domestic policies of the New Deal and in our vast military effort in the 1941–45 war, but not before in foreign policy The 1947 assumption of responsibility in the Eastern Mediterranean, the 1948 grandeur of the Marshall Plan, the response to the blockade of Berlin, and the N.A.T.O. defense of Europe in 1949, and the intervention in Korea in 1950—all those constituted expanding action in truly heroic mold. All of them were dangerous. All of them required rare capacity to decide and act. All of them were decided rightly, and vigorously followed through.

Furthermore, to have restored the health and strength of our allies and sought their help in this effort would have been novel enough in American history, if one remembers the aftermath of the First World War. But the new conception went beyond that, persevering, over considerable opposition from our allies, in restoring and enlisting the help of our former enemies as well. Earlier enticing mistakes were put aside in favor of a peace of reconciliation and a policy of transforming liabilities into assets, enemies into allies. As in the case of Castlereagh and Metternich, a distinction was made between a nation and its leaders. As France was restored to an honored and responsible place in the earlier period, the same was done with Germany and Japan in the later one.

What sort of mind and methods had the man who directed American leadership in this constructive period? To answer this question, we must go beyond the nature of the individual and of his relations with fellow workers to some idea of his postulates and his habits in decision and action. These are easier to describe than to explain. No one was more attached to the democratic bases of American life and institutions than Mr. Truman and no one was less bemused by the prophets of the Enlightenment about how these came about and what moved peoples. He did not overestimate, as they did, the influence of wisdom, virtue, and understanding of experience and even "enlightened self-interest." Deeply trained in the moral values of Graeco-Judaic-English thought, he was also aware of the power of suspicion and fear when aroused against domestic opponents or against foreigners by a Hitler, a Peron, a Sukarno, or a McCarthy.

Similarly, he did not share the indiscriminate condemnation of power in politics, domestic or foreign, that American liberals had learned from Lord Acton. Military power he had experienced in use. He knew its nature, its importance, and its limitations. He knew that its primary effectiveness was in overcoming opposing military power or deterring another's use of it, or in overawing an opponent and gaining acceptance of one's own will. Its limitations, he knew, in administering subject or conquered peoples, sprang from the cultures of both its potential users and victims. Only utterly ruthless possessors of power could use it to crush resistance in those not wholly under the restraint of caution or fear of physical suffering. The less ruthless were soon reduced to the process of persuasion in gaining consent, even to the extent of giving up dominion, whether in Ireland, India, North Africa, or occupied Germany and Japan.

He learned also, and learned quickly, the limits of international organization and agreement as a means of decision and security in a deeply divided world. Released from acceptance of a dogma that builders and wreckers of a new world order could and should work happily and successfully together, he was free to combine our power and coordinate our action with those who did have a common purpose.

These postulates were held by a truly hospitable and generous mind, that is, a mind warm and welcoming in its reception of other peoples' ideas. Not in any sense self-deprecating, his approach was sturdy and confident, but without any trace of pretentiousness. He held his own ideas in abeyance until he had heard and weighed the ideas of others, alert and eager to gain additional knowledge and new insights. He was not afraid of the competition of others' ideas; he welcomed it. Free of the greatest vice in a leader, his ego never came between him and his job. He saw his job and its needs without distortion from that astigmatism.

Mr. Truman brought another major asset to decision. He had a passion for orderly procedure and a deep, if simple, idea of how to attain it. Although many Presidents had been lawyers, none of them—notably his immediate predecessor—utilized in administration the law's most fundamental procedure. For centuries courts have required all parties in interest to be present before the court at the same time with the right to be heard and to hear one another. President Truman introduced this procedure into executive administration. To it he added an equally ancient and, in administration, equally novel practice of law: The decision was immediately reduced to writing.

The vehicle of these innovations was the National Security Council. This was created in the Truman years and reached its highest usefulness during them. It was kept small; aides and brief-carriers were excluded, a practice—unfortunately not continued—that made free and frank debate possible. Those present came prepared to present their views themselves, and had previously filed memoranda. Matters brought before the Council were of importance worthy of the personal attention of the highest officers and decision by the President. In succeeding administrations the practice deteriorated in two ways. The first was toward a desire by the President for "agreed recommendations." This was a deathblow. Agreement can always be reached by increasing the generality of the conclusion. When this is done, the form is preserved but only the illusion of policy is created. The President gives his hierarchical blessing to platitudes. To perform his real duty must involve the anguish of decision, and to decide one must know the real issues. These have to be found and flushed like birds from a field. The adversary process is the best bird dog.

Another way in which a President's role can become diluted and weakened is through yielding to the temptation to take over and run all operations. This not only wastes a vast amount of time and effort by a committee system for executing every important task and making all minor decisions, but limits, by narrowing, the President's attention to a few subjects that he allows to absorb him. The administrative tasks of the great departments of government are beyond the capacity of even the President's large personal staff to assume. To attempt to do so impairs both the broad direction of national affairs and the specific administration of particular parts of the whole. President Truman's strength lay not only in knowing that he was the President and that the buck stopped with him, but that neither he nor the White House staff was the Secretary of State, or Defense, or Treasury, or any other. To him the heads of departments were secretaries of state and members of his staff, as Lord Burghley was to the first Elizabeth. He made the ultimate decisions upon full and detailed knowledge, leaving to lieutenants the execution. This conception of the supreme role runs the risk that a lieutenant may fail as Longstreet did at Gettysburg or MacArthur in North Korea. The other conception runs the greater and more hazardous risk that the Chief will fail in his infinitely more important role. It was such a failure, I fear, that blighted the high promise of President Johnson's administration.

The decision made in writing was also an innovation of the Truman Administration in this country, though Mr. Truman was not the first head of government to employ it. On July 19, 1940, Prime Minister Churchill sent a note to the Secretary of the War Cabinet:

"Let it be very clearly understood that all directions emanating from me are made in writing, or should be immediately afterwards confirmed in writing, and that I do not accept any responsibility for matters relating to national defense on which I am alleged to have given decision, unless they are recorded in writing."

His Military Assistant Secretary, Sir Ian Jacob, adds his comment:

"Much of the conduct of the war was determined by the personal habits of the Prime Minister. Everything had to be done in writing, and he made it clear at the outset that nobody who said that the Prime Minister had ordered this or that was to be heeded unless the Prime Minister had written so in black and white."

In Washington, the Secretary of the National Security Council, first Admiral Souers and later James S. Lay, Jr. issued the President's orders to all members.

Justice Holmes has said that "legal progress is often secreted in the interstices of legal procedure." No small part of Mr. Truman's distinction in the Presidential role derives from the fact that the instituted procedures that contributed to the statesmanship of his decisions and the quality of their execution. They insured that a flow of ideas would be encouraged, that his colleagues in the Administration would be welded together in loyalty to one another and to him by considerate, fair, and orderly consultation, and that decisions should be precise and known to all on equal terms. President Roosevelt has been praised for a supposedly deliberate secrecy in consultation and vagueness in decision that left policy fluid, relationships uncertain, and great freedom of maneuver for the President. In the currently fashionable phrase, his constant purpose was "to keep his options open." Flexibility in maneuver may be highly desirable in certain circumstances; but when it leaves one's own and friendly forces and commanders uncertain of the nature and purpose of the operation or of who has responsibility for what, it can be a handicap. Machiavelli was writing advice for weak princes.

In the last analysis Mr. Truman's methods reflected the basic integrity of his own character. He could have said of them what Mr. Lincoln said of his:

"I desire to so conduct the affairs of this Administration that if, at the end. . . . I have lost every other friend on earth, I shall have at least one friend left, and that friend shall be down inside of me."

THE DEPARTMENT'S CONTRIBUTION

President Truman looked principally to the Department of State in determining foreign policy and—except where force was necessary—exclusively in executing it; he communicated with the Department and with the foreign nations through the Secretary. After one experience, when Chief Justice Vinson was almost dispatched on a diplomatic mission, experimentation with amateur virtuosity ceased. The Secretary saw his own role as Chief of Staff to the President in foreign affairs, directing and controlling the Department, keeping the

President abreast of incipient situations that might call for decisions or action, acting as principal assistant in making the decisions and assuming action upon them. To do so meant avoiding too intimate involvement either in the work of the White House, tempting and flattering as that might be, or in the work of the Department.

General Marshall was an ideal instructor on the line that should be drawn between directing lieutenants and interfering with them. He bequeathed to his successor the invaluable legacy of respect from above for jurisdictional privacy. An anecdote of his gave courage in a not dissimilar situation. During the war, when a news magazine of national circulation had made a bitter attack on President Roosevelt, a White House aide came to the Chief of Staff of the Army reporting a Presidential wish that the pocket edition of this issue printed for distribution to the troops be withheld. General Marshall replied that, immediately upon his receipt of such an order in writing, it would be obeyed and his own resignation as Chief of Staff would go to the White House. The matter was never mentioned again.

Like General Marshall, his successor never forgot who was President, and the President most punctiliously remembered who was Secretary of State. This mutual restraint is basis to a sound working relation between the two.

What has just been written raises risks of oversimplification. Foreign policy cannot be so neatly isolated and pigeonholed. For instance, one often reads that President Eisenhower left foreign affairs entirely to Secretary John Foster Dulles. However, at the beginning of his Administration, at least, it might have been more accurate to conclude that President Eisenhower left foreign affairs to the decisions of Secretary of the Treasury George Humphrey. It was the Humphrey policy of retrenchment for fiscal and economic reasons that led to drastic cuts in Army and Navy expenditures in the early Eisenhower years. These, in turn, rather than considerations of foreign policy or military strategy, led to the Dulles rationalization of necessity—the policy of massive nuclear retaliation to acts of Soviet aggression. As a policy it was unworkable, outmoded when uttered, and profoundly disturbing to our allies and to our relations with them.

Similarly Mr. Truman's period of retrenchment, in 1948 and 1949, so vigorously applied to the Army and Navy by Secretary of Defense Louis Johnson, put means out of relation with ends. However, the recrudescence of Soviet aggressive actions, our own major armament decisions of 1950, and the supercession of Secretary Johnson by General Marshall made harmonious policy possible. With ends and means in reasonable adjustment, the further requirements of an active and capable department were that lines of command should be kept clear, that lieutenants be given freedom and prestige commensurate with their responsibilities, that avenues be held open for the occasional brilliant suggestion caught in the bureaucracy to circumvent it and reach the top. The Secretary was aware that final decisions must be held open for the President.

With the President he met alone three times a week, and on two other occasions, once with the National Security Council, and once with the Cabinet. In critical times other meetings would be added. Memoranda were prepared in advance of private meetings on matters to be discussed and the President's wishes or instructions passed back to action officers in the department. The meetings of the National Security Council have already been described.

Each President conducts Cabinet meetings in his own way. They have come a long way from their function in the early days of the Republic as a closely knit consultative body—as has the Privy Council in England. Observation under four Presidents justifies waste of time. President Truman soon organized his cabinet meetings into useful weekly instruction of its members on the outstanding issues of the week, about which most of them had been informed, on matters outside their departments, only by the press. The meetings became an important means of keeping the leaders of the executive branch a united and knowledgeable group. In such a meeting, for instance, I got my first knowledge of the "Brannan (Farm) Plan," for a time discussed by everyone and understood by few. Since during the Truman years foreign affairs were much to the fore and Cabinet officers sorely tempted to discuss the subject in public speeches or respond to questions involving it, the Secretary of State, at the President's invitation, opened the meeting with a review of the current situation and a recommendation of the public line to be taken. He rarely disclosed classified—that is, secret—information. A hearer cannot long remember what is secret and what is not.

Each member in order of seniority of his department would then inform his colleagues of what they should know of what his department was doing. No wise man ever asked the President's instruction during Cabinet; he would surely find a number of articulate and uninformed colleagues intervening with confused and confusing suggestions. The Cabinet, despite its glamour, is not a major instrument of government; the National Security Council, properly run, can and should be.

A hasty study of my engagement books warrants a guess that consultation with my constitutional superior, the President, and my constitutional critic, the Congress, occupied about a third of my working time. If one adds the time spent away from Washington on conferences and speeches, the three duties would consume half of the Secretary's time. Since the days were not long enough for all other demands, they had to be sternly, even harshly, organized and disciplined.

To do this required devolving responsibility for energizing and directing work upon the Assistant Secretaries and the equivalent; to make these lieutenants acceptable to foreign governments required making plain how great was their influence on decisions. One vast benefit of achieving this result—to the Secretary but not to his indispensable aides—was to make them sought-after substitutes for diplomatic dinners and national-day receptions. Participation in these General Marshall and I cut probably below the acceptable limits.

Two indispensable organizations were created for assigning tasks in the department and following them through to completion—one by General Marshall, the other by me. The first, the Central Secretariat, installed and operated by Colonel Carlisle Humelsine, taken over from the Army General Staff, welded the Secretary's and Under Secretary's offices into one and kept the unified office informed of all that was going on. The other, the "nine-thirty meeting" was held daily in my office for no more than half an hour and was attended by the chief operating officers. At it the Director of the Central Secretariat recommended the assignment of new matters, reported progress (or lack of it) on others, reassignment of responsibility if necessary, or additional help where needed. My orders were noted and sent out in writing. Discussion was not permitted at this meeting. During the last six years of the Truman Administration the Secretary usually stayed his hand until work upon any matter reached the point where guidance and decisions were necessary. General Marshall's military experience led him as a rule to put this point rather later than I did, and not to intervene until the Under Secretary asked him to do so. I, more aware of the real differences of view originating in a lieutenant's field of responsibility—say, Far Eastern affairs as against European, or American Republic affairs as against economic affairs would meet with the group as soon as an issue appeared, to hear and decide it. Furthermore, the group would more happily accept as final a decision from the top.

Since it was not possible, due to the great volume of the work, to have every division with any interest in a matter be involved in it, arbitrary inclusions and exclusions had to be made to get the work done. This sometimes left people complaining of decisions that did not reflect their often not fully informed views. This was undesirable, avoided as much as possible, but even so led to wounded feelings and sometimes to enduring criticism. We escaped, however, from what can be, and often has been, the alternative, endless discussion and inability to decide. General Marshall's often quoted ejaculation—"Don't fight the problem. Decide it!"—put an end to this tendency in his day.

In short, the State Department of the Truman period became an effective organization for the imaginative and original formulation and proposal of foreign policy. It was tough and energetic. It took a lot of punishment and got through a prodigious amount of work. It may not have "gotten along well" with Congress, but Congress respected and, for the most part, went along with the Department.

In 1914 Kaiser Wilhelm II referred to "Britain's contemptible little army." He lived to revise that opinion. Veterans of President Truman's State Department during the McCarthy period, like the survivors of that British Army, often referred to themselves as "the old contemptibles." As they look back upon their service under his leadership they may be pardoned for believing that they helped in puzzling and perilous times to set the main lines of American foreign policy for the next quarter century and to feel in their hearts that it was not ignobly done.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. ADDABBO, for 4 p.m. on September 30 to Thursday, October 2, 1969, on account of official business.

Mr. FARBSTEIN, for Wednesday, October 1, 1969, on account of official business.

Mr. ASPINALL, from end of business on Wednesday, October 1, 1969, until October 6, 1969, on account of official business.

Mr. PELLY (at the request of Mr. GERALD R. FORD), from October 2 through October 8, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ROONEY of New York, for 30 minutes, today; to revise and extend his remarks and include extraneous material.

Mr. LOWENSTEIN, for 10 minutes, today; to revise and extend his remarks and include extraneous material.

Mr. MICHEL, for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. PUCINSKI, for 30 minutes, today.

Mr. RANDALL, for 10 minutes today.

(The following Members (at the request of Mr. FOREMAN), to revise and extend their remarks and to include extraneous matter:)

Mr. HALPERN, for 10 minutes, today.
Mr. SAYLOR, for 20 minutes, today.
Mr. CONTE, for 5 minutes, today.
Mr. ASHBROOK (at the request of Mr. FOREMAN), for 15 minutes, today; to revise and extend his remarks and include extraneous matter.
(The following Members (at the request of Mr. PUCINSKI); to revise and extend their remarks and include extraneous matter:)
Mr. GONZALEZ, for 10 minutes, today.
Mr. RARICK, for 15 minutes, today.
Mr. REUSS, for 10 minutes, today.
Mr. LOWENSTEIN, for 60 minutes, on October 8.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:
Mr. HALL and to include pertinent material.
Mr. HOSMER in two instances and to include extraneous matter.
Mr. MADDEN in two instances and to include extraneous material.
Mr. GAYDOS and Mr. FISHER (at the request of Mr. DENT) to extend their remarks after the special order of Mr. DENT.
(The following Members (at the request of Mr. FOREMAN) and to include extraneous matter:)
Mr. PELLY.
Mr. WYMAN in two instances
Mr. ROUDEBUSH.
Mr. BRAY in two instances.
Mr. SCHWENGEL.
Mr. SEBELIUS.
Mr. HAMMERSCHMIDT.
Mr. MCCLORY.
Mr. CRAMER.
Mr. ASHBROOK.
Mr. SMITH of New York.
Mr. STEIGER of Wisconsin.
Mr. BROCK in three instances.
Mr. BROYHILL of Virginia.
Mr. SCOTT in two instances.
Mr. CHAMBERLAIN.
Mr. SNYDER in six instances.
Mr. SCHADEBERG.
Mr. FREY.
(The following Members (at the request of Mr. PUCINSKI) and to include extraneous matter:)
Mr. MCFALL.
Mr. LONG of Maryland in two instances.
Mr. WILLIAM D. FORD in two instances.
Mr. HAYS in two instances.
Mr. POWELL in four instances.
Mr. NATCHER in two instances.
Mr. GONZALEZ in two instances.
Mr. CHARLES H. WILSON in two instances.
Mr. EVINS of Tennessee in three instances.
Mr. RARICK in two instances.
Mr. LOWENSTEIN in five instances.
Mr. KARTH in two instances.
Mrs. SULLIVAN in two instances.
Mr. HATHAWAY in two instances.
Mr. BROWN of California in three instances.
Mr. MONTGOMERY.
Mr. HANNA.
Mr. MONAGAN in two instances.
Mr. FEIGHAN in four instances.
Mr. GREEN of Pennsylvania.
Mr. HUNGATE in two instances.
Mr. MATSUNAGA.
Mr. STUCKEY.
Mr. TIERNAN.
Mr. FRASER.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1484. An act to abolish the commission authorized to consider a site and plans for building a national memorial stadium in the District of Columbia; to the Committee on District of Columbia.

S. 2701. An act to establish a Commission on Population Growth and the American Future; to the Committee on Government Operations.

S.J. Res. 117. Joint resolution to authorize appropriations for expenses of the Office of Intergovernmental Relations, and for other purposes; to the Committee on Government Operations.

ENROLLED BILL SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 10420. An act to permit certain real property in the State of Maryland to be used for highway purposes.

ADJOURNMENT

Mr. PUCINSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 2 minutes p.m.), the House adjourned until tomorrow, Wednesday, October 1, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1198. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report on Department of Defense use of foreign excess currencies for the period January 1–June 30, 1969, pursuant to the provisions of section 536 of the Department of Defense Appropriation Act, 1969, and section 109 of the Military Construction Appropriation Act, 1969; to the Committee on Appropriations.

1199. A letter from the Comptroller General of the United States, transmitting a report on improvements needed in the management of Government owned and leased real property overseas, Department of State; to the Committee on Government Operations.

1200. A letter from the Under Secretary of the Interior, transmitting the fourth annual report on the minerals exploration assistance program, pursuant to the provisions of section 2(5) of the act of November 8, 1965; to the Committee on Interior and Insular Affairs.

1201. A letter from the Secretary of the Treasury, transmitting a report of claims settled by the Department of the Treasury during fiscal year 1969, pursuant to the provisions of Public Law 88–558, as amended by Public Law 89–185; to the Committee on the Judiciary.

1202. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance program, provide for automatic benefit increases thereafter in the event of future increases in the cost of living, provide for future automatic increases in the earnings and contribution base, and for other purposes; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee, on Veterans' Affairs. H.R. 10106. A bill to revise the definition of a "child" for purposes of veterans' benefits provided by title 38, United States Code, to recognize an adopted child as a dependent from the date of issuance of an interlocutory decree; without amendment (Rept. No. 91–535). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 10912. A bill to amend title 38, United States Code, to liberalize the conditions under which the Administrator of Veterans' Affairs is required to effect recoupment from disability compensation otherwise payable to certain disabled veterans; without amendment (Rept. No. 91–536). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 372. A bill to modify the reporting requirement and establish additional income exclusions relating to pension for veterans and their widows, to liberalize the bar to payment of benefits to remarried widows of veterans, to liberalize the oath requirement for hospitalization of veterans, and for other purposes; with amendments (Rept. No. 91–537). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 13576. A bill to amend title 38 of the United States Code to increase the rates of dependency and indemnity compensation payable to widows of veterans; with amendments (Rept. No. 91–538). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. H.R. 13827. A bill to amend and extend laws relating to housing and urban development, and for other purposes; with amendments (Rept. No. 91–359). Referred to the Committee of the Whole House on the State of the Union.

Mr. TAYLOR: Committee on Interior and Insular Affairs. H.R. 5968. A bill to amend the act entitled "An act to provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes", approved September 5, 1962; with an amendment (Rept. No. 91–540). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG: Committee on Rules. H. Res. 561. Resolution for consideration of H.R. 14000, a bill to authorize appropriations during the fiscal year 1970 for procurement of aircraft, missiles, naval vessels, and tracked combat vehicles, research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes (Rept. No. 91–541). Referred to the House Calendar.

Mr. POAGE: Committee on Agriculture. H.R. 14030. A bill to amend section 358a(a) of the Agricultural Adjustment Act of 1938, as

amended, to extend the authority to transfer peanut acreage allotments; without amendment (Rept. No. 91–542). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. S. 1836. An act to amend the Federal Seed Act (53 Stat. 1275), as amended; without amendment (Rept. No. 91–543), Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 9857. A bill to amend the provisions of the Perishable Agricultural Commodities Act, 1930, to authorize an increase in license fee, and for other purposes; without amendment (Rept. No. 91–544). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 14076. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. BERRY:

H.R. 14077. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. BURTON of Utah:

H.R. 14078. A bill to amend title 10, United States Code, to equalize the retirement pay of members of the uniformed services of equal rank and years of service, and for other purposes; to the Committee on Armed Services.

By Mr. DENT:

H.R. 14079. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. GERALD R. FORD:

H.R. 14080. A bill to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance program, provide for automatic benefit increases thereafter in the event of future increases in the cost of living, provide for future automatic increases in the earnings and contribution base, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNES of Wisconsin:

H.R. 14081. A bill to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance program, provide for automatic benefit increases thereafter in the event of future increases in the cost of living, provide for future automatic increases in the earnings and contribution base, and for other purposes; to the Committee on Ways and Means.

By Mr. FISHER:

H.R. 14082. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. FRIEDEL:

H.R. 14083. A bill to set forth a congressional statement on a national educational policy and to direct the Secretary of Health, Education, and Welfare to initiate a comprehensive study on the formulation of a plan to implement such policy; to the Committee on Education and Labor.

By Mr. FUQUA:

H.R. 14084. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. HENDERSON (for himself and Mr. CHARLES H. WILSON):

H.R. 14085. A bill to provide mail recipients with the option not to receive through the mail unsolicited and potentially offensive sexual materials, and for others purposes; to the Committee on Post Office and Civil Service.

By Mr. ROGERS of Florida (for himself, Mr. JARMAN, Mr. NELSEN, Mr. SATTERFIELD, Mr. CARTER, Mr. KYROS, Mr. SKUBITZ, Mr. PREYER of North Carolina, and Mr. HASTINGS):

H.R. 14086. A bill to amend the Community Mental Health Centers Act to extend the program of assistance under that act for community mental health centers and facilities for the treatment of alcoholics and narcotic addicts, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MESKILL:

H.R. 14087. A bill to prohibit the use of draftees in undeclared wars without their consent; to the Committee on Armed Services.

By Mr. MICHEL (for himself, Mr. ANDERSON of Illinois, Mr. ANNUNZIO, Mr. DERWINSKI, Mr. ERLENBORN, Mr. FINDLEY, Mr. GRAY, Mr. KLUCZYNSKI, Mr. MCCLORY, Mr. MIKVA, Mr. PRICE of Illinois, Mr. RAILSBACK, Mrs. REID of Illinois, Mr. ROSTENKOWSKI, and Mr. SPRINGER):

H.R. 14088. A bill to amend the River and Harbor Act of 1958 to authorize the appropriation of $5,728,000 for the repair and modification of certain structures along the Illinois and Mississippi Canal in the State of Illinois; to the Committee on Public Works.

By Mr. MURPHY of New York:

H.R. 14089. A bill to amend the Marine Resources and Engineering Development Act of 1966 to establish a comprehensive and long-range national program of research, development, technical services, exploration and utilization with respect to our marine and atmospheric environment; to the Committee on Merchant Marine and Fisheries.

By Mr. MURPHY of New York (for himself, Mr. ADAMS, Mr. CORMAN, Mr. DERWINSKI, Mr. HASTINGS, Mr. HELSTOSKI, Mr. MIKVA, Mr. O'NEILL, of Massachusetts, Mr. OTTINGER, and Mr. WOLFF):

H.R. 14090. A bill to amend title 38 of the United States Code to permit certain active duty for training to be counted as active duty for purposes of entitlement to educational benefits under chapter 34 of such title; to the Committee on Veterans' Affairs.

By Mr. MURPHY of New York (for himself, Mr. BOLAND, Mr. GIAIMO, Mr. PODELL, Mr. POLLOCK, and Mr. NIX):

H.R. 14091. A bill to amend the Military Selective Service Act of 1967 to provide for more equitable deferment procedures, to provide for a random system for selecting individuals for induction into the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. OBEY (for himself, Mr. KASTENMEIER, Mr. THOMSON of Wisconsin, Mr. ZABLOCKI, Mr. REUSS, Mr. STEIGER of Wisconsin, Mr. BYRNES of Wisconsin, Mr. O'KONSKI, Mr. ZWACH, Mr. MELCHER, and Mr. SCHADEBERG):

H.R. 14092. A bill to amend Public Law 90–484 (82 Stat. 750); to the Committee on Agriculture.

By Mr. O'NEILL of Massachusetts:

H.R. 14093. A bill to amend title XVIII of the Social Security Act to provide payment for chiropractors' services under the program of supplementary medical insurance benefits for the aged; to the Committee on Ways and Means.

By Mr. ROSENTHAL:

H.R. 14094. A bill to amend the Federal Hazardous Substances Act to provide for child-resistant packaging to protect children from serious personal injury or serious illness resulting from handling, using, or ingesting any hazardous substance, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 14095. A bill to exclude executive officers and managerial personnel of Western Hemisphere businesses from the numerical limitation of Western Hemisphere immigration; to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 14096. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. STEED:

H.R. 14097. A bill to authorize the use of funds arising from a judgment in favor of the Citizen Band of Potawatomi Indians of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GALIFIANAKIS:

H.R. 14098. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Marine Medicine and Pharmacology; to the Committee on Interstate and Foreign Commerce.

By Mr. MORSE:

H.R. 14099. A bill to establish an Office of Consumer Affairs in order to provide with the Federal Government for the representation of the interests of consumers, to coordinate Federal programs and activities affecting consumers, to assure that the interests of consumers are timely presented and considered by Federal agencies, to represent the interests of consumers before Federal agencies, and to serve as a clearinghouse for consumer information; to establish a Consumer Advisory Council to oversee and evaluate Federal activities relating to consumers; to authorize the National Bureau of Standards, at the request of businesses, to conduct product standard tests, and for other purposes; to the Committee on Government Operations.

By Mr. WYLIE (for himself, Mr. HUNT, Mr. DEVINE, Mr. BRAY, Mr. BUCHANAN, Mr. DENT, Mr. DICKINSON, Mr. DOWDY, Mr. EDWARDS of Louisiana, Mr. FEIGHAN, Mr. GALIFIANAKIS, Mr. GOODLING, Mr. GRIFFIN, Mr. JONES of North Carolina, Mr. KING, Mr. KYL, Mr. LUJAN, Mr. LUKENS, Mr. MCCLURE, Mr. MARTIN, Mr. MILLER of Ohio, Mr. PUCINSKI, Mr. ROUDEBUSH, Mr. SCHERLE, and Mr. WATKINS):

H.R. 14100. A bill to prohibit the use of channels of interstate of foreign commerce, including the mails, for distribution of certain material which is harmful to minors; to the Committee on the Judiciary.

By Mr. ABERNETHY:

H.R. 14101. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. BETTS (for himself, Mr. CEDERBERG, Mr. HARVEY, Mr. KING, Mr. SAYLOR, and Mr. WHALLEY):

H.R. 14102. A bill to encourage the growth of international trade on a fair and equitable basis; to the Committee on Ways and Means.

By Mr. DICKINSON:

H.R. 14103. A bill to amend title II of the Social Security Act to provide for cost-of-living increases in the benefits payable thereunder; to the Committee on Ways and Means.

By Mr. DWYER:

H.R. 14104. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 14105. A bill to authorize the Federal National Mortgage Association to purchase conventional mortgages, and for other purposes; to the Committee on Banking and Currency.

H.R. 14106. A bill to assist in meeting the housing goals of the American people by

creating the Home Owners Mortgage Loan Corporation; to the Committee on Banking and Currency.

H.R. 14107. A bill to extend for 1 year the authority to limit the rates of interest or dividends payable on certain deposits and accounts, and for other purposes; to the Committee on Banking and Currency.

H.R. 14108. A bill to provide additional mortgage credit, and for other purposes; to the Committee on Banking and Currency.

H.R. 14109. A bill to increase the availability of guaranteed home loan financing for veterans and to increase the income of the national service life insurance fund; to the Committee on Veterans' Affairs.

By Mr. MEEDS:

H.R. 14110. A bill to permit the people of the Trust Territory of the Pacific Islands to provide for their own governance through the adoption of a constitution, to provide for the government of the trust territory before the approval and implementation of such constitution, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TIERNAN:

H.R. 14111. A bill to authorize the Federal National Mortgage Association to purchase conventional mortgages, and for other purposes; to the Committee on Banking and Currency.

By Mr. ANDREWS of Alabama (for himself and Mr. BEVILL):

H.J. Res. 916. Joint resolution to supplement the joint resolution making continuing appropriations for the fiscal year 1970 in order to provide for carrying out programs and projects, and for payments to State educational agencies and local educational agencies, institutions of higher education, and other educational agencies and organizations, based upon appropriation levels as provided in H.R. 13111, which passed the House of Representatives July 31, 1969, and entitled "An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1970, and for other purposes"; to the Committee on Appropriations.

By Mr. HALEY:

H. Con. Res. 390. Concurrent resolution expressing the sense of Congress with respect to monetary, credit, and import policies which should be implemented to protect certain domestic industries; to the Committee on Ways and Means.

By Mr. HARSHA:

H. Con. Res. 391. Concurrent resolution urging the adoption of policies to offset the adverse effects of governmental monetary restrictions upon the housing industry; to the Committee on Ways and Means.

By Mr. UTT:

H. Con. Res. 392. Concurrent resolution urging the adoption of policies to offset the adverse effects of governmental monetary restrictions upon the housing industry; to the Committee on Ways and Means.

By Mr. BINGHAM:

H. Con. Res. 393. Concurrent resolution to establish a Joint Investigating Committee on Military Justice in Vietnam; to the Committee on Rules.

By Mr. GALLAGHER:

H. Res. 562. Resolution expressing the sense of the House of Representatives that the United States should actively participate in the 1972 United Nations Conference on Human Environment; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 14112. A bill for the relief of Maria Gomez; to the Committee on the Judiciary.

By Mr. WOLFF:

H.R. 14113. A bill for the relief of Purita C. Banzali; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

HEARINGS SCHEDULED ON SMALL BUSINESS NEED FOR ROBINSON-PATMAN ENFORCEMENT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 30, 1969

Mr. EVINS of Tennessee. Mr. Speaker, the House Small Business Committee has scheduled important hearings on antitrust laws, including the Robinson-Patman Act which prohibits unfair price discrimination.

In this connection and as chairman of the committee, I have been pleased to appoint the following as members of the Special Subcommittee on Small Business to conduct these important hearings:

Representative JOHN D. DINGELL, Democrat, of Michigan.

Representative NEAL SMITH, Democrat, of Iowa.

Representative JAMES C. CORMAN, Democrat, of California.

Representative SILVIO O. CONTE, Republican, of Massachusetts.

Representative FRANK HORTON, Republican, of New York.

Because of the interest of my colleagues and the American people in this most important area, I insert in the RECORD a copy of a news release concerning these hearings:

The release follows:

HEARINGS SCHEDULED ON SMALL BUSINESS NEED FOR ROBINSON-PATMAN ENFORCEMENT

Rep. John D. Dingell (D-Mich.), Chairman of the Special Subcommittee on Small Business and the Robinson-Patman Act, (recently created by Chairman Joe L. Evin of the House Small Business Committee), today announced that hearings by that subcommittee will open on October 7, at 10:00 a.m., in the Committee's Hearing Room, 2359 Rayburn House Office Building. Additional hearings will be held at the same hour on October 8 and 9.

Witnesses will include:

The Chairman of the White House Task Force which reported on antitrust policy to President Johnson, Dean Phil C. Neal of the University of Chicago Law School;

The Chairman of the White House Task Force which reported to President Nixon on productivity and competition, Professor George J. Stigler of the Department of Economics of the University of Chicago; and

The Chairman of the American Bar Association Commission to Study the Federal Trade Commission and Chairman of the Antitrust Section of the American Bar Association, Miles W. Kirkpatrick.

Other witnesses will include a number of individual small businessmen, trade association spokesmen, and economists. The dates for further hearings will be announced later.

Rep. Dingell said: "The Subcommittee, while focusing its attention on the Robinson-Patman Act, is also interested in other antitrust activities, including the enforcement of Section 5 of the FTC Act, the role of the Bureau of the Budget in fashioning FTC policy and the agency's need for additional powers, funds and personnel. This, of course, will necessarily entail some consideration of the question of priorities and the allocation of resources."

The Subcommittee is also greatly interested in the interplay between the Department of Justice and the FTC in the context of their concurrent jurisdiction over the Clayton Act.

"It is encouraging," Rep. Dingell observed, "to note that the ABA Commission, studying the FTC at the request of the White House, did not join those extremist critics who have recently called for either repeal of the Robinson-Patman Act or sharp curtailment of its enforcement."

Rep. Dingell continued, "I, of course, have been acutely aware of the glibly strident attacks upon the Robinson-Patman Act. Incredibly, they have included comments by some of those who have accepted the high responsibility of enforcing the Act. It is unfortunate that self-styled purveyors of 'excellence' deem it necessary to advocate the abandonment of one of the traditional American values—fair treatment for all. These critics stress the need for a re-evaluation or re-appraisal of the Robinson-Patman Act and question the necessity for its continued existence and enforcement.

"The Subcommittee hearings will provide a complete, objective and factual analysis of the Robinson-Patman Act and its rationale, as well as a study of the current structural and behavioral background against which such judgments should be made. This re-evaluation will examine the full scope of possibilities concerning the Act, including a determination of the question of whether perhaps greater impetus should be supplied either legislatively or administratively, as well as the questions raised by the critics of the Act."

Rep. Dingell emphasized that the hearings will provide full opportunity to hear opponents and proponents of the Robinson-Patman Act, and will also explore certain other related antitrust problems of importance to small businessmen of the Nation.

Members of the Subcommittee are: Representatives John D. Dingell (D-Mich.), Chairman; Neal Smith (D-Iowa); James C. Corman (D-Calif.); Silvio O. Conte (R-Mass.), Ranking Minority Member; Frank Horton (R-N.Y.); Joe L. Evins (D-Tenn.), Ex Officio Member.

BOTSWANA: A LEADER AMONG EMERGING NATIONS

HON. ADAM C. POWELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 30, 1969

Mr. POWELL. Mr. Speaker, the Republic of Botswana, one of the three countries of Lesotho, Botswana, and